STOCKPORT GRAMMAR SCHOOL

England & Wales · Charity number 1120199

Details

Status	Registered
Legal form	Charitable company
Company number	06261525
Registered	2007-07-23
Register	View on the Charity Commission register

Contact

Address	Stockport Grammar School Buxton Road Stockport SK2 7AF
Phone	01614192401
Email	bursary@stockportgrammar.co.uk
Website	www.stockportgrammar.co.uk

Activities

Objects: TO ADVANCE EDUCATION BY THE PROVISION AND CONDUCT, IN OR NEAR STOCKPORT, OF A SCHOOL ("THE SCHOOL") FOR BOYS AND GIRLS AND INSOFAR AS IT IS INCIDENTAL OR ANCILLARY, SUCH OTHER PURPOSES FOR THE BENEFIT OF THE LOCAL COMMUNITY AS SHALL BE EXCLUSIVELY CHARITABLE.

Activities: The School's object is to advance education by the provision and conduct, in or near Stockport, of a school for boys and girls and insofar as it is incidental or ancillary, such other purposes for the benefit of the local community as shall be exclusively charitable.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People

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Geography

- **Area of benefit:** STOCKPORT AND ITS ENVIRONS
- Stockport

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£22,906,449	£22,120,604	£32,884,639	323
2024-08-31	£21,807,725	£21,118,055	£31,903,163	323
2023-08-31	£20,393,917	£19,639,375	£30,685,973	314
2022-08-31	£19,891,062	£17,190,044	£30,028,865	321
2021-08-31	£16,435,272	£16,293,786	£27,895,837	307
2020-08-31	£15,690,236	£15,671,205	£26,517,748	301

Trustees

Name	Role	Appointed
Paul Nicholas Brearley	Chair	2024-03-19
Adrian Simpson		2015-03-31
Anthony Carr		2013-10-15
Hazel Anna-Marie Tritschler		2023-12-05
Ian McIlwraith		2025-10-14
JOHN SHACKLETON		2015-12-08
Jenny Louise Smith		2024-03-19
John Millington		2022-10-18
Krishanthi Carfrae		2023-05-30
Mark Whylie		2025-10-14
Nigel Robert Booth		2019-04-02
SARAH JANE CARROLL		
Shazia Latif Book		2024-12-10
Tim Firth		2022-12-06
Timothy James Potter		2024-01-17

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Linked charities

- STOCKPORT GRAMMAR SCHOOL TRUST (1120199-1)
- STOCKPORT GRAMMAR SCHOOL GENERAL PRIZE FUND (1120199-2)
- ALBERT JOHNSON MEMORIAL FUND (1120199-3)

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STOCKPORT GRAMMAR SCHOOL

England & Wales - Charity number 1120199

Accounts

Registered number: 06261525
Charity number: 1120199

STOCKPORT GRAMMAR SCHOOL

(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

STOCKPORT GRAMMAR SCHOOL
(A company limited by guarantee)

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STOCKPORT GRAMMAR SCHOOL

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2025

REFERENCE AND ADMINISTRATIVE DETAILS

The School is a company limited by guarantee, company number 6261525 and is registered with the Charity Commission under charity number 1120199. The registered address of the School (which comprises the Senior and Junior Schools) is Stockport Grammar School, Buxton Road, Stockport SK2 7AF.

The Governors of the School are also the Trustees, Directors and Members and are collectively referred to as Governors.

The names of the Governors at the date of signing the Report and/or those who served during the year are as set out below:

Co-optative Governors	* Ms H Tritschler, Chair (appointed 10 December 2024), The University of Manchester Nominative Governor. Co-optative Governor from 15 October 2024.
	* Mr A P Carr, Vice Chair
	Ms S E Carroll
	* Mr A C Simpson, Chair of Finance Committee
	Mr N R Booth
	* Mr J A Shackleton, Chair of Education Committee
	* Mr T Firth, Safeguarding
	Ms J E Smith
	Mr T Potter
	* Mr P N Brearley
Co-optative Governors	* Mrs S L Book (appointed 10 December 2024)
	Mr M K Whylie (appointed 14 October 2025)
	Mr I Mcilwraith (appointed 14 October 2025)
	Mr J M R Lee, Chair (resigned 10 December 2024)
	Mr J A Gardiner, Chair of Building Committee (resigned 17 May 2025)

Co-optative Governors are appointed by the Board of Governors for a period of five years, after which they can be appointed for further five year periods.

Nominative Governors	Ms K Carfrae (Old Stopfordians, Chair Estates & Facilities Committee)
	Ms D Harris (The Teaching Staff of the School)
	Mr J Millington (The Hallam Trust)

Nominative Governors are appointed by their respective nominating organisations for up to two consecutive three-year periods.

* Members of the Management Committee at year end

Mr Lee and Mr Gardiner both retired from the Board during the academic year. The Governors and staff give their heartfelt thanks to them for their long service, attendance at many school events and their wise counsel over many years. We still hope to welcome them at future school events.

In June 2024, Governors decided to have two Vice Chairs of Governors at any time with a view to one of those progressing through to Chair over time and thereby improving succession planning and Governor training.

OFFICERS

Head	Ms S Capewell
Head of Junior School	Mr M J R Copping
Bursar and Clerk to the Governors	Ms J Clague
Interim Bursar	Mr J M Spencer Pickup (appointed 23 June 2025)
School Address	Stockport Grammar School Buxton Road Stockport, SK2 7AF

The day to day running of the School is delegated to the Executive Team comprising the Head, the Head of the Junior School and the Bursar.

Company registered number	06261525
Charity registered number	1120199
Registered office	Stockport Grammar School Buxton Road Stockport Cheshire, SK2 7AF
Company secretary	Joanne Clague
Independent auditor	Crowe U.K. LLP Statutory Auditor 3rd floor, St Georges House 56 Peter St Manchester, M2 3NQ
Bankers	National Westminister Bank plc 10 Great Underbank Stockport, SK1 1LT
Architects	10architect Ltd 12 Hilton Street Manchester, M1 1JF
Insurance Brokers	Bridge Insurance Brokers Ltd Cobac House 14-16 Charlotte Street Manchester, M1 4FL
Investment Advisors	Rathbone Investment Management Port of Liverpool Building Pier Head Liverpool, L3 1NW
Solicitors	Veale Wasbrough Vizard Orchard Court Orchard Lane Bristol, BS1 5WS SAS Daniels LLP 30 Greek Street Stockport, SK3 8AD Schofield Sweeney Springfield House 76 Wellington Street Leeds, LS1 2AY

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

The Governors of the School, who are also the Directors of the Company, present their annual report for the year ended 31 August 2025, together with the audited accounts for the year, which have been prepared in accordance with company law and in compliance with the Charities SORP 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School was established in 1487 under the Will of the founder, Sir Edmund Shaa. It was subject to a Scheme approved by the Charity Commission on 14 February 1991, and amended by variations to the Scheme dated 15 September 1995, 9 January 1996 and 4 May 1999. A company limited by guarantee with charitable status called Stockport Grammar School was incorporated on 29 May 2007 with bespoke Memorandum and Articles of Association. The Governors were appointed as directors and members of the Company and are its charity trustees. The School undertaking and expendable assets of Stockport Grammar School, registered charity number 525936 were transferred to the Company at midnight on 31 August 2007 to form part of the corporate property of the Company. The Articles of Association were reviewed in 2015 and updated to be in line with current legislation.

Governing Body

There is a single governing body for the whole school which comprises the Senior and Junior Schools.

Recruitment and Training of Governors

A Governor search group reviews the composition and future membership of the Board. New Governors are inducted by way of interview with the Clerk to the Governors, who ensures that they are in possession of, and are aware of the implications of, a number of internal documents, Charity Commission guidance documents and the Scheme documents noted above. The Governors have continued a process of self-appraisal and are also encouraged to engage in continuing training during their period of office by attending appropriate external training courses and seminars organised by various external bodies.

The Governors have reviewed the Charity Governance Code for Trustees produced by the Charity Commission and were satisfied that they met the required standards in all areas but that the compliance would continue to be reviewed regularly.

Organisational Management

The School Governors, as Directors of the Company and the Trustees of the Charity, are legally responsible for the overall management and control of Stockport Grammar School, and meet at minimum four times a year. The work of implementing most of their policies is carried out by the members of the Management Committee who meet three times a year to consider the more detailed aspects of those matters which fall within the remit of the Governing body. The Management Committee is chaired by the Chair of Governors.

A full review of all Committees, their terms of reference and Schemes of Governance was undertaken during the previous academic year. Aside from Main Board Meetings and the Management Committee, the other principal Committees are Finance, Estates & Facilities (including Health and Safety & ICT), Education and Marketing, Admissions & Development. Each of these Committees meet as and when required. In addition, Governors meet with staff representatives once each year (and as required) under the umbrella of the Information and Consultation Committee. Further Committees exist to deal with Appeals, Governor Selection and Executive Team Remuneration. Governors review each year any potential conflicts of interest. Two Governors had children who were pupils in the School during the year, and declared an interest when relevant decisions were taken.

The day to day running of the School is delegated to the Executive Team comprising the Head, Ms S Capewell supported by Mr M J R Copping, Head of the Junior School and their Senior Leadership Teams (SLT), together with the Bursar Ms J Clague. The Heads and School Bursar attend meetings of the Board and the Committees.

Remuneration for all staff is set by the Board and is reviewed annually with reference where possible to comparator schools to ensure that the School is aware of pay and employment conditions elsewhere and that

staff are fairly and reasonably rewarded for their contribution to the work of the school. The Governors recognise that delivery of the School's charitable vision and purpose is primarily dependent on the key management personnel and that staff costs are the single largest element of charitable expenditure.

Grant-making policy
The Governors' policy is to make bursary awards available to support an individual's educational potential and ensure that the opportunity for an education at the School is available to as wide a range of children as possible to join the School at 11+ or 16+.

The School endeavours to promote the availability of bursaries to the widest audience through its literature and information, together with the terms and conditions for awards, which are available to view on its website at www.stockportgrammar.co.uk.

Employment policy
The School is an equal opportunities employer. The School ensures job applications from disabled individuals are fully and fairly considered, with a focus on any training and employment requirements. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the School. An aim of the Governing Body is that the ethnicity of the staff should reflect that of its school community while cognisant that at the current time the sector as a whole find there are few applications received from more diverse backgrounds.

Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to apprise staff of current issues.

Investment policy and objectives
The objective for investing the reserve funds is to grow the value of the portfolios over the long term to provide financial support and sustainability, with particular focus on the provision of bursary funding.

The Board aims to maximise the total return (a combination of income and capital growth) on the investment assets within an appropriate and agreed risk profile such that capital growth is achieved to at least keep pace with inflation and an income is generated to help support the school and its pupils.

Rathbones have been appointed with a discretionary investment mandate, carrying out the day-to-day portfolio management within the agreed framework. The Board monitors the manager and the fund performance with reference to the MSCI PIMFA Balanced index (an industry market relative benchmark) and the long term (absolute) return measure of CPI+3%.

Risk management
The Board of Governors is responsible for the management of the risks faced by the School.

Health and Safety risk management underpins many of the activities of the School, from daily management of infrastructure risks such as fire to personal risks, particularly when pupils are involved in off-site co-curricular activities. Careful planning and detailed risk assessment procedures are in place to minimise these.

During the year the Governing Body reviewed and updated its strategic plan and the analysis of the risks to which the School could be exposed. These risks are regularly reviewed by the Executive Team and day to day management of those risks is delegated to the Senior Leaders within School. Risks are identified, assessed and controls established throughout the year.

The key controls used by the School include:

• Comprehensive strategic planning, budgeting and management accounting;
• Established organisation structure and lines of reporting;

• Formal written policies including clear authorisation and approval levels;
• Vetting procedures as required by law for the protection of the vulnerable;
• Terms of reference for all Committees;
• Formal agendas for all Committee and Board activity;
• Safeguarding and Health and Safety being a key, standard item on all agendas for meetings;
• Appropriate level of insurance protection.

Through the risk management process established for the School, the Governors are satisfied that the major risks identified have been adequately managed. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Governors' Insurance
In accordance with normal commercial practice the School has purchased insurance to protect Governors' and Officers from claims arising from negligent acts, errors or omissions occurring whilst on school business. The insurance provides cover up to £5M on any one claim and the cost for the year ended 31 August 2025 was £3,412 of which the proportion relating to Governors is £1,090.

Relationships
The School retains ownership of a company Stockport Grammar School (2007) Limited, established under the Companies Acts, which has not traded since incorporation. The School also has a close relationship with the Stopfordian Trust, a Registered Charity whose objectives include the provision of financial assistance to needy pupils in the School.

OBJECTIVES AND ACTIVITIES

Charitable Object
The School's Object, as set out in the 2007 Scheme, is to advance education by the provision and conduct, in or near Stockport, of a school for boys and girls and insofar as it is incidental or ancillary, such other purposes for the benefit of the local community as shall be exclusively charitable.

Objectives for the Year
The School has five key strategic pillars:

• Opportunity and Ambition
• Supporting the individual
• Striving for Improvement
• Looking to the future
• Embedded in the community

STRATEGIC REPORT

Principal activities
The School provides education in Stockport to boys and girls from the ages of 3 – 18.

In the academic year 2024/2025 the Senior School had an average of 1115 pupils (1111 in 2023/24) and the Junior School had an average of 392 pupils (386 in 2023/24). The number of staff employed during the year, including part time staff, shown as FTE's was teaching Staff 153 (Senior 117, Junior 36) and non-teaching staff 67 (161 teaching staff in 2023/24 of which Senior 126, Junior 35 and non-teaching staff 70).

Strategies to achieve the year's objectives
During this period, the main challenges posed were in relation to economic pressures combined with inflationary rises, further large increases in the National Living Wage and political uncertainty affecting the sector as a whole.

Opportunity and Ambition
The school has updated the Sixth Form Curriculum so that the standard programme is 3 A Levels 'plus one': the 'plus one' could be an additional A Level (from a short list), EPQ, Core Maths AS Level or personal development course.

The School sustains an excellent range of academic clubs, societies and competitions. Added to this is the full enrichment programme of Music, Drama and Outdoor Pursuits as well as Sport. The Duke of Edinburgh Scheme remains popular with increasing participation.

Supporting the individual
Teaching staff continued to be given regular updates and guidance on effective strategies to support the full range of pupils in their classrooms. The Wellbeing Hub has been improved, bringing together provision for physical and mental health, as well as pupil wellbeing more generally.

School nurses, Heads of Year, Heads of Section, Pastoral Support Workers and the Deputy Head (Pastoral) are Youth Mental Health First Aiders trained by Mental Health First Aid (MHFA) England. Any new members of the team are offered training as a matter of course and the training is being extended each year to ensure greater awareness and capability within school.

Pupils have continued to express their views through the School Councils and Eco Committees in the Junior and Senior Schools. These included feedback on catering provision, communication across the school, and consultation over homework, uniform and diversity as well as their work in charitable fundraising. The School has been successful in its application for the Platinum Artsmark award and established a creative hub to promote contact with local arts organisations and Schools, and has launched an Arts Award to allow pupils to gain a qualification and validate their artistic involvement.

Staff Voice meetings, with staff representatives and the Head, took place half termly. All staff were given the opportunity to share their views through an online form. Key trends raised from this feedback generated the topics for discussion in meetings.

Striving for Improvement
Teaching and Learning support was developed with teaching staff. Feedback was gathered at the end of the year to help improve engagement and impact.

The School offers many opportunities to take part in competitive team sports. There have also been individual pupil successes in regional, county and national appearances across a wide variety of sports. Other non-sporting successes include pupil achievement awards in Olympiad competitions, success in Young Enterprise competitions, and recognition of many individual achievements in art and music with pupils performing in regional and national orchestras and exhibiting work in national galleries.

Looking to the future
More informal opportunities to meet with Old Stopfordians have been introduced. A formalised fundraising and development strategy has been developed. The Junior School has updated its marketing strategy.

The School celebrated success in maintaining the Eco Schools Green Flag Award with distinction. On reviewing the School's application, the Eco-Schools England Team noted that SGS have "such a representative Eco-Committee" showing the "school's excellent commitment to both the programme and the eco-cause" and they praised the "eager, enthusiastic volunteers".

Embedded in the community
There has been an ongoing focus on reaching out to local schools and charities.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Public Benefit, Aims and Intended Impact
The School's public benefit aim is to provide an excellent independent education through a strong academic tradition and through developing wider social, moral and personal skills. These are encouraged through the development of a supportive community which places a strong emphasis on the individual development of boys and girls. Such an environment helps pupils to learn self-discipline, participate in and be enriched by the challenges of many extra-curricular activities which will contribute to their success in life beyond school and university by equipping them with high moral values, personal qualities and a thirst for knowledge to serve them all their lives and enable them to become worthwhile and responsible citizens.

In setting out policy and planning these activities the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular the requirement to demonstrate that public benefit for any charitable purpose where it had previously been presumed in the absence of evidence to the contrary.

Through the Marketing, Admissions & Development Department the School has continued with its policy to promote and expand the School's links and role within the wider community of Stockport. The Head of Development works with alumni and the wider school community to increase meaningful experiences for pupils, expand opportunities and support the next generation of Old Stops by growing the bursary funds.

Bursaries
The School continues to provide means tested bursaries to children whose parents would not otherwise be able to pay the fees. This year, the value of bursaries, music scholarships, allowances and other awards made to the School's pupils out of unrestricted funds amounted to £1,209,205 (prior year £1.11 million) of which £1,157,429 were means tested bursaries, which was close to the target figure set by the Governors. Of the bursaries awarded 84% were transformational awards with >80% fee remission. 7.6% of pupils in the Senior School received means tested assistance during the year. There continues to be a wide programme of events and activities in place to raise funds in support of bursaries and bursary information is widely available in the School's publications, on the website and in advertising for Open Events.

Academic support and wider public benefit
Outreach events held at SGS and organised by External Relations in collaboration with Academic departments included Junior Art, Maths and Taster Days for local state and independent schools that attracted over 600 pupils. The Food Technology Department invited 15 food teachers from state and private sector schools to attend a training course. The Head of Sixth Form is part of the University of Manchester Schools and Colleges forum and also on the Advisory Group at UCAS.

Sports support and wider public benefit
The PE department hosted festivals and tournaments for state schools in Rugby, Football, Netball and Hockey. The School hosted the Stockport School Netball Festival for senior schools involving 15 schools and over 200 pupils.

The School provides extensive community use of its sports facilities such as swimming pool and indoor cricket nets. Great Moor State Primary School bring their children to use the swimming pool. There is a community letting programme for the swimming pool including Norris Bank Swimming Club, Trafford Artistic Swimming Club, Lucy Hesford Swim School. Around 700 local pupils receive swimming lessons each week due to this programme. The sports hall is let regularly to High Lane cricket Club, Offerton Cricket Club and North East Cheshire Cricket Club.

The ability of the School to further use its site is restricted by planning regulations regarding use of the outside spaces at weekends and use of flood lights after dark.

Voluntary and community support
Duke of Edinburgh pupils carry out voluntary work at various locations in the local area and the School is the largest independent provider in the North West. There are over three hundred and fifty pupils actively

participating in the scheme. The scheme has a completion rate in excess of 80% which is well above the national average for the UK. Enrolment remains high with over 85% of the 3rd year starting their DofE Bronze last year.

The School welcomed local residents onto the School site during the year to share plans for the future development of the School's sports pavilion and gym which will be replaced as soon as funds permit.

Charity fundraising and community service
Both the Senior and Junior Schools have a Charity Club and the pupils work together with staff to choose the causes they would like to support and they can engage the SGS community. Previous successful fundraisers have included bake sales, non-uniform days, taking part in physical challenges and food collections. In total pupils raised almost £14,000; pupils in the Senior School supported the Wellspring, Chelwood Food Bank, Shoe Box Fairy, Children's Book Project, Bare Necessities, EducAid, Francis House, British Heart Foundation, Toilet twining, Amnesty for Unicef. The Junior School were equally active and supported the Red Cross, The Christie, Children in Need, Comic Relief and the Wellspring.

Governors appreciate and celebrate the huge commitment of all staff who go above and beyond in their roles to enrich the lives of young people, to act as aspirational role models and ambassadors in the local community.

Volunteers
The Stopfordian Parents' Association has continued to provide invaluable support to the School in terms of fundraising and support of a wide variety of activities. The school is hugely appreciative of their return to a focus of surplus funds being donated to the bursary fund in recognition of the difference that this can make to the lives of young people.

ACHIEVEMENTS AND PERFORMANCE

Operational performance
In the Senior School the objective is to ensure that all pupils maximise their academic potential. The School is immensely proud of the achievements of all of our pupils and their resilience at handling the exam process; at Advanced Level in 2025 76% achieved A*, A or B grades and 41% at A* and A.

Three pupils accepted their place at Oxford and recipients of transformational bursaries secured places at Russell Group universities. 91% of other pupils were successful in meeting the entry requirements of their chosen universities. While traditional courses such as Medicine, Dentistry, Veterinary Science, Architecture, Engineering and Law remain popular aspirational choices, we are also delighted to see students being equally successful in gaining Higher Apprenticeships supported by major employers. It is a pleasure to see our pupils following their passion and their talents in other areas as diverse as Finance, Economics, Archaeology, English Literature, Psychology, International Relations, Marine Biology, Oceanography, Drama and Performing Arts, Sport and Exercise Science, Music, Costume Production and History of Art. We wish all our leavers the very best for their futures and career success in whatever field they chose and hope that they remain in touch with our alumni community.

In 2025 at GCSE 58% of grades awarded were at 9/8/7 with 19% of entries at the highest grade 9. The overall results were judged to be a fair reflection of pupil abilities and the School is pleased that the exam boards have completed their phased move back to 'normal' exam situations for our pupils' post pandemic. The majority of pupils took nine subjects at GCSE or IGCSE Level from a range of examining bodies. The school value added according to CEM data was positive and is improving over time.

In the Junior School standardized tests are undertaken on a termly basis and the outcomes are assessed against national benchmarks. Our tracking system demonstrates that outcomes in the average range and above average range have continued to increase over the last few years.

Fundraising performance
No specific fundraising target was set by the Governors, but during the year under review, the amount raised was £182,267 (prior year: £235,665). This included a generous donation from the Zochonis Charitable Trust of £42,000, a £25,000 donation for the Boardman climbing wall, and a £10,000 donation from the SPA. The School's aim is to ensure that strong relations continue to be maintained with alumni and other potential benefactors to develop the opportunities for fundraising both for bursaries and capital projects. The School has continued to benefit from a number of generous legacies from former pupils which support the bursary funds that enable pupils to join the school. During the year the School received a number of small legacies. Stockport Grammar School remains very grateful for the generous support provided by such donors. It enables talented children to join the school who can only attend with the assistance of a means-tested bursary The Governors anticipate that significant future donations will arise from the legacy programme.

The School had no fundraising activities requiring disclosure under 5162A of the Charities Act 2011.

Investment Performance
Total Return figures (gross unless otherwise stated) to 31 August 2025 are provided below:

	1 Year
Portfolio	5.8
PIMFA Balanced	8.9
ARC Charity Steady Growth (net)	5.8
CPI + 3%	6.9

Markets were volatile over the period caused in large part by Trump's tariffs, conflict, political instability and varying degrees of excitement around Artificial Intelligence.

Inflation, as the major macroeconomic factor, remains 'sticky' despite easing from recent highs, making it difficult for Central Banks to ease interest rates. This is expected to moderate in the coming quarters and as such interest rate reductions will likely be supportive of risk assets and financial markets.

Despite this challenging backdrop, the portfolio showed continued growth (+5.8%) in the period, below the PIMFA Balanced benchmark, but in line with the peer group comparator, ARC Charity Steady Growth.

Governors therefore continue to proceed carefully, adopting a well-diversified approach to portfolio construction, combining defensive companies which can grow and compound their earnings, high quality businesses with competitive advantages that are more exposed to the economic cycle and higher growth stocks which can benefit from both emerging and longer-term structural trends.

Major risks
The Governors regularly update the high level risk assessment. The Governors oversee the actions that the School takes to mitigate these risks. The key risks identified include:

• Increased fees charged to parents including VAT, business rates and operating costs and the impact this may have on pupil numbers over the medium term.
• The measures that the School is taking to mitigate the risks from cyber attacks or major IT failures impacting education services and the School's financial systems.

FINANCIAL REVIEW

The School's net incoming resources on unrestricted funds before transfers or gains showed a net surplus for the year of £707,801 (2024: surplus of £551,156) after charging depreciation of £1,105,324 (2024: £1,025,318) and receipt of bank interest of £156,971 (2024: £130,977). Pupil numbers for the academic year 2024-2025 were slightly lower than budgeted, although this was offset by savings in other areas such as utilities and work to

increase other sources of income. The school has continued to make savings in operating costs, but this was offset by inflationary pressures relating to unavoidable costs such as insurance, food, fuel and coach travel. Governors are mindful that all of this is against a backdrop where families face ongoing financial difficulties and that families cannot continue to absorb the increases in the school's operating costs. The School is further needing to spend more on bus subsidies in an effort to limit bus fare increases for families and keep school bus routes viable along with the cost of further pastoral support for pupils who need it adding an additional and increasing cost to running the school.

Governors recognise that the continuing very significant economic pressures on parents may have an impact on future recruitment and retention. However, they note the huge commitment of families to Stockport Grammar and their children's education and that the level of fee debt owed to the School has now significantly reduced. The Governors were also pleased to note the continuing value of the external letting of the swimming pool, sports hall and rental properties and the additional income they generate to support the work of the School.

Free reserves policy
Notes 26 to 28 to the financial statements show the assets and liabilities attributable to the various types of fund and summarise the year's movements on each fund. The School's total reserves of £32,884,639 (2024: £31,903,163) at year end comprised £140,104 endowed funds (2024: £139,174), restricted funds of £3,417,632 (2024: £3,274,622) and unrestricted funds of £29,326,903 (2024: £28,489,367). Unrestricted funds, not designated by the Governors, amounted to £23,142,062 at 31 August 2025 (2024: £22,471,563). Designated funds amounted to £6,184,841 (2024: £6,017,804) and a description of the purpose of the designations is shown in note 26 to the financial statements. Free reserves, after deducting the net book value of tangible fixed assets, were £4,381,983 (2024: £3,289,488).

To fulfil Stockport Grammar School's charitable objectives the Governors' acknowledge the importance of maintaining cash reserves to fund unforeseen fluctuations in income or expenses. The Governors strive to balance the necessity of the cash reserves against the significant costs of continuously upgrading the school premises, many of which are buildings of historic interest. To maintain the necessary balance, it is policy to manage the Charity's finances to ensure unrestricted funds should be a minimum of 10% of turnover. This equates to holding reserves of £2.29m.

Funding Sources
The School relies almost entirely on its fee income received from parents to cover its expenditure and to pay for investment in buildings and resources. The only external sources of funds are normally by way of donations and these are shown as income to the School and in the Restricted Funds.

FUTURE PLANS

It is the Governors' and Head's intention to ensure that pupils continue to achieve excellent academic results that will enable them to gain entry to leading universities and prepare them for life beyond school whilst having the opportunity to participate in as wide a range of co-curricular activities as possible.

Across the School there are five key strategic areas of focus for the medium term:

	Opportunity and Ambition	Supporting the Individual	Striving for Improvement	Looking to the Future	Embedded in the Local Community
Senior School	To embed and review the new Sixth Form curriculum structure. To review the co-curricular offering.	To coordinate pupil wellbeing across the school and to develop pupil resilience To review and develop the pupil tracking system To embed adaptive teaching principles	To review and update the whole school approach to behaviour To focus on feedback and use of technology to support pupil progress To embed the new PDR system for teaching staff	To develop a culture of philanthropy To develop a longer term site development plan To ensure strong pupil recruitment through a review of marketing materials and admissions processes	To develop a co-ordinated outreach strategy
Junior School	To further increase clubs, particularly for Reception pupils Foundations subjects use O Track for data analysis Junior classes access Forest School New Kagan Structures introduced Little Wandle embedded To review approach to AI	Review current approach to challenge and extension and devise action plan To ensure an inclusive and supportive learning experience for pupils with neuro-diversity	Implement new PDR process Subject Leads to visit identified schools with strong teaching to develop a broader picture Introduce new subject SEFs and action plans	To continue to focus on Nursery and Y3 recruitment To embed new branding To review Junior School transition process to Senior School	Choir involvement in local community – care homes, etc Sports fixtures targeted at local state primary schools

STREAMLINED ENERGY AND CARBON REPORTING

The School's greenhouse gas emissions and energy consumption are as follows:

	2025	2024	2023	2022	2021
UK energy use (1)kWh	3,293,229	3,241,320	3,600,761	3,863,500	4,052,452
Associated Greenhouse gas emissions (2) Tonnes CO2 equivalent	593.83	613.87	680.09	713	772.33
Intensity ratio - Emissions per pupils	0.40 per pupil	0.40 per pupil	0.43 per pupil	0.47 per pupil	0.53 per pupil
Intensity ratio - Emissions per area	0.03 per sqm	0.03 per sqm	0.03 per sqm	0.04 per sqm	0.04 per sqm

The School has used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition). Further emission factors were used from UK Government's GHG Conversion Factors for Company Reporting 2025. The School is delighted to see the progress being made since it started to monitor emissions and energy consumption in 2021.

UK energy use covers gas, electricity and transport fuel.

Work has continued in the year to move all operating controls for heating to a central BMS system so that it can also be effectively programmed to take account of school holidays and lower the maximum temperatures to reduce consumption, control costs and provide a healthy working environment. Unfortunately, in some legacy buildings such as Convent House and the main Hallam building, the old cast iron central heating loops are still in place and funds do not currently exist to deal with those legacy inefficient systems.

SECTION 172 STATEMENT AND STAKEHOLDER ENGAGEMENT

The Governors have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the School for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172 of the Companies Act 2006.

In discharging their duties above, the Governors carefully consider, amongst other matters, the impact on and interest of other stakeholders in the School and factor these into their decision-making process.

Pupils
Pupils benefit from the School's excellent pastoral provision with staff placing as much importance on pupils' all-round personal development as they do on academic progress.

Employees
The School recognises that the qualities, skills and commitment of its employees play a major role in the School's success. Regular briefings keep staff informed of School-wide developments, and wide-ranging employee benefits enhance their quality of life. Staff wellbeing remains a key focus as the increasing demands and pace of change that all employees now face in a modern world. Focus also remains on equality, diversity and inclusion where improvements can always be made. The introduction of the Employee Assistance Programme in 2022 to provide 24/7 support to staff and their immediate families has proved to be a valuable resource.

Parents
The School recognises the many benefits of engaging with parents and has reimagined its communications with parents over the past twelve months. An historic reliance on written communication has given way to digital innovations such as streaming live and recorded audio-visual events and podcasts.

Community
The School is proud of its place in the local community and conscious that it has significantly beneficial impact on the local economy and on local cultural life.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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

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

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

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:
• there is no relevant audit information of which the School's auditor is unaware, and
• that Governors have taken all the steps that ought to have been taken in order to be aware of any information needed by the School's auditor in connection with preparing its report and to establish that the School's auditor is aware of that information.

This report, incorporating the Strategic report, was approved by the Governors, as the company directors, on .24th March 2026 and signed on the board's behalf by:



.....
H Tritschler
Chair

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

Opinion

We have audited the financial statements of Stockport Grammar School (the 'charitable company') for the year ended 31 August 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STOCKPORT GRAMMAR SCHOOL (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Governors are responsible for the other information contained within the Annual 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Governors' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

In preparing the financial statements, the Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STOCKPORT GRAMMAR SCHOOL (CONTINUED)

Auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP

Statutory Auditor

3rd floor, St Georges House

56 Peter St

Manchester, M2 3NQ

Date: 16th April 2026

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

STOCKPORT GRAMMAR SCHOOL

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income and endowments from:						
Donations and legacies	4	**490**	**237,089**	**-**	**237,579**	*254,407*
Charitable activities:	5					
School fees		**19,838,497**	**-**	**-**	**19,838,497**	*19,093,848*
Other educational income		**162,778**	**-**	**-**	**162,778**	*178,728*
Other ancillary trading income		**2,198,990**	**-**	**-**	**2,198,990**	*1,801,002*
Other charitable activities		**42,662**	**-**	**-**	**42,662**	*53,377*
Investments	7	**362,639**	**62,662**	**642**	**425,943**	*426,363*
Total income and endowments		**22,606,056**	**299,751**	**642**	**22,906,449**	*21,807,725*
Expenditure on:						
Raising funds:	8					
Fundraising costs		**42,693**	**-**	**-**	**42,693**	*57,716*
Investment management		**31,538**	**12,496**	**758**	**44,792**	*45,312*
Charitable activities	9	**21,824,024**	**209,095**	**-**	**22,033,119**	*21,015,027*
Total expenditure		**21,898,255**	**221,591**	**758**	**22,120,604**	*21,118,055*
Net income/(expenditure) before net gains on investments		**707,801**	**78,160**	**(116)**	**785,845**	*689,670*
Net gains on investments		**129,735**	**64,851**	**1,046**	**195,632**	*527,520*
Net movement in funds		**837,536**	**143,011**	**930**	**981,477**	*1,217,190*
Reconciliation of funds:						
Total funds brought forward		**28,489,367**	**3,274,622**	**139,174**	**31,903,163**	*30,685,973*
Net movement in funds		**837,536**	**143,011**	**930**	**981,477**	*1,217,190*
Total funds carried forward		**29,326,903**	**3,417,633**	**140,104**	**32,884,640**	*31,903,163*

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 51 form part of these financial statements.

STOCKPORT GRAMMAR SCHOOL

(A company limited by guarantee)
REGISTERED NUMBER: 06261525

BALANCE SHEET
AS AT 31 AUGUST 2025

	Note		2025 £		*2024* *£*
Fixed assets					
Tangible fixed assets	13		**18,760,079**		*19,182,075*
Securities investments	15		**6,458,139**		*6,352,905*
Property investments	14		**2,379,143**		*2,260,200*
			27,597,361		*27,795,180*
Current assets					
Stocks	16	**47,530**		*60,718*	
Debtors	18	**1,001,712**		*989,355*	
Fixed assets held for sale	17	**39,200**		*39,200*	
Cash at bank and in hand		**8,839,641**		*10,106,148*	
		9,928,083		*11,195,421*	
Current liabilities					
Creditors: amounts falling due within one year	19	**(3,645,554)**		*(5,393,518)*	
Net current assets			**6,282,529**		*5,801,903*
Total assets less current liabilities			**33,879,890**		*33,597,083*
Creditors: amounts falling due after more than one year	20		**(995,251)**		*(1,693,920)*
Net assets excluding pension asset			**32,884,639**		*31,903,163*
Total net assets			**32,884,639**		*31,903,163*
Charity funds					
Endowment funds	26		**140,104**		*139,174*
Restricted funds	26		**3,417,632**		*3,274,622*
Designated and general funds	26		**29,326,903**		*28,489,367*
Total funds			**32,884,639**		*31,903,163*

The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2025

The financial statements were approved and authorised for issue by the Governors on 24th March 2026 and signed on their behalf by:



H Tritschler
Chair

The notes on pages 24 to 51 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	2025 £	*2024* *£*
Cash flows from operating activities		
Net cash used in operating activities	**(980,576)**	*5,874,069*
Cash flows from investing activities		
Dividends, interests and rents from investments	**425,943**	*426,363*
Proceeds from the sale of tangible fixed assets	**-**	*14,000*
Purchase of tangible fixed assets	**(683,329)**	*(1,858,433)*
Proceeds from sale of investments	**1,019,453**	*1,129,936*
Purchase of investments	**(1,047,998)**	*(1,396,841)*
Net cash used in investing activities	**(285,931)**	**(1,684,975)**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**(1,266,507)**	**4,189,094**
Cash and cash equivalents at the beginning of the year	**10,106,148**	*5,917,054*
Cash and cash equivalents at the end of the year	**8,839,641**	*10,106,148*

The notes on pages 24 to 51 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

1. General information

Stockport Grammar School is a Company limited by guarantee (registered number 6261525), which is registered in England and Wales. It's charity registration number is 1120199. The registered office and principal place of business is Buxton Road, Stockport, SK2 7AF.

Its principal activity is the provision of day schooling.

The members of the company are the Governors named on page 1. In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per member of the School.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

Stockport Grammar School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 31.

2.2 Fees and Similar Income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

Investment income from dividends and bank balances is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates.

Donations receivable for the general purposes of the Charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on the Governors, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments – permanent or expendable according to the nature of the restriction.

2. Accounting policies (continued)

2.2 Fees and Similar Income (continued)

Donations and legacies income is recognised when the conditions for entitlement, probability and measurement have been met.

Government grants are credited to the Statement of financial activities as the related expenditure is incurred.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is accrued as soon as a liability is considered probable discounted to present value for longer term liabilities and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Liabilities are recognised where there is a legal or constructive obligation committing the entities to the expenditure. The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of charitable activity. Included in support costs of the school are budgeting and accounting, information technology, human resources and finance. School trip expenditure is included under support costs.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the Governors and all costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

2.4 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised at historical cost.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

2. Accounting policies (continued)

2.4 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Buildings	-	2%
Motor vehicles	-	25%
Fixtures and fittings	-	25%
Computer equipment	-	33%

Land is not depreciated.

A full year's charge is made in the year in which the asset is brought into use but no charge is made in the year of disposal.

2.5 Investments

Security investments are valued in the balance sheet at their mid-market value at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction-based, while investment income management costs are charged as expenditure out of the relevant income funds.

Investment properties are valued at intervals not exceeding 5 years on an open market existing use basis subject to current occupation and tenancies in place at that time by an appropriately qualified professional. In intervening years the Trustees value them by reference to market reports and government indices. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

2.6 Inventories

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised costs using the effective interest method, less any impairment.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Accounting policies (continued)

2.9 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments and cash at bank which are held at fair value. Financial assets held at amortised cost comprise trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

2.10 Pensions

The Charity contributed to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator for teaching staff who joined pre-1 April 2024. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme.

The Charity also contributes to a group personal pension scheme for all other staff. Contributions to all schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting judgements and key sources of estimation uncertainty

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

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

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

Critical accounting estimates and assumptions:

In preparing the financial statements the trustees have considered the treatment of fee deposits. As per the standard terms and conditions fee deposits are offset against future fees or parents can elect to donate the deposit to the School. Therefore, the trustees have judged it appropriate to classify the fee deposits due as split between greater than one year and less than one year based on the expected repayment date.

4. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Donations			
General appeal donations	490	-	**490**
Bursary appeal donations	-	212,665	**212,665**
Prize fund donations	-	831	**831**
Award funds donation	-	-	**-**
Old Stopfordians donation	-	2,185	**2,185**
Award Donations	-	21,408	**21,408**
Subtotal detailed disclosure	490	237,089	**237,579**
	490	237,089	**237,579**

4. Income from donations and legacies (continued)

	Unrestricted funds 2024 £	*Restricted funds 2024 £*	*Total funds 2024 £*
Donations			
General appeal donations	*538*	*-*	*538*
Bursary appeal donations	*-*	*159,653*	*159,653*
Prize fund donations	*-*	*3,788*	*3,788*
Award funds donation	*-*	*73,551*	*73,551*
Old Stopfordians donation	*-*	*2,606*	*2,606*
Stopfordians Trust Bursary	*-*	*14,271*	*14,271*
Subtotal detailed disclosure	*538*	*253,869*	*254,407*
	538	*253,869*	*254,407*

5. Income from charitable activities

	Unrestricted funds 2025 £	**Total funds 2025 £**
School fees (see note 6)	19,838,497	**19,838,497**
Entrance and registration fees	49,068	**49,068**
Courses and sub-lettings	113,710	**113,710**
School meals	1,233,691	**1,233,691**
Morning club	6,400	**6,400**
School trips	958,899	**958,899**
Fee interest received	-	**-**
Other	42,662	**42,662**
	22,242,927	**22,242,927**

5. Income from charitable activities (continued)

	Unrestricted funds 2024 £	*Total funds 2024 £*
School fees (see note 6)	*19,093,848*	*19,093,848*
Entrance and registration fees	*73,659*	*73,659*
Courses and sub-lettings	*105,069*	*105,069*
School meals	*1,153,434*	*1,153,434*
Morning club	*4,449*	*4,449*
Fee interest received	*429*	*429*
School trips	*642,690*	*642,690*
Other	*53,377*	*53,377*
	21,126,955	*21,126,955*

6. School fees

	Senior 2025 £	**Junior 2025 £**	**Nursery 2025 £**	**Total funds 2025 £**
Gross fees	16,525,201	4,088,394	261,579	**20,875,174**
Bursaries, grants and allowances	(1,032,677)	-	-	**(1,032,677)**
	15,492,524	4,088,394	261,579	**19,842,497**

After School Care fees included in the above amounted to £80,510 (2024: £73,463).

Scholarships, bursaries and other awards were paid to 115 pupils (2024: 114). Within this means tested bursaries totalling £1,168,022 were paid to 86 pupils (2024: £1,208,911 to 93 pupils).

	Senior 2024 £	*Junior 2024 £*	*Nursery 2024 £*	*Total funds 2024 £*
Gross fees	*15,920,014*	*3,972,630*	*271,715*	*20,164,359*
Bursaries, grants and allowances	*(1,070,510)*	-	-	*(1,070,510)*
	14,849,504	*3,972,630*	*271,715*	*19,093,849*

7. Investment income

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £
Bank interest received	172,851	6,923	-	**179,774**
Dividends received	90,091	55,739	642	**146,472**
Investment property rental	99,697	-	-	**99,697**

	Unrestricted funds 2024 £	*Restricted funds 2024 £*	*Total funds 2024 £*
Bank interest received	*152,684*	*-*	*152,684*
Dividends received	*96,948*	*65,983*	*162,931*
Investment property rental	*104,445*	*6,303*	*110,748*
Total 2024	*354,077*	*72,286*	*426,363*

8. Analysis of total resources expended

Costs of generating funds:

	Unrestricted funds 2025 £	Total funds 2025 £
Fundraising for voluntary resources	42,693	**42,693**

8. Analysis of total resources expended (continued)

Costs of generating funds: (continued)

	Unrestricted funds 2024 £	*Total funds 2024 £*
Fundraising for voluntary resources	*57,716*	*57,716*

	Unrestricted funds 2025 £	**Restricted funds 2025 £**	**Endowment funds 2025 £**	**Total funds 2025 £**
Investment management	31,538	12,496	758	**44,792**

	Unrestricted funds 2024 £	*Restricted funds 2024 £*	*Endowment funds 2024 £*	*Total funds 2024 £*
Investment management	*30,529*	*14,035*	*748*	*45,312*

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Teaching	13,547,675	-	**13,547,675**
Welfare	1,903,036	-	**1,903,036**
Premises	2,842,634	-	**2,842,634**
Support costs	3,397,360	-	**3,397,360**
Grants, awards and prizes	133,319	209,095	**342,414**
	21,824,024	209,095	**22,033,119**

	Unrestricted funds 2024 £	*Restricted funds 2024 £*	*Total 2024 £*
Teaching	*12,993,233*	-	*12,993,233*
Welfare	*1,867,268*	-	*1,867,268*
Premises	*2,678,112*	-	*2,678,112*
Support costs	*3,111,075*	-	*3,111,075*
Grants, awards and prizes	*139,939*	*225,400*	*365,339*
	20,789,627	*225,400*	*21,015,027*

9. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2025 £	Depreciation 2025 £	Other costs 2025 £	Total 2025 £
Teaching	12,308,310	-	1,239,365	**13,547,675**
Welfare	845,344	-	1,057,692	**1,903,036**
Premises	218,748	803,380	1,820,506	**2,842,634**
Support costs	1,310,605	301,944	1,784,811	**3,397,360**
Grants, awards and prizes	-	-	342,414	**342,414**
	14,683,007	1,105,324	6,244,788	**22,033,119**

	Staff costs 2024 £	*Depreciation 2024 £*	*Other costs 2024 £*	*Total 2024 £*
Teaching	*11,785,287*	*-*	*1,207,946*	*12,993,233*
Welfare	*771,000*	*-*	*1,096,268*	*1,867,268*
Premises	*190,783*	*772,813*	*1,714,516*	*2,678,112*
Support costs	*1,296,734*	*252,505*	*1,561,836*	*3,111,075*
Grants, awards and prizes	-	-	*365,339*	*365,339*
	14,043,804	*1,025,318*	*5,945,905*	*21,015,027*

10. Auditor's remuneration

	2025 £	*2024 £*
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	**18,412**	*17,535*
Fees payable to the Company's auditor and its associates in respect of:		
Other governance costs	**13,240**	*18,680*
All assurance services not included above	**770**	*735*
All non-audit services not included above	**1,930**	*1,838*

11. Staff costs

	2025 £	*2024* *£*
Wages and salaries	**10,992,775**	*10,688,948*
Social security costs	**1,267,615**	*1,122,782*
Contribution to defined contribution pension schemes	**2,422,617**	*2,232,074*
	14,683,007	*14,043,804*

During the year six settlement agreements totalling £34,997 were paid (2024: two payments totalling £27,280). At the year end there was no outstanding balance (2024: £Nil).

The average number of persons employed by the Company during the year was as follows:

	2025 No.	*2024* *No.*
Avarage number of employees	**323**	*323*

The average headcount expressed as full-time equivalents was:

	2025 No.	*2024* *No.*
Teaching	**153**	*161*
Welfare	**20**	*23*
Premises	**6**	*6*
Support	**41**	*41*
	220	*231*

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

	2025 No.	*2024* *No.*
In the band £60,001 - £70,000	**22**	*23*
In the band £70,001 - £80,000	**5**	*2*
In the band £80,001 - £90,000	**4**	*3*
In the band £90,001 - £100,000	**-**	*-*
In the band £100,001 - £110,000	**2**	*1*
In the band £110,001 - £120,000	**-**	*1*
In the band £120,001 - £130,000	**-**	*1*
In the band £130,001 - £140,000	**1**	*-*

12. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits *(2024 - £NIL)*.

During the year ended 31 August 2025, expenses totalling £7,400 were reimbursed or paid directly to Governors *(2024 - £11,539 to* Governors).

13. Tangible fixed assets

	Freehold land and buildings £	Assets under construction £	Fixtures and fittings £	Computer system and cabling £	Total £
Cost or valuation					
At 1 September 2024	**22,927,383**	**427,139**	**4,241,593**	**1,366,230**	**28,962,345**
Additions	**72,877**	**302,916**	**-**	**307,536**	**683,329**
Transfers between classes	**-**	**(684,969)**	**684,969**	**-**	**-**
At 31 August 2025	**23,000,260**	**45,086**	**4,926,562**	**1,673,766**	**29,645,674**
Depreciation					
At 1 September 2024	**6,281,542**	**-**	**2,497,736**	**1,000,992**	**9,780,270**
Charge for the year	**440,703**	**-**	**362,675**	**301,946**	**1,105,324**
At 31 August 2025	**6,722,245**	**-**	**2,860,411**	**1,302,938**	**10,885,594**
Net book value					
At 31 August 2025	**16,278,015**	**45,086**	**2,066,151**	**370,828**	**18,760,080**
At 31 August 2024	*16,645,841*	*427,139*	*1,743,857*	*365,238*	*19,182,075*

The primary use of all the tangible fixed assets is for direct charitable purposes.

On incorporation, two plots of land were presumed to be permanent endowment. These were a plot of land conveyed between Alfred Bell Esq and the Official Trustee of Charity Land in trust for the Stockport Grammar School and a plot of land conveyed between Peter Peirce and the Official Trustee of Charity Land in trust for the Stockport Grammar School. It is not possible to distinguish the value of these plots of land from the freehold land and buildings noted above.

As at 31 August 2025, the School had capital commitments of £nil.

14. Property Investments

	Freehold investment property £
Valuation	
At 1 September 2024	**2,260,200**
Additions	**118,943**
At 31 August 2025	**2,379,143**

The investment property consists of buildings held for investment purposes, which are not used in the School's own activities. All of the properties are in Stockport and are let out on the open market.

The last formal valuations of the properties were undertaken in October 2024. These were undertaken by Michael Hart and Company Limited, Chartered Surveyors and Garner & Sons, Chartered Surveyors.

15. Fixed asset investments

	Designated Funds £	Restricted Funds £	Endowed Funds £	Total £
Cost or valuation				
At 1 September 2024	**4,033,991**	**2,180,169**	**138,745**	**6,352,905**
Additions	**612,384**	**316,671**	**-**	**929,055**
Disposals	**(681,770)**	**(336,722)**	**(961)**	**(1,019,453)**
Revaluations	**129,735**	**64,851**	**1,046**	**195,632**
At 31 August 2025	**4,094,340**	**2,224,969**	**138,830**	**6,458,139**
Net book value				
At 31 August 2025	**4,094,340**	**2,224,969**	**138,830**	**6,458,139**
At 31 August 2024	*4,033,991*	*2,180,169*	*138,745*	*6,352,905*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

	2025 £	2024 £
Investments at market value comprise:		
Listed UK Equities	**3,822,887**	*4,551,283*
Listed non-UK Equities	**2,250,252**	*1,416,622*
Cash on deposit	**385,000**	*385,000*
	6,458,139	*6,352,905*

The investments are held as fixed assets which generate income to be applied for the purposes described in notes 25 - 27.

16. Stocks

	2025 £	2024 £
Goods for resale and consumables	**47,530**	*60,718*

17. Fixed assets held for sale

	2025 £	2024 £
Assets held for sale	**39,200**	*39,200*
	39,200	*39,200*

18. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	**92,535**	*65,651*
Other debtors	**430,129**	*569,690*
Prepayments and accrued income	**479,048**	*354,014*
	1,001,712	*989,355*

19. Creditors: Amounts falling due within one year

	2025 £	2024 £
Fee deposits	**61,050**	*51,916*
Trade creditors	**1,385,369**	*669,040*
Other taxation and social security	**109,240**	*246,250*
Payments received on account	**1,422,899**	*2,921,277*
Other creditors	**4,193**	*21,870*
Accruals and deferred income	**662,803**	*1,483,165*
	3,645,554	*5,393,518*

20. Creditors: Amounts falling due after more than one year

	2025 £	2024 £
Fee deposits (see note 21)	**228,994**	*247,152*
Fees in advance (see note 22)	**766,257**	*1,446,768*
	995,251	*1,693,920*

21. Fee deposits

Fee deposits are returned via the offset of future fees (or alternatively as a donation to the School) and are expected to be applied as follows:

	2025 £	2024 £
Movements of fee deposits		
Balance at 1 September	**299,068**	*296,952*
New deposits received	**133,651**	*147,620*
Deposits utilised	**(142,675)**	*(145,504)*
Balance at 31 August	**290,044**	*299,068*

22. Fees in advance

Parents may enter into a contract to pay the School tuition fees in advance. The money may be returned, subject to specific conditions but, assuming the relevant pupils remain in the School, advance fees will be applied as follows:

	2025 £	*2024* *£*
In one year or less	**974,180**	*2,921,277*
Between one and two years	**414,952**	*749,241*
Between two and five years	**351,305**	*697,527*
	1,740,437	*4,368,045*

	2025 £	*2024* *£*
Movements on advance fees:		
Balance at 1 September	**4,368,045**	*364,263*
New deposits received	**293,669**	*4,368,045*
Amounts utilised in payments	**(2,921,277)**	*(364,263)*
Balance at 31 August	**1,740,437**	*4,368,045*

23. Financial instruments

	2025 £	*2024* *£*
Financial assets		
Financial assets measured at fair value through income and expenditure	**8,839,641**	*8,613,105*

	2025 £	*2024* *£*
Total investment income for financial assets measured at fair value through income and expenditure	**425,943**	*426,363*
Net (losses)/gains on financial assets measured at fairvalue through income and expenditure	**195,632**	*527,520*
Impairment (losses)/gains on financial assets measured atamortised cost	**(26,703)**	*(16,960)*

24. Pension commitments

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff who joined pre-1 April 2024. The pension charge for the year includes contributions payable to the TPS of £2,017,130 (2024: £1,849,616) and at the year-end £Nil (2024 - £Nil) was accrued in respect of contributions to this scheme.

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

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

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

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%. Given the increase in employer contribution rate and the possibility of further increases in the future, a decision was taken to proceed with Phased Withdrawal from the TPS from 1 April 2024, meaning those teachers joining the school on or after this date would not be eligible to join the TPS, but would instead be eligible to join the group personal pension scheme.

The Charity also runs a group personal pension scheme for its non-teaching staff. The cost for the year represents the Charity's contributions to this scheme of £376,518 (2024: £382,458) and at the year end £Nil (2024: £Nil) was accrued in respect of contributions to this scheme.

25. Operating lease commitments

At 31 August 2025 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	*2024* *£*
Not later than 1 year	**105,140**	*105,140*
Later than 1 year and not later than 5 years	**105,140**	*210,280*
	210,280	*315,420*

At 31 August 2025 the total of the School has commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	*2024* *£*
Within 1 year	**16,276**	*24,780*
Within 1 – 5 years	**31,568**	*47,844*
	47,844	*72,624*

26. Statement of funds

Statement of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2025 £
Designated funds					
Investment Fund	**5,818,751**	**188,395**	**(165,110)**	**131,532**	**5,973,568**
General appeal	**143,965**	**16,370**	**-**	**-**	**160,335**
The Pilkington Fund	**55,088**	**1,393**	**(3,746)**	**(1,797)**	**50,938**
	6,017,804	**206,158**	**(168,856)**	**129,735**	**6,184,841**
General funds					
General Funds - all funds	**22,471,563**	**22,399,898**	**(21,729,399)**	**-**	**23,142,062**
Total Unrestricted funds	**28,489,367**	**22,606,056**	**(21,898,255)**	**129,735**	**29,326,903**

The Designated Investment Fund, established many years ago, was considerably enhanced in 1993 following a bequest from the sister of a former pupil and was enhanced by a further gift from the estate of that former pupil. The Governors decided to create a fund which would be used to provide financial assistance to parents of pupils who fell into financial difficulties. It is used to provide bursaries to needy pupils following the withdrawal of the Assisted Places Scheme from September 1998.

The School has received a generous donation from the family of Sara Pilkington (OS 2010). In memory of Sara, the Governors have designated the funds to provide support for pupils who wish to enter the sixth form.

The General Reserve fund is retained to cover the fixed assets and provide working capital.

	Balance at 1 September 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2025 £
Endowment funds					
Endowment	**21,550**	**642**	**-**	**906**	**23,098**
Prize Funds	**31,798**	**-**	**-**	**(1,131)**	**30,667**
Sykes Trust Funds	**85,826**	**-**	**(758)**	**1,271**	**86,339**

26. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 September 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2025 £
	139,174	**642**	**(758)**	**1,046**	**140,104**

The twenty-two Prize Funds consist of donations by individual donors. Income from the Funds is used to offset the cost of providing prizes at the annual Prize Day.

The Sykes Trust Fund is endowed funds to generate income for bursaries.

Each Trust Fund is allocated its proportion of investment income and gains and losses and bears its own expenses.

	Balance at 1 September 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2025 £
Restricted funds					
Albert Johnston Fund	**12,430**	**209**	**(1,083)**	**-**	**11,556**
Benjamin Smith Fund	**127,120**	**3,355**	**-**	**(4,033)**	**126,442**
Bursary Appeal	**1,991,901**	**243,579**	**(108,293)**	**42,843**	**2,170,030**
Prize funds	**17,054**	**2,004**	**-**	**(383)**	**18,675**
Sykes Trust Funds	**3,408**	**3,043**	**(2,285)**	**-**	**4,166**
Foundation Bursary	**42,612**	**-**	**-**	**-**	**42,612**
Roy Clough Fund	**980,064**	**22,617**	**(94,968)**	**26,424**	**934,137**
Stopfordian Trust Bursary	**(191)**	**-**	**-**	**-**	**(191)**
Old Stopfordians	**22,268**	**2,855**	**(14,985)**	**-**	**10,138**
Baxendale Trust Bursaries	**4,405**	**-**	**-**	**-**	**4,405**
Adventure Awards	**73,551**	**21,408**	**-**	**-**	**94,959**
Nick Henshall	**-**	**680**	**23**	**-**	**703**
	3,274,622	**299,750**	**(221,591)**	**64,851**	**3,417,632**

26. Statement of funds (continued)

The Albert Johnston Fund was established by way of a collection following the death of Albert Johnston, a former teacher of the School, in 1981. The income from the Fund is used to provide small travel awards for the winners of a competition among current school pupils.

The John Benjamin Smith Exhibition Fund was established in 1880 to commemorate a former Mayor of Stockport and benefactor to the School. Its original purpose was to provide leaving scholarships for boys going on to University. Since 1981 awards have been made available to boys and girls largely to provide Education Travel Exhibitions.

The Bursary Appeal fund was established following an appeal for funds in 2001 to raise funds for the provision of bursary assistance.

The Sykes Trust Funds are generated from the endowed Sykes Trust Fund to provide bursaries.

The Stockport Grammar School Educational Foundation funding is a donation to be used for bursaries.

The Roy Clough Fund has been established from the generous legacy of a former pupil to provide bursaries.

The Nick Henshall Fund was established from the generous legacy of a former pupil, member of staff and Governor to provide bursaries. The fund will be fully spent in the year ending 31 August 2026.

The Stopfordian Trust Bursary is a donation used for bursaries.

The Old Stopfordians Fund is held on behalf of the Old Stopfordian Association (OSA). The funds are to be used to continue to support their work in promoting the School to former pupils.

The Baxendale Bursary fund was established after the death of Alan Baxendale (OS 1942) and the establishment of the AS Baxendale Charitable Trust. The School receives assistance to provide bursaries for pupils at the School.

The Hallam Trust is a one-off support to provide assistance to a family experiencing financial difficulties.

The Adventure Awards fund was established by former pupils of the School in 2024 to honour their lifelong passion for the outdoors, climbing, and mountaineering which began whilst they were current pupils. This fund could cover both formal school organised and pupil organised trips outside of term time as well as regular activities (e.g. subsidising weekly climbing).

26. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2023 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2024* £
Unrestricted funds						
Designated funds						
Investment Fund	*53,536*	*1,360*	*(3,568)*	*-*	*3,760*	*55,088*
General appeal	*5,081,046*	*205,710*	*(166,901)*	*403,000*	*295,896*	*5,818,751*
The Pilkington Fund	*128,024*	*15,941*	*-*	*-*	*-*	*143,965*
	5,262,606	*223,011*	*(170,469)*	*403,000*	*299,656*	*6,017,804*
General funds						
General Funds - all funds	*22,323,407*	*21,258,559*	*(20,707,403)*	*(403,000)*	*-*	*22,471,563*
Total Unrestricted funds	*27,586,013*	*21,481,570*	*(20,877,872)*	*-*	*299,656*	*28,489,367*
Endowment funds						
Endowment	*21,550*	*-*	*-*	*-*	*-*	*21,550*
Prize Funds	*29,429*	*-*	*-*	*-*	*2,369*	*31,798*
Sykes Trust Funds	*79,561*	*-*	*(748)*	*-*	*7,013*	*85,826*
	130,540	*-*	*(748)*	*-*	*9,382*	*139,174*
Restricted funds						
Albert Johnston Fund	*115,405*	*3,273*	*-*	*-*	*8,442*	*127,120*
Benjamin Smith Fund	*1,774,356*	*194,731*	*(94,353)*	*-*	*117,167*	*1,991,901*
Bursary Appeal	*11,322*	*4,933*	*-*	*-*	*799*	*17,054*

26. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 September 2023 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2024* £
Prize funds	*2,660*	*3,069*	*(2,321)*	-	-	*3,408*
Sykes Trust Funds	*42,612*	-	-	-	-	*42,612*
Foundation Bursary	*953,955*	*27,323*	*(91,392)*	-	*90,178*	*980,064*
Roy Clough Fund	*29,687*	*1,394*	*(32,977)*	-	*1,896*	-
Stopfordian Trust Bursary	*(191)*	*14,271*	*(14,271)*	-	-	*(191)*
Old Stopfordians	*4,405*	-	-	-	-	*4,405*
Baxendale Trust Bursaries	*21,619*	*3,370*	*(2,721)*	-	-	*22,268*
Adventure Awards	*13,590*	*240*	*(1,400)*	-	-	*12,430*
Nick Henshall	-	*73,551*	-	-	-	*73,551*
	2,969,420	*326,155*	*(239,435)*	-	*218,482*	*3,274,622*
Total of funds	*30,685,973*	*21,807,725*	*(21,118,055)*	-	*527,520*	*31,903,163*

27. Summary of funds

Summary of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2025 £
Designated funds	**6,017,804**	**206,158**	**(168,856)**	**129,735**	**6,184,841**
General funds	**22,471,563**	**22,399,898**	**(21,729,399)**	**-**	**23,142,062**
Endowment funds	**139,174**	**642**	**(758)**	**1,046**	**140,104**
Restricted funds	**3,274,622**	**299,750**	**(221,591)**	**64,851**	**3,417,632**
	31,903,163	**22,906,448**	**(22,120,604)**	**195,632**	**32,884,639**

Summary of funds - prior year

	Balance at 1 September 2023 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 31 August 2024 £*
Designated funds	*5,262,606*	*223,011*	*(170,469)*	*403,000*	*299,656*	*6,017,804*
General funds	*22,323,407*	*21,258,559*	*(20,707,403)*	*(403,000)*	*-*	*22,471,563*
Endowment funds	*130,540*	*-*	*(748)*	*-*	*9,382*	*139,174*
Restricted funds	*2,969,420*	*326,155*	*(239,435)*	*-*	*218,482*	*3,274,622*
	30,685,973	*21,807,725*	*(21,118,055)*	*-*	*527,520*	*31,903,163*

28. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £
Tangible fixed assets	18,760,079	-	-	**18,760,079**
Fixed asset investments	4,094,342	2,224,968	138,829	**6,458,139**
Investment property	2,379,143	-	-	**2,379,143**
Current assets	8,734,144	1,192,664	1,275	**9,928,083**
Creditors due within one year	(4,411,811)	-	-	**(4,411,811)**
Creditors due in more than one year	(228,994)	-	-	**(228,994)**
Total	29,326,903	3,417,632	140,104	**32,884,639**

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	*Restricted funds 2024 £*	*Endowment funds 2024 £*	*Total funds 2024 £*
Tangible fixed assets	*19,182,074*	-	-	*19,182,074*
Fixed asset investments	*4,033,992*	*2,180,169*	*138,745*	*6,352,906*
Investment property	*2,260,200*	-	-	*2,260,200*
Current assets	*10,100,539*	*1,094,453*	*429*	*11,195,421*
Creditors due within one year	*(5,393,518)*	-	-	*(5,393,518)*
Creditors due in more than one year	*(1,693,920)*	-	-	*(1,693,920)*
Total	*28,489,367*	*3,274,622*	*139,174*	*31,903,163*

29. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	*2024 £*
Net income for the year (as per Statement of Financial Activities)	**981,477**	*1,217,190*
Adjustments for:		
Depreciation charges	**1,105,324**	*1,025,318*
Profit on fixed asset disposal	**-**	*(14,000)*
(Gains)/losses on investments	**(195,632)**	*(527,520)*
Dividends, interests and rents from investments	**(425,943)**	*(426,363)*
Decrease/(increase) in stocks	**13,188**	*(6,400)*
Increase in debtors	**(12,357)**	*(353,042)*
Increase/(decrease) in creditors	**(2,446,633)**	*4,958,886*
Net cash provided by/(used in) operating activities	**(980,576)**	*5,874,069*

30. Analysis of cash and cash equivalents

	2025 £	*2024 £*
Cash in hand	**8,839,641**	*10,106,148*
Total cash and cash equivalents	**8,839,641**	*10,106,148*

This includes funds for the next phase of the development of the facilities of the school.

31. Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash at bank and in hand	**10,106,148**	**(1,266,507)**	**8,839,641**
Debt due within 1 year	**(51,916)**	**(9,134)**	**(61,050)**
Debt due after 1 year	**(247,152)**	**18,158**	**(228,994)**
	9,807,080	**(1,257,483)**	**8,549,597**

32. Related party disclosures

During the year there were no related party transactions other than those disclosed in note 8.

33. Consolidated statement of financial activities for the year ended 31 August 2024

	Unrestricted funds 2024	Restricted funds 2024	Endowment funds 2024	Total funds 2024	*Total funds 2023*
Note	**£**	**£**	**£**	**£**	*£*
Income and endowments from:					
Donations and legacies	**538**	**253,869**	**-**	**254,407**	*176,565*
Charitable activities:					
School fees	**19,093,848**	**-**	**-**	**19,093,848**	*17,983,191*
Other educational income	**178,728**	**-**	**-**	**178,728**	*121,066*
Other ancilary trading income	**1,801,002**	**-**	**-**	**1,801,002**	*1,779,443*
Other charitable activities	**53,377**	**-**	**-**	**53,377**	*68,996*
Investments	**354,077**	**72,286**	**-**	**426,363**	*264,656*
Total income and endowments	**21,481,570**	**326,155**	**-**	**21,807,725**	*20,393,917*
Expenditure on:					
Raising funds:					
Fundraising costs	**57,716**	**-**	**-**	**57,716**	*54,085*
Investment management	**30,529**	**14,035**	**748**	**45,312**	*39,632*
Charitable activities	**20,789,627**	**225,400**	**-**	**21,015,027**	*19,545,658*
Total expenditure	**20,877,872**	**239,435**	**748**	**21,118,055**	*19,639,375*
Net income/(expenditure) before net gains on investments	**603,698**	**86,720**	**-748**	**689,670**	*754,542*
Net gains on investments	**299,656**	**218,482**	**9,382**	**527,520**	*-97,434*
Net movement in funds	**903,354**	**305,202**	**8,634**	**1,217,190**	*657,108*
Reconciliation of funds:					
Total funds brought forward	**27,586,013**	**2,969,420**	**130,540**	**30,685,973**	*30,028,865*
Net movement in funds	**903,354**	**305,202**	**8,634**	**1,217,190**	*657,108*
Total funds carried forward	**28,489,367**	**3,274,622**	**139,174**	**31,903,163**	*30,685,973*

STOCKPORT GRAMMAR SCHOOL

England & Wales - Charity number 1120199

Accounts

Schedule B

Charity number: 1120199
Company number: 6261525

STOCKPORT GRAMMAR SCHOOL

ANNUAL REPORT AND ACCOUNTS

For the year ended 31 August 2024

STOCKPORT GRAMMAR SCHOOL
ANNUAL REPORT AND ACCOUNTS 2024

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REFERENCE AND ADMINISTRATIVE DETAILS

The School is a company limited by guarantee, company number 6261525 and is registered with the Charity Commission under charity number 1120199. The registered address of the School (which comprises the Senior and Junior Schools) is Stockport Grammar School, Buxton Road, Stockport SK2 7AF.

The Governors of the School are also the Trustees, Directors and Members and are collectively referred to as Governors.

The names of the Governors at the date of signing the Report and/or those who served during the year are as set out below:

Co-optative Governors

* Mr J M R Lee (Chair from 1 September 2023)
* Mr A P Carr (Vice Chair from 1 September 2023)
Ms S E Carroll
* Ms S Lansbury (resigned 30 May 2024)
* Mr A C Simpson (Chair of Finance Committee)
Mr N R Booth
Mr A J Gardiner (Chair of Building Committee from 1 September 2023)
* Mr J A Shackleton (Chair of Education Committee)
Mr T Firth (Safeguarding from 1 September 2023)
Ms JE Smith (appointed 19 March 2024)
Mr T Potter (appointed 5 December 2023)
Mr PN Brearley (appointed 26 March 2024)
Ms CS Muscutt (resigned 19 September 2023)
* Ms H Tritschler (The University of Manchester, appointed 5 December 2023, Vice Chair from 25 June 2024, Co-optative Governor from 15 October 2024)

Nominative Governors

Ms K Carfrae (Old Stopfordians, Chair External Relations Committee)
Ms D Harris (The Teaching Staff of the School, appointed 17 October 2023)
Mr J Millington (The Hallam Trust)

Co-optative Governors are appointed by the Board of Governors for a period of five years, after which they can be appointed for further five year periods.

Nominative Governors are appointed by their respective nominating organisations for up to two consecutive three-year periods.

* Members of the Management Committee

Ms Sam Lansbury and Ms Chris Muscutt both retired from the Board during the academic year. The Governors and staff give their heartfelt thanks to them for their long service, attendance at many school events and their wise counsel over many years. We still hope to welcome them at future school events.

In June 2024 Governors made the decision to aim to have 2 Vice Chairs of Governors at any time with a view to one of those progressing through to Chair over time and thereby improving succession planning and Governor training.

STOCKPORT GRAMMAR SCHOOL
ANNUAL REPORT AND ACCOUNTS 2024

OFFICERS

Head	Ms S Capewell (appointed 1 September 2023)
Head of Junior School	Mr MJR Copping
Bursar and Clerk to the Governors	Ms J Clague
School Address	Stockport Grammar School Buxton Road Stockport SK2 7AF

The day to day running of the School is delegated to the Executive Team comprising the Head, the Head of the Junior School and the Bursar.

ADVISERS

Bankers	National Westminster Bank plc PO Box 13 10 Great Underbank Stockport SK1 1LT
Solicitors	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS SAS Daniels LLP 30 Greek Street Stockport SK3 8AD Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH Schofield Sweeney Springfield House 76 Wellington Street Leeds LS1 2AY
Auditors	Crowe U.K. LLP Chartered Accountants Registered Auditors 3rd Floor 56 Peter St Manchester M2 3NQ
Architects	10architect Ltd 12 Hilton Street Manchester M1 1JF
Insurance Brokers	Bridge Insurance Brokers Ltd Cobac House 14-16 Charlotte Street Manchester M1 4FL
Investment Advisers	Rathbone Investment Management Port of Liverpool Building Pier Head Liverpool L3 1NW

STOCKPORT GRAMMAR SCHOOL
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

The Governors of the School, who are also the Directors of the Company, present their annual report for the year ended 31 August 2024, together with the audited accounts for the year, which have been prepared in accordance with company law and in compliance with the Charities SORP 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School was established in 1487 under the Will of the founder, Sir Edmund Shaa. It was subject to a Scheme approved by the Charity Commission on 14 February 1991, and amended by variations to the Scheme dated 15 September 1995, 9 January 1996 and 4 May 1999. A company limited by guarantee with charitable status called Stockport Grammar School was incorporated on 29 May 2007 with bespoke Memorandum and Articles of Association. The Governors were appointed as directors and members of the Company and are its charity trustees. The School undertaking and expendable assets of Stockport Grammar School, registered charity number 525936 were transferred to the Company at midnight on 31 August 2007 to form part of the corporate property of the Company. The Articles of Association were reviewed in 2015 and updated to be in line with current legislation.

Governing Body

There is a single governing body for the whole school which comprises the Senior and Junior Schools.

Recruitment and Training of Governors

A Governor search group reviews the composition and future membership of the Board. New Governors are inducted by way of interview with the Clerk to the Governors, who ensures that they are in possession of, and are aware of the implications of, a number of internal documents, Charity Commission guidance documents and the Scheme documents noted above. The Governors have continued a process of self-appraisal and are also encouraged to engage in continuing training during their period of office by attending appropriate external training courses and seminars organised by various external bodies.

The Governors have reviewed the Charity Governance Code for Trustees produced by the Charity Commission and were satisfied that they met the required standards in all areas but that the compliance would continue to be reviewed regularly.

Organisational Management

The School Governors, as Directors of the Company and the Trustees of the Charity, are legally responsible for the overall management and control of Stockport Grammar School, and meet at minimum four times a year. The work of implementing most of their policies is carried out by the members of the Management Committee who meet three times a year to consider the more detailed aspects of those matters which fall within the remit of the Governing body. The Management Committee is chaired by the Chair of Governors.

A full review of all Committees, their terms of reference and Schemes of Governance was undertaken during the academic year. Aside from Main Board Meetings and the Management Committee, the other principal Committees are Finance, Estates & Facilities (including Health and Safety & ICT – previously referred to as the Building Committee), Education and External Relations. Each of these Committees meet as and when required. In addition, Governors meet with staff representatives once each year (and as required) under the umbrella of the Information and Consultation Committee. Further Committees exist to deal with Appeals, Governor Selection and Executive Team Remuneration. Governors review each year any potential conflicts of interest. Two Governors had children who were pupils in the School during the year, and declared an interest when relevant decisions were taken.

The day to day running of the School is delegated to the Executive Team comprising the Head, Ms S Capewell supported by Mr M J R Copping, Head of the Junior School and their Senior Leadership Teams (SLT), together with the Bursar Ms J Clague. The Heads and School Bursar attend when required meetings of the Board and the above Committees.

Remuneration for all staff is set by the Board and is reviewed annually with reference where possible to comparator schools to ensure that the School is aware of pay and employment conditions elsewhere and that staff are fairly and reasonably rewarded for their contribution to the work of the school. The Governors recognise that delivery of the School's charitable vision and purpose is primarily dependent on the key management personnel and that staff costs are the single largest element of charitable expenditure.

Employment policy
The School is an equal opportunities employer. The School ensures job applications from disabled individuals are fully and fairly considered, with a focus on any training and employment requirements. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the School. An aim of the Governing Body is that the ethnicity of the staff should reflect that of its school community while cognisant that at the current time the sector as a whole find there are few applications received from more diverse backgrounds.

Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to apprise staff of current issues.

Governors' Insurance
In accordance with normal commercial practice the School has purchased insurance to protect Governors' and Officers from claims arising from negligent acts, errors or omissions occurring whilst on school business. The insurance provides cover up to £5M on any one claim and the cost for the year ended 31 August 2024 was £3,412 of which the proportion relating to Governors is £1,090.

Relationships
The School retains ownership of a company Stockport Grammar School (2007) Limited, established under the Companies Acts, which has not traded since incorporation. The School also has a close relationship with the Stopfordian Trust, a Registered Charity whose objectives include the provision of financial assistance to needy pupils in the School.

OBJECTIVES AND ACTIVITIES

Charitable Object
The School's Object, as set out in the 2007 Scheme, is to advance education by the provision and conduct, in or near Stockport, of a school for boys and girls and insofar as it is incidental or ancillary, such other purposes for the benefit of the local community as shall be exclusively charitable.

Objectives for the Year
In the Senior section of the School there were three key strategic areas of focus;

Academic Ambition
1. To review the current use and provision of IT and to develop an IT strategy for the school.
2. To improve the provision for SEND pupils through a focus on inclusion but providing specialist and targeted teaching where necessary.

Care, Community and Character
3. To develop a culture of kindness and community within the school, encompassing pupils, parents and staff.

In addition, in the Junior School their curriculum (and staff personal development) strategic intent is to;

Academic Ambition
1. To continue with curriculum changes in Y1 and Y2.
2. To implement the White Rose Maths Scheme in Y3-6 to ensure greater challenge and reasoning.
3. To provide whole staff INSET on Growth Mindset.
4. Development of pupil voice in school self-evaluation and improvement planning.

Care, Character and Community
1. To develop the role of Anti-Bullying Ambassadors in the Junior School.

Beyond the Classroom
1. To increase recruitment in Y3 and Y4 so that any surplus places are removed.

STRATEGIC REPORT

Strategies to achieve the year's objectives

During this period, the main challenges posed were in relation to economic pressures combined with inflationary rises, further large increases in the National Living Wage and political uncertainty affecting the sector as a whole.

Academic Ambition – To review the current use and provision of IT and to develop an IT strategy for the school. The school reviewed the current use and provision of IT, with the support of external consultants alongside the expertise of our IT and Computer Science staff. A resulting outline IT strategy has been developed and first steps made: infrastructure and hardware has been updated; two committees have been instigated to develop the IT strategy further and to focus on the use of technology to support learning and teaching; resources and training have been put in place to ensure staff are able to make full use of IT to support learning in the classroom.

Academic Ambition – To improve the provision for SEND pupils through a focus on inclusion but providing specialist and targeted teaching where necessary. There were two key areas of development: a focus on processes, resources and structures; and a focus on training and support for staff. For the former, there was a review of our SEND policy and a development of a strategic plan for SEND. Following this, the accessibility plan for the school site was reviewed, the internal systems and processes for referrals and sharing information was streamlined, and the Learning Support department was re-structured and expanded. To enhance training and support for staff, the school academic focus for the academic year 2023-24 was on SEND: all staff were expected to read a core book on SEND ('The inclusive classroom'); this was then used as a focus for staff training within INSET days and department meetings.

Care, Community and Character – To develop a culture of kindness and community within the school, encompassing pupils, parents and staff. Throughout the academic year 2023-24, the school reminded all members of the community of the importance of kindness, courtesy and respect: this message was repeated through assemblies, school newsletters and other key messaging opportunities. For staff, a 'Staff Voice' committee was introduced to ensure all staff (teaching and support) had a means of providing feedback or sharing concerns with the Head: this also provided an opportunity for staff to share ideas for creating greater collegiality amongst the staff body. The school also considered alternative behavioral strategies to support pupils and increase their understanding of the impact of their actions: Restorative Practice training was provided, initially for the pastoral team and then more widely; and the senior team investigated the Girls on Board and Working with Boys approaches. Finally, a staff working group with a particular focus on behaviour was introduced, which will continue to research, discuss and make recommendations about whole school approaches throughout the next academic year.

In addition, in the Junior School their curriculum (and staff personal development) strategic intent prioritised;

Academic Ambition - To continue with curriculum changes in Y1 and Y2. Over the course of the academic year, changes were made to the teaching of phonics and our recent changes to the teaching of English and history and geography were further embedded. This included staff training and observations to ensure that the implementation was successful. Our ISI inspection in November 2023 indicated that the quality of teaching was strong and therefore validated the changes applied.

Academic Ambition – To implement the White Rose Math Scheme in Years 3-6 to ensure greater challenge and reasoning. The White Rose Maths scheme was initially implemented in Y3-6 with Reception to Year 2 following on from September 2024 with additional staff training was provided to ensure that the implementation was successful and additional time was provided to the teacher in each year group responsible for the planning of mathematics. Lesson observations have indicated successful implementation and a strong focus on problem solving and reasoning.

Academic Ambition - To provide whole school staff INSET on Growth Mindset. In September 2023, all staff received training in Growth Mindset during on INSET day. This has had a clear impact on our approach within the classroom which will, naturally, continue over the coming years.

Academic Ambition – Development of pupil voice in school self-evaluation and improvement planning. The introduction of electronic questionnaires has enabled us to improve understanding of the children's views in relation to many aspects of the school. The questionnaires have been successfully used in PSHE and mathematics over the course of the year which has enabled us to fine tune our development planning.

Care, Character and Community - To develop the role of Anti-Bullying Ambassadors in the Junior School. Over the course of the year, our anti-bullying ambassadors have received training with their counterparts in the Senior School and this initiative is now fully up and running. From September 2024, following pupil voice, they will be referred to as the 'Kindness Crew'.

Beyond the Classroom – To increase recruitment in Y3 and Y4 so that any surplus places are removed. Our recruitment to Y3 and Y4 for the start of the September 2024 academic year was very successful with the highest number of children starting in Y3 for many years.

In the pandemic years 2020 through to 2022 the school offered extensive support to pupils throughout the periods of remote learning which has continued and been enhanced since the return to school. It is evident that because of the ongoing societal impact of lockdown, pupils require general pastoral support as well as additional provision of counselling for those experiencing significant difficulties with their well-being. The school has developed and refined pastoral systems to reflect these changes and to fill the void that may exist in terms of support to families external to schools where cuts have negatively impacted or reduced the support available and only the most urgent need is prioritized, frequently only after considerable delay.

School nurses, Heads of Year, Heads of Section, Pastoral Support Workers and the Deputy Head (Pastoral) are Youth Mental Health First Aiders trained by Mental Health First Aid (MHFA) England. Any new members of the team are offered training as a matter of course and the training is being extended each year to ensure greater awareness and capability within school.

Academic enrichment opportunities have fully returned to pre pandemic levels and the School sustains an excellent range of academic clubs, societies and competitions. Added to this is the full enrichment programme of Music, Drama and Outdoor Pursuits as well as Sport. The Duke of Edinburgh Scheme remains popular with unprecedented numbers taking part. We were delighted to maintain the Platinum Award in response to hard work on the Artsmark project and to establish the ArtsAward to recognise pupils' achievements in the Arts.

The School celebrated success in maintaining the Eco Schools Green Flag Award with distinction! On reviewing the School's application, the Eco-Schools England Team noted that SGS have "such a representative Eco-Committee" showing the "school's excellent commitment to both the programme and the eco-cause" and they praised the "eager, enthusiastic volunteers". Please see stockportgrammar.co.uk/news-and-events/news/eco-committee-delighted-to-achieve-green-flag-award-distinction for more information. The Eco Schools committee has been diligently completing the annual school review showcasing their hard work and dedication - an essential part of the Green Flag application. From the review three key topics have been selected to focus on i.e. water, biodiversity and global citizenship. Therefore, most efforts over the academic year 2024 2025 are towards improving the school and local area when it comes to saving and reusing water, thereby increasing diversity of species and improving charitable actions. The aim is to maintain their prestigious Green Flag Award with a distinction in the new evaluation once again.

Pupils have also participated in co-curricular clubs and masterclass sessions across a range of subjects and have been supported in academic extension lessons and in their applications to top universities.

Pupils have continued to express their views through the School Councils and Eco Committees in the Junior and Senior Schools. These included feedback on catering provision, communication across the school, and consultation over homework, uniform and diversity as well as their work in charitable fundraising. The School has been successful in its application for the Platinum Artsmark award and established a creative hub to promote contact with local arts organisations and Schools, and has launched an Arts Award to allow pupils to gain a qualification and validate their artistic involvement.

In the Directors report in year ended 31 August 2023 we were delighted to announce that Stockport

Grammar School has recently been notified of its successful bid for a place on Sadler's Wells' Making Moves choreography and dance performance project. This project was open to schools, youth groups and dance schools from across England and we are one of 48 groups to have been selected to participate. The project's aim is to raise the profile of dance being created in youth settings and will give pupils the chance to work with a renowned British choreographer – Stockport Grammar was assigned professional choreographer Danielle 'Rhimes' Lecointe. Our amazing dancers had huge cause to celebrate in the current year after making it to the final of a prestigious competition. After performing 'The Place' piece at the Making Moves Regional Platform at The Lowry Theatre, they were thrilled to be selected to perform at the National Platform at Sadler's Wells Theatre in London in July.

Pupils in the school have continued to achieve significant successes in a range of sports at local, county and national level. Additionally, the School offers many opportunities to take part in competitive team sports. Other non-sporting successes include many pupil achievement awards in Olympiad competitions, success in Young Enterprise competitions, and recognition of many individual achievements in art and music with pupils performing in regional and national orchestras and exhibiting work in national galleries.

As part of the continuing commitment to improve the facilities available across the whole site, over the summer period 2024 works included large scale maintenance expenditure to roofs with particular focus on the section of the Hallam roof over the science specialist classrooms, the main hall and the swimming pool. Whole areas of the school were redecorated and we have commenced a programme of replacing and upgrading furniture and chairs, many of which were over 40 years old! Across the school site, there was a huge investment in IT technology as the school establishes a standard design of IT equipment in each teaching space, smart devices and positive changes in the learning environment. The School continued its focus on creation of pleasant spaces for pupils and staff and significant works were carried out to improve outdoor facilities. The School also embarked on a large project to completely refurbish the extremely old toilet facilities in the Hallam building and huge thanks go to the Student Committee as they showed real maturity and energy in assisting with myth busting and educating our community about the impressive new facilities being created.

Principal Activities of the Year
The School provides education in Stockport to boys and girls from the ages of 3 – 19.

In the academic year 2023/2024 the Senior School had an average of 1111 pupils (1155 in 2022/23) and the Junior School had an average of 386 pupils (397 in 2022/23). The number of staff employed during the year, including part time staff, shown as FTE's was teaching Staff 161 (Senior 126, Junior 35) and non-teaching staff 70 (161 teaching staff in 2022/23 of which Senior 125, Junior 36 and non-teaching staff 66).

Public Benefit, Aims and Intended Impact
The School's public benefit aim is to provide an excellent independent education through a strong academic tradition and through developing wider social, moral and personal skills. These are encouraged through the development of a supportive community which places a strong emphasis on the individual development of boys and girls. Such an environment helps pupils to learn self-discipline, participate in and be enriched by the challenges of many extra-curricular activities which will contribute to their success in life beyond school and university by equipping them with high moral values, personal qualities and a thirst for knowledge to serve them all their lives and enable them to become worthwhile and responsible citizens.

In setting out policy and planning these activities the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular the requirement to demonstrate that public benefit for any charitable purpose where it had previously been presumed in the absence of evidence to the contrary.

Through the External Relations Department the School has continued with its policy to promote and expand the School's links and role within the wider community of Stockport. Governors were delighted to welcome Aria Johnston in December 2022 when she joined the School as Head of Development. Aria works with alumni and the wider school community to increase meaningful experiences for pupils, expand opportunities and support the next generation of Old Stops by growing the bursary funds.

The School continues to provide means tested bursaries to children whose parents would not otherwise

be able to pay the fees. Transformational bursary assistance was provided to 10 of the 184 pupils joining the First Form in 2023 and 8.4% of pupils in the Senior School received means tested assistance during the year. There continues to be a wide programme of events and activities in place to raise funds in support of bursaries and bursary information is widely available in the School's publications, on the website and in advertising for Open Events. The 15 bursary holders who left the sixth form of the school in 2024, achieved excellent academic success and secured a total of 28 A* and A grades. Of those going to University this year, selected courses of study include; Law, Medical Physics, Economics, Biochemistry, Natural Sciences, Accounting and Finance, Chinese and Spanish, Chemistry and European Social and Political Studies.

Academic Support and wider public benefit

- Outreach events held at SGS and organised by External Relations in collaboration with Academic departments;

Event	Target audience	No of schools invited	No of children attending
Year 5 Art Competition	Local state & independent primary schools	11	84
Three Year 5 Taster Days	Children from state & independent primary schools	Parents book direct	264
Three Year 5 Maths Competitions	Local state & independent primary schools	38	268
Year 10 Science Competition	Secondary Schools without 6th forms	10	40
Year 2 Music Outreach (4 weeks) – Junior School	Children from state primary schools	Parents book direct	13
Drama Outreach	The Cast of the school production Cinderella visited Blackfriars special needs school to perform for the students and hold drama workshops. This benefitted both schools and their pupils and has established a link for the future.	1	All pupils at the school.

- Four current pupils and two Old Stopfordians had their work chosen to be part of a permanent display in Suffragette Square in Stockport following its redesign. The square was opened by the Major of Stockport, Graham Greenhalgh.
- The Food Technology Department invited 15 food teachers from state and private sector schools to attend a course run by an external provider.
- The English Department linked with the Stockport Talking Newspaper. The aim of the newspaper is to assist those who are blind or visually impaired and keep them in touch with local news and events – pupils were involved in recording readings for listeners.
- A Senior School teacher helps pupils and staff from state schools with university applications/medical interviews.
- The Head of Sixth Form is part of the University of Manchester Schools and Colleges forum and also on the Advisory Group at UCAS.
- A Senior School Chemistry teacher is an organizer of the Royal Society of Chemistry Manchester Section and Chair of bench qualifying Competition (Chemquiz) Manchester. This involves around 36 voluntary hours per year and benefits around 160 pupils from 40 schools.
- The Head of Art is Team Leader and Senior Moderator for AQA A-level Art and Design and Lead Assessment writer for AQA A-level Art and Design, responsible for producing an A level paper that is used by schools and colleges nationally and internationally. He is also active on the National Society for Education in Art and Design (NSEAD) and has a YouTube channel with demonstration videos that are available as open access.
- A member of staff is the senior examiner for AQA Level Spanish schools sitting the A level qualification.
- One staff member is Treasurer of the Association of Philosophy Teachers for the Inaugural Executive Committee
- The Languages Department shared A-level resources with a local state high school that is starting

to teach A-level languages for the first time – Devising and providing the material for them.
- One staff member is on the UCAS Advisory Group - this group advises UCAS on developing admissions into Higher Education across different pathways.

Sports support and wider public benefit

- A senior school teacher organizes numerous football fixtures against state schools and host and run the SSSSA athletics meeting involving seven state schools.
- The PE department host festivals and tournaments for state schools in Rugby, Football, Netball and Hockey.
- The School hosted PE A Level moderation for the first time in 2024 involving 5 schools and 30 students.
- Another new initiative in the year was to host the Stockport School Netball Festival for senior schools involving 15-20 schools and over 200 pupils.
- A Senior School teacher organizes fixtures with State Schools. He is also the Cheshire representative on England Schools Rugby committee; Cheshire Schools Rugby Competitions Chair (organises all Cheshire Schools cups and tournaments, involving state and independent schools). He is Chair of England Schools Rugby Competitions Committee that oversee the National Schools competitions at U15 and U18; Cheshire Schools representative on North West Regional Player Pathway Group and sits on the Cheshire Rugby Disciplinary Panel. Sits on the England Rugby Education and Age Grade Committee as the England Schools Rugby Representative; Sale Sharks U16 Junior Academy Coach.

Use of Stockport Grammar Facilities by the General Public as part of the wider public benefit and engagement with the local community

Local Community use	Basis of charge	Impact
The Wellspring Charity use the premises each year to hold their annual quiz and fund-raising activity.	No charge made and staff support by providing IT support and caretaking support free of charge to the charity.	Provides support to huge numbers of families locally.
Great Moor School bring their children to receive swim lessons in our pool.	No charge made and Stockport grammar staff provide the swimming lessons.	Provides support to huge numbers of local children.
The Rotary Club hold their annual Swimathon in the School pool.	No charge made and Stockport Grammar staff provide resource with no charge to the Club.	Provides support to huge numbers of local families.
The following commercial organisations hire the Swimming pool to provide swimming lessons; • Norris Bank Swimming Club • Acqua Seals • Trafford Artistic Swimming Club • Lucy Hesford Swim School	Commercial rates are charged.	Over 700 local pupils per week receive lessons.
School Sports Hall hired by: High Lane Cricket Club Offerton Cricket Club North East Cheshire Cricket Club Kingsway Power Netball Club	Lower charges are made to provide support to such small organisations.	Provides support to huge numbers of local children.
Car park used by; Stockport Scouts Association for the annual St Georges Day parade and service meeting point.	No charge made.	Provides support to the local town and its residents.

The school has also been used as a film location but in each case this has been for low budget bands or film crews with local connections in return for SGS pupils being able to have involvement.	No charge made. Requested small donation.	

- The use of the school swimming pool is at maximum capacity.
- The use of the main hall is close to maximum capacity.
- The ability of the School to further use its site (such as outdoor spaces) is restricted by rules imposed regarding use of the outside spaces at weekends and use of flood lights after dark.

Stockport Grammar School staff – volunteer work in their own time

- Staff were asked to share information on anything they have been involved in (in a work/professional or personal capacity) in the last 12 months that helps others beyond our school community.
- They were asked if they could also share indicative information on the approximate number of hours they spent on this and the number of children benefitting, if applicable. Where they have done this, the numbers are included in the table below. Governors' thanks go to the staff for their genuine care and leadership demonstrating the value of giving something back to the community and their focus on continual professional development.

Information provided by members of staff	**No. of hours in past 12 months**	**No. of children benefitting**
Volunteer Rugby Coaching - support coach at Marple Rugby Club.	50	25
Local Cricket club (Stockport Georgians) - junior coach / manager. Children in the local area benefit.	30	20
Volunteer at Stockport Rugby Club.	20-30 hours	400
Bredbury St Marks Cricket Club U9 manager - Manage, coach and umpire the team - Children in the squad from across local primary schools.		
Subject mentor for MMU trainee teachers, Art PGCE students and AQA Moderator for A level.	70	
Parent Governor – Governor for humanities - Worthington Primary School.	25	
Committee member for a primary school PTA in Marple – Treasurer.	50	200
PBC Kids work at Poynton Baptist church - Head up the kids team at church. Overseeing a team of leaders for the different groups, planning/delivering sessions. Arranging weekends away/activities outside a Sunday morning. Arranging training for leaders e.g. safeguarding, first aid, health and safety. It also involves working with the parents.		102
Clay Coffee House, Poynton Baptist Church - Volunteer Barista/serving food etc - Community of Poynton and around benefit.	100	
Artwork exhibited in local Art galleries - presented and displayed own Artwork in the Manchester Art @ HOME Gallery Manchester and Stockport Art Open at Stockport Gallery. Participated in the Chorlton Art Festival 2024 and will be participating in the Heaton Art Trail 2024 in Heaton Moor Stockport. Visitors to the galleries/festivals and art trails from the local community and further afield benefit.	50+	100+
Talk on Art education to the Altrincham Trinity Guild – The Guild is made up of (mostly) retired people. Gave talk because as well as having an interest in art themselves, a number of them have grandchildren who are studying it at school and they wanted to know how it is taught compared with when they had been pupils. Guild gave a donation of £30 to Christian Aid.	5	

Information provided by members of staff	No. of hours in past 12 months	No. of children benefitting
Sale Scouting - District Chair.	50	700
Prepared and led an interactive Science session to the 1st Marple Cubs to enable them to complete their science activity badge. Cubs and their leaders in the 1st Marple pack benefitted	6	
Zumbathon for Breast Cancer UK – Participator raising money. Concerts with the Manchester Chorale in aid of Charities/fulfilling the Manchester Chorale's Charitable Status aims - Choir member. Local charities benefit - eg Barnabus, also local communities attending concerts and being exposed to different genres of music, two concerts with local primary schools to encourage young people to sing.	5	
Independent Custody Visitor for the Police and Crime Commissioner for Lancashire – custody suites across East Lancashire. Unannounced visits are made to police station custody suites on a weekly basis to ensure the correct processes are being followed and that the rights of the detainees, including any juveniles, are being upheld. Inspect the facilities in the station and make a record of where there are issues that need further action. Interview detainees in their cells to check on their welfare and the treatment they have received since the time of arrest. Cross check their statements with the police custody records. Attend regular meetings with the area sergeants and ACC to discuss issues relating to crime and policing in the county. The benefit is to the community as we are part of the quality control that the police are following the correct processes and we benefit the detainees by ensuring they are aware of their rights and are receiving fair treatment in custody.	50	
Chair of Governors - Governance at Blackfriars Academy (Special Needs Secondary School) in Newcastle-Under-Lyme.	40-50	
Greave Primary School Governor - Curriculum lead, Pupil Premium governor, Local Authority nominated governor.		
Volunteering at a local pre-school (St Alban's in Macclesfield) - Working alongside the pre-school staff.	4	
Trustee of local church. Church members and community projects that the church supports benefit.	20	
Chair of Governors – Manor Park Primary School.	60	
The Head of Drama leads projects in the community on behalf of LCEP (Local Cultural Education Partnership) to help local children and young people. Worked with Peter Ashworth and liaising with other stakeholders to lead the rewriting of the Stockport Cultural Strategy. Cultural strategy will benefit all members of the borough Working with the Head of Museums, Galleries and Libraries to develop resources for schools to visit venues as a learning experience – this will benefit schools and young people in the borough.	20	1000

Voluntary Work, Community Support and Wider Engagement with the Local Community

- Duke of Edinburgh pupils carry out voluntary work at various locations in the local area. 53 Lower and Upper Sixth Form pupils carry out voluntary work at various locations.
- The Dance Teacher helps out at a youth theatre group, 'Manchester Musical Youth' and their younger 'Apprentices' group.
- We are immensely proud of our links with the local community and from our foundation in 1487 by Sir Edmon Shaa, our place in Stockport history present and future. In mid-September we were delighted to welcome nearly 100 local people to our Community and Heritage Open House, as part of the National Heritage Open Days Festival. Please visit our website stockportgrammar.co.uk to read more.
- In February the Wellspring Charity used the school facilities for their annual quiz and fundraising for local homeless people.
- The School welcomed local residents onto the School site during the year to share plans for the future development of our old sports pavilion and gym which are sadly now end of life and need to be replaced as soon as planning and funds permit.

Charity Fundraising and Community Service

- The school is proud to be able to fundraise for charities locally, nationally and internationally.
- Both the Senior and Junior Schools have a Charity Club and the pupils work together with staff to choose the causes they would like to support and to brainstorm ideas of how they can engage the SGS community. Previous ideas have included bake sales, non-uniform days, taking part in physical challenges and food collections. During the year the Heads also took part in a charity 10k raising almost £1,500 for the Wellspring Foundation.
- Pupils take part in and gain much from a wide range of community service activities, particularly in the Sixth Form and as part of the Duke of Edinburgh Award. A number of charity fundraising events took place. In total pupils raised almost £14,000; pupils in the Senior School supported the Together Trust, Allergy Awareness, Educaid, The British Red Cross, the Katie Thorburn Foundation, Wellspring, Chelwood Food Bank, the Bare Necessities Toiletry Bank and MIND on World Mental Health Day. The Junior School were equally active and supported the NSPCC, Macmillan, Children in Need and Comic Relief.

The School continues to enjoy a national reputation for the quality of its delivery of the Duke of Edinburgh Award Scheme and is the largest independent provider in the North West. The scheme has extended the opportunities for participation at gold and silver level with mountain biking and canoeing now available and there are now over three hundred and fifty pupils actively participating in the scheme. The scheme has a completion rate in excess of 80% which is well above the national average for the UK. Enrolment remains higher with over 85% of the 3rd year starting their DofE Bronze last year.

Governors appreciate and celebrate the huge commitment of all staff who go above and beyond in their roles to enrich the lives of young people, to act as aspirational role models and ambassadors in the local community.

Grant-making Policy

The Governors' policy is to make bursary awards available to support an individual's educational potential and ensure that the opportunity for an education at the School is available to as wide a range of children as possible to join the School at 11+ or 16+.

The School endeavours to promote the availability of bursaries to the widest audience through its literature and information, together with the terms and conditions for awards, which are available to view on its website at www.stockportgrammar.co.uk.

This year, the value of bursaries, music scholarships, allowances and other awards made to the School's pupils out of unrestricted funds amounted to £1,112,482 (prior year £1,394,104) of which £1,208,911 were means tested bursaries, which was close to the upper target figure of 8% set by the Governors to allocate from gross fee income. Of the bursaries awarded 83% were transformational awards with >80% fee remission.

Volunteers

The Stopfordian Parents' Association has continued to provide invaluable support to the School in terms

of fundraising and support of a wide variety of activities. The school is hugely appreciative of their return to a focus of surplus funds being donated to the bursary fund in recognition of the difference that this can make to the lives of young people.

ACHIEVEMENTS AND PERFORMANCE

Operational Performance

In the Senior School the objective is to ensure that all pupils maximise their academic potential. The School is immensely proud of the achievements of all of our pupils and their resilience at handling the exam process; at Advanced Level in 2024 71.3% achieved A*, A or B grades and 48.1% at A* and A. This is significantly higher than last year (2023: A*-B – 65.6% and A*/A – 38.2%) and compares favourably, especially at the top end, with the results from 2019, the last exam year before Covid when headline figures were A*-B – 77.7% and A*/A – 46.2%.

One pupil accepted their place at Oxford and recipients of transformational bursaries secured places at Russell Group universities. 91% of other pupils were successful in meeting the entry requirements of their chosen universities. While traditional courses such as Medicine, Dentistry, Veterinary Science, Architecture, Engineering and Law remain popular aspirational choices, we are also delighted to see students being equally successful in gaining Higher Apprenticeships supported by major employers. It is a pleasure to see our pupils following their passion and their talents in other areas as diverse as Finance, Economics, Astrophysics, English Literature, Psychology, Construction, Ecology and Wildlife Conservation, Drama and performing arts, Sport and Exercise Science, Music, Real Estate and Quantity Surveying. There are too many to name but we wish all the class of 2024 the very best for their futures and career success in whatever field they choose and hope that they remain in touch with our alumni community.

In 2024 at GCSE 63.1% of grades awarded were at 9/8/7 with 22.9% of entries at the highest grade 9. The overall results were judged to be a fair reflection of pupil abilities and the School is pleased that the exam boards have completed their phased move back to 'normal' exam situations for our pupils' post pandemic. The majority of pupils took nine subjects at GCSE or IGCSE Level from a range of examining bodies.

The school value added according to CEM data was positive and is improving over time.

In the Junior School, the table below indicates the outcomes in standardized tests undertaken by infant and junior school pupils in June 2024. These tests are undertaken on a termly basis and the outcomes are based on national benchmarks, percentage in 'average' range and percentage above in brackets. Our tracking system demonstrates that outcomes in the average range and above average range have continued to increase over the last few years.

Standardised Scores - outcomes based on national benchmarks - percentage in 'average' range and percentage above in brackets

	PIRA (Reading)	**PUMA (Maths)**
Year 1	94% (41% above)	100% (59% above)
Year 2	93% (40% above)	90% (47% above)
Year 3	94% (47% above)	100% (52% above)
Year 4	94% (46% above)	100% (35% above)
Year 5	95% (60% above)	98% (70% above)
Year 6	96% (71% above)	96% (69% above)
All	**94% (51% above)**	**97% (55% above)**

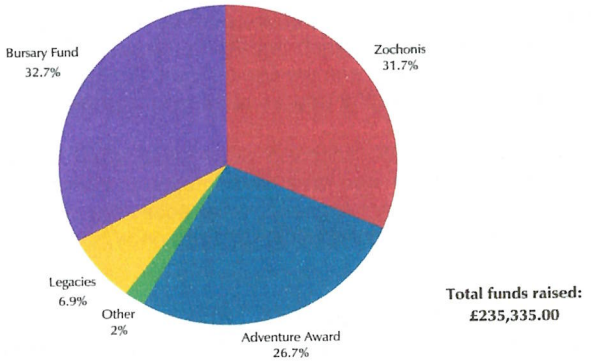
100% of pupils passed the Y1 phonics screening check.

Benchmarking
The School participates each year in the benchmarking survey conducted by Baines Cutler Solutions Ltd where financial performance is measured against that of similar schools in the North of England. Comparing results for the survey conducted in 2024 the Governors are very encouraged by the performance of the school against those schools against which it is benchmarked.

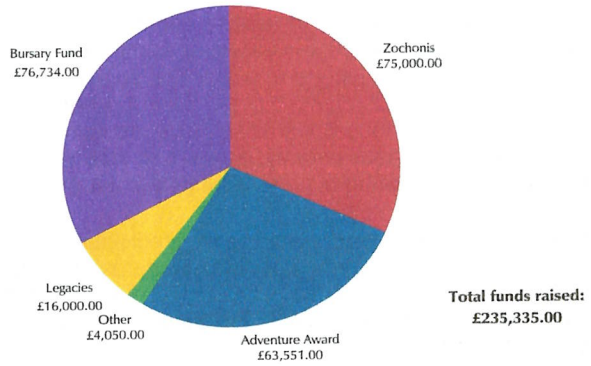
Fundraising Performance
No specific financial target was set by the Governors, but during the year under review, the amount raised was £235,665 (2023, £176,565). This included a generous donation from the Zochonis Charitable Trust of £75,000, an anonymous donation equivalent to funding the place for one transformational bursary place for a child at the school and a £5,000 donation from the SPA. The direct cost incurred in money-raising was £57,716. The School's aim is to ensure that strong relations continue to be maintained with alumni and other potential benefactors demonstrating this commitment with the appointment of an additional member of staff in December 2022 to develop the opportunities for fundraising both for bursaries and capital projects. The School has continued to benefit from a number of generous legacies from former pupils which support the bursary funds that enable pupils to join the school. During the year the School received a number of small legacies. Stockport Grammar School remains very grateful for the generous support provided by such donors. It enables talented children to join the school who can only attend with the assistance of a means-tested bursary. The Governors anticipate that significant future donations will arise from the legacy programme. One very special mention is made to the parents of Sara Pilkington who for the second time have funded screening for all age-appropriate pupils in the school that aims to detect and therefore prevent cardiac risk in the young.

The School had no fundraising activities requiring disclosure under 5162A of the Charities Act 2011.

FUNDRAISING IN 2023-24 (BY PERCENTAGE)



FUNDRAISING IN 2023-24 (BY VALUE)



Investment Performance

Total Return figures (gross unless otherwise stated) to 31st August 2024 are provided below:

	1 Year
Portfolio	13.3
PIMFA Balanced	14.6
ARC Charity Steady Growth (net)	11.9
CPI + 3%	5.3

Markets enjoyed a strong year to 31st August 2024 following a challenging period triggered initially by the Russian invasion of Ukraine in 2022. Over the course of the last 12 months, Inflationary pressures eased while the global economy remained resilient, allowing a less hawkish stance from central banks which provided a supportive backdrop for markets. This strength was most notable in growth-oriented investments and concentrated within a narrow cohort of USA technology stocks, which performed particularly strongly.

During the period the portfolio delivered a Total Return (capital growth and income) of +13.3% from with income coming in c.10% higher than in the previous financial year. Whilst the portfolios consolidated investment performance was slightly behind the market comparator (PIMFA Balanced index) over 12 months, it has performed strongly in absolute terms and is ahead of the peer group comparator (ARC index) and significantly ahead of the CPI+3% absolute measure of return.

Looking ahead, while the economic landscape has certainly improved and chances of a wider global recession have reduced, there is still a degree of market uncertainty with an economic slowdown anticipated and a potentially non-linear reduction in inflation impacting interest rate policy. Furthermore, with heighted volatility in the face of geopolitical tensions in the Middle East, Eastern Europe and the South China Sea, plus the upcoming change of US President a degree of caution is perhaps warranted.

Governors therefore continue to proceed carefully, adopting a well-diversified approach to portfolio construction, combining defensive companies which can grow and compound their earnings, high quality businesses with competitive advantages that are more exposed to the economic cycle and higher growth stocks which can benefit from both emerging and longer-term structural trends.

Factors outside the School's Control

While some of the factors which most influence the School are within its own control (for example the curriculum on offer and the quality of teaching staff), other factors are not. As well as fluctuations in the birth rate in its catchment area, Governors recognise that factors of the strength of the local and national economy, location and travel options continue to have a major impact on the recruitment of pupils at all levels.

The significant economic fluctuations, conflict in Ukraine, escalating conflict in Israel and Gaza, world recessionary pressures and the reality of new political policy initiatives present significant threats and limit the Governors' ability to produce robust medium- and long-term plans. The continued recruitment of high calibre pupils in future years from a smaller market will require that the School enhances its marketing and recruitment strategy to differentiate itself from the strong South Manchester competition. To that end, we appreciate that our best ambassadors are our current parents, pupils and staff as well as alumni and encourage the continued promotion and positive sharing of pride to be part of the SGS community.

Stockport Grammar has low levels of debt and has been planning for predictable risks for a number of years. The challenge remains how to maintain the highest possible standards in all areas whilst facing significant cost increases; challenging decisions will need to be made and be reassured that the Governors, the Executive team and Senior Leadership Team recognise these factors in all their business planning and updating the risk register as part of their Governance of the School.

Last year's worry is now a reality; the political appetite is that the 'benefits' enjoyed by independent schools will be ended. As a consequence, from January 2025 the school will be mandated to charge VAT on school fees, from April 2025 the School will also lose the 80% Business Rates Relief which will also add

around £400k to operating costs each year. Most recently we are now notified of a significant increase in the National Living Wage and National Insurance. Governors wish to reassure parents and staff that while there is a commercial sensitivity in sharing full details, through extensive planning behind the scenes, all costs will be fully considered and potentially further trimmed to ensure that resilience plans are well developed. The Governors also continue to monitor whether a more appropriate legal structure for the School may produce a better result for themselves, staff, and for parents and pupils.

The Governors continue to encourage all members of the School to play an active role in the community and promote the work of the School and they encourage pupils from all areas of the town to apply to the School. We particularly lack applications from local non-affluent areas, where a funded place could be life-changing for these children. The Governors are mindful of recent inspections undertaken and guidance issued by the Charity Commission with regard to public benefit.

FINANCIAL REVIEW

The School's net incoming resources on unrestricted funds before transfers or gains showed a net surplus for the year of £551,156 (2023, surplus of £642,634) after charging depreciation of £1,025,318 and receipt of bank interest of £130,977. Pupil numbers for the academic year 2023-2024 were slightly lower than budgeted, although this was offset by savings in other areas such as utilities and work to increase other sources of income. The school has continued to make savings in operating costs, but this was offset by unprecedented inflationary pressures relating to unavoidable costs such as insurance, food, fuel and coach travel. Governors are mindful that all of this is against a backdrop where families face ongoing financial difficulties and that families cannot continue to absorb the increases in the school's operating costs. The School is further needing to spend more on bus subsidies in an effort to limit bus fare increases for families and keep school bus routes viable along with the cost of further pastoral support for pupils who need it adding an additional and increasing cost to running the school. Those families who demonstrated the need for further support were offered additional flexibility regarding the timing of fee payments.

Governors recognise that the continuing very significant economic pressures on parents may have an impact on future recruitment and retention. However, they note the huge commitment of families to Stockport Grammar and their children's education and that the level of fee debt owed to the School has now significantly reduced. The Governors were also pleased to note the continuing value of the external letting of the swimming pool, sports hall and rental properties and the additional income they generate to support the work of the School.

Reserves and Reserves Policy

Notes 21 to 24 to the financial statements show the assets and liabilities attributable to the various types of fund and summarise the year's movements on each fund. The School's total reserves of £31,903,163 at year end comprised £139,174 endowed funds, restricted funds of £3,274,622 and unrestricted funds of £28,489,367. Unrestricted funds, not designated by the Governors, amounted to £22,471,563 at 31 August 2024. Designated funds amounted to £6,017,804 and a description of the purpose of the designations is shown in note 24 to the financial statements. Free reserves, after deducting the net book value of tangible fixed assets, were £3,289,488.

The Governors have examined the School's requirement for reserves and have taken the time to re write both the Reserves Policy Statement and the Reserves Policy during this academic year.

To fulfil Stockport Grammar School's charitable objectives the Governors' acknowledge the importance of maintaining cash reserves to fund unforeseen fluctuations in income or expenses. The Governors strive to balance the necessity of the cash reserves against the significant costs of continuously upgrading the school premises, many of which are buildings of historic interest. The retention of current pupils and recruitment of future students is dependent on the employment of the best talent available and attention to the facilities and fabric of the buildings to provide the best possible setting for the pupils commensurate with the School's standing in the community. To maintain the necessary balance, it is policy to manage the Charity's finances to maximise unrestricted funds not proposed, committed or invested in tangible fixed assets held by the School and that they should as a minimum be between 5% and 10% of turnover. This equates to holding reserves of between £1.05m and £2.1m (y/e 31 August 2024) as a minimum.

The School's policy is that its banking arrangements should be sufficient to support the continuing activities of the School in the short term given that parents are required to give one term's notice of their intention to

withdraw a child from the School.

Funding Sources
The School relies almost entirely on its fee income received from parents to cover its expenditure and to pay for investment in buildings and resources. The only external sources of funds are normally by way of donations and these are shown as income to the School and in the Restricted Funds.

Investment Policy and Objectives
The objective for investing the reserve funds is to grow the value of the portfolios over the long term to provide financial support and sustainability, with particular focus on the provision of bursary funding for pupils of the school.

The Board aims to maximise the total return (a combination of income and capital growth) on the investment assets within an appropriate and agreed risk profile such that capital growth is achieved to at least keep pace with inflation and an income is generated to help support the school and its pupils.

Due to the differing sizes across the funds, different approaches have been adopted. For the smaller funds (Henshall (wound down in July 2024), Zochonis, Sykes) the funds are invested in Rathbones' Managed proposition; invested via Rathbones Multi Asset Portfolios. For the larger funds (Main, Bursary, Clough) these are invested in Rathbones Bespoke proposition, with the funds invested directly.

The Board of Governors has assessed the risk tolerance for each individual fund, recognising their individual objectives, time horizons and risk appetite. In discussion with their investment manager, the funds have been assigned risk profiles based on a range of 1-6, where 6 is highest tolerance for risk.

Risk Level 4; Clough, Main Fund, Bursary Fund, Zochonis Fund, Sykes.
Risk Level 3: Henshall (wound down in July 2024)

To provide the Board with the ability to analyse performance, the below reference benchmarks will be provided, giving a suitable comparator for both the investment approach and the risk profile of each of the funds.

- Main, Bursary and Clough: MSCI PIMFA Balanced, CPI+3%
- Zochonis and Sykes: Rathbones Benchmark 4, CPI+3%

Rathbones have been appointed with a discretionary investment mandate, carrying out the day-to-day portfolio management within the agreed framework. The board will monitor the manager and the fund performance with reference to the MSCI PIMFA Balanced index (an industry market relative benchmark) and the long term (absolute) return measure of CPI+3%.

Principal Risks and Uncertainties
The Board of Governors is responsible for the management of the risks faced by the School. The Governors view the most significant risk to the future of the School to be a possible future reduction in pupil numbers as a result of political policy to impose additional financial burdens on the sector. These may either be as a direct consequence of the current recessionary forces impacting on family's ability or desire to commit to independent school education or due to government decisions which impact on the economic circumstances of families in the local area or force unavoidable fee increases via Government policy. Whilst levels of recruitment interest have remained strong and in some year groups increased as a result of concerns about the recent provision in the maintained sector, continued economic uncertainty, the factors of travel and geography which influence many families' decisions, and current trends in post 16 education all contribute to the risks associated with pupil numbers in the future. In order to cope with strong inflationary pressures, fee increases in the last 2 years were by necessity higher than the long run average but mindful of this burden to families Governors aspire to keep future increases as low as possible. The increase in the employers' contribution to the Teachers' Pension Scheme from April 2024 had a significant impact on employment costs and therefore Governors commenced a consultation exercise with staff in June 2023; any new teaching colleagues commencing employment since September 2023 are now outside of the Teachers' Pension Scheme in order to seek to manage the unavoidable high risk of these disproportionate future increases. Another critical risk common to all businesses remains the threat of cyber security attacks and the School is mindful of the need to continue to improve resilience and mitigate such risks as much as possible.

Health and Safety risk management underpins many of the activities of the School, from daily management of infrastructure risks such as fire to personal risks, particularly when pupils are involved in off-site co-curricular activities. Careful planning and detailed risk assessment procedures are in place to minimise these.

During the year the Governing Body reviewed and updated its strategic plan and the analysis of the risks to which the School could be exposed. These risks are regularly reviewed by the Executive Team and day to day management of those risks is delegated to the Senior Leaders within School. Risks are identified, assessed and controls established throughout the year.

The key controls used by the School include:

- Comprehensive strategic planning, budgeting and management accounting;
- Established organisation structure and lines of reporting;
- Formal written policies including clear authorisation and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable;
- Terms of reference for all Committees;
- Formal agendas for all Committee and Board activity; and
- Safeguarding and Health and Safety being a key, standard item on all agendas for meetings.

Through the risk management process established for the School, the Governors are satisfied that the major risks identified have been adequately managed. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

DEVELOPMENT PLANS FOR FUTURE PERIODS

It remains the Governors' and Head's intention to ensure that pupils continue to achieve excellent academic results that will enable them to gain entry to leading universities and prepare them for life beyond school whilst having the opportunity to participate in as wide a range of co-curricular activities as possible.

Across the School there are five key strategic areas of focus for the academic year 2024 2025;

	Opportunity and Ambition	Supporting the Individual	Striving for Improvement	Looking to the Future	Embedded in the Local Community
Senior School	To review our curriculum, including our careers provision, to ensure it meets the needs of the pupil cohort and the school.	To further embed the SEND teaching and learning strategies within the classroom. To ensure a coherent pupil wellbeing approach that considers pastoral care, physical and mental health and the wider support for the individual.	To ensure excellence and innovation in teaching and learning with a particular focus on developing staff expertise in using technology to support learning. To develop the school's approach to ongoing professional development for staff to ensure excellent practice.	To increase the school's engagement with alumni of all ages and to clarify the school's strategy for development and fundraising. To review the school's strategies for ensuring strong pupil and staff recruitment and retention.	To increase connections and collaborations within the local community. To produce a co-ordinated strategy of outreach, partnerships, volunteering and charity links, working primarily within the local community.

Junior School	Review the co-curricular offer and booking system. Implement the White Rose Maths scheme in the Infants. Review the approach to the use of O Track for data entry and tracking. Further develop the Forest School provision. Implement the Little Wandle phonics scheme. To implement Kagan structures across the school to develop more opportunities for collaborative learning.	Review the PSHE 'Think Equal' scheme.	Review staff meeting structure and CPD opportunities. Review and improve the appraisal process.	Develop Y3 marketing strategy.	To ensure a consistent and local approach to charity work.

Embedded in the community

- Despite the long-term financial pressures faced by the School the Governors are committed to completing the work that has already started to improve the buildings and facilities on the school site.
- Work over the summer of 2024 focussed in the main on significant roof repairs to the Main Hall, a section of the Hallam Hall and the Sports and Technology building.
- Attention was also given to external areas in response to pupil requests for more seating and pleasant outdoor spaces and also in replacing and upgrading the 'original' desks and chairs that were over 40 years old.
- We also hope to soon unveil the new refurbished toilet facilities on the Hallam Stone Corridor replacing the very old previous facilities. Governors' thanks go to the team who work so hard behind the scenes over the summer months making all of this possible.
- Further large-scale developments will continue through the detailed planning stages so that they can commence subject to the availability of resources. These projects include plans to make further improvements to the Main Hall to support and enhance the provision of facilities for Drama, the eventual creation of a new Reception area and entrance and the development of a master plan for the sports facilities and the frontage of the site.

The Marketing, Admissions and External Relations Teams will continue to review the following:

- Pupil recruitment at all ages, public benefit, (with particular focus on links to the community and the provision of bursaries), marketing; and alumni relations. This will involve developing a range of alternative engagement strategies with greater focus on targeted digital communication.
- A key objective remains to embrace the School's social responsibilities as an outward facing school by engagement with the local and wider communities. The School will continue to explore opportunities

to participate in external initiatives to raise the quality of provision in the maintained sector in Stockport and South Manchester and prepare to respond if there are further national initiatives regarding collaborative partnerships.

- The School will continue to work with other schools and organisations in the area to further its responsibility to contribute to the local community of Stockport. The School will continue to make every effort to promote awareness of the School's Bursary Scheme to widen access to the School.

The events of the last year have further highlighted and reinforced the Governors' recognition of the economic pressures on parents caused by the current level of fees and the impact of external factors over which the School has no control which can add very significantly to the School's operating costs. The Governors will continue to ensure that the fees for tuition offer excellent value for money as well as seeking ways to reduce costs wherever possible without compromising the high standards of teaching, pastoral care, co-curricular opportunities, the provision of other services, and the long-term investment in the site and the School's resources.

The Governors recognise the very difficult period this has been for the whole school community and wish to record their thanks to all those who have continued to support the School throughout the last few years, with particular thanks to all the staff, teaching and non-teaching who have worked tirelessly over the last year to maintain the high standards of teaching and support for the pupils.

STREAMLINED ENERGY AND CARBON REPORTING

The School's greenhouse gas emissions and energy consumption are as follows:

	2024	2023	2022	2021
UK energy use (1)kWh	3,241,320	3,600,761	3,863,500	4,052,452
Associated Greenhouse gas emissions (2) Tonnes CO2 equivalent	613.87	680.09	713.00	772.33
Intensity ratio - Emissions per pupils	0.40 per pupil	0.43 per pupil	0.47 per pupil	0.53 per pupil
Intensity ratio - Emissions per area	0.03 per sqm	0.03 per sqm	0.04 per sqm	0.04 per sqm

The School has used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition). Further emission factors were used from UK Government's GHG Conversion Factors for Company Reporting 2020. The School is delighted to see the progress being made since it started to monitor emissions and energy consumption in 2021.

UK energy use covers gas, electricity and transport fuel.

As predicted the total school roll flattened out over the last 12 months as the school is at maximum capacity. Work has continued in the year to move all operating controls for heating to a central BMS system so that it can also be effectively programmed to take account of school holidays and lower the maximum temperatures to reduce consumption, control costs and provide a healthy working environment. Unfortunately, in some legacy buildings such as Convent House and the main Hallam building, the old cast iron central heating loops are still in place and funds do not currently exist to deal with those legacy inefficient systems.

The School has also been engaging with Stockport Local Authority since 2021 to investigate alternative sources of heat to be delivered via the A6 and enable resilience and a move off grid.

SECTION 172 STATEMENT AND STAKEHOLDER ENGAGEMENT

The Governors have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the School for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172 of the Companies Act 2006.

In discharging their duties above, the Governors carefully consider, amongst other matters, the impact on and interest of other stakeholders in the School and factor these into their decision-making process.

Pupils
Pupils benefit from the School's excellent pastoral provision with staff placing as much importance on pupils' all-round personal development as they do on academic progress.

Employees
The School recognises that the qualities, skills and commitment of its employees play a major role in the School's success. Regular briefings keep staff informed of School-wide developments, and wide-ranging employee benefits enhance their quality of life. Staff wellbeing remains a key focus as the increasing demands and pace of change that all employees now face in a modern world. Focus also remains on equality, diversity and inclusion where improvements can always be made. The introduction of the Employee Assistance Programme in 2022 to provide 24/7 support to staff and their immediate families has proved to be a valuable resource.

Parents
The School recognises the many benefits of engaging with parents and has reimagined its communications with parents over the past twelve months. An historic reliance on written communication has given way to digital innovations such as streaming live and recorded audio-visual events and podcasts.

Community
The School is proud of its place in the local community and conscious that it has significantly beneficial impact on the local economy and on local cultural life.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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

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

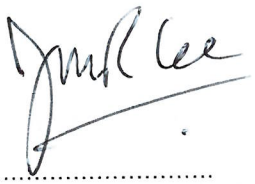
The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements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

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

- there is no relevant audit information of which the School's auditor is unaware, and
- that Governors have taken all the steps that ought to have been taken in order to be aware of any information needed by the School's auditor in connection with preparing its report and to establish that the School's auditor is aware of that information.

This report, incorporating the Strategic report, was approved by the Governors, as the company directors, on 10 December 2024 and signed on the board's behalf by:



.....
J M R Lee
Chair

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

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of 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 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

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

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

Use of our report

This report is made solely to the charity's trustees, 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 charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Vicky Szulist

Vicky Szulist -
Senior Statutory Auditor
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
3rd floor
St Georges House
56 Peter St
Manchester
M2 3NQ

Date: 16 January 2025

STOCKPORT GRAMMAR SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted Funds		Restricted Funds	Endowed Funds	Total Funds	Total Funds
		School	Designated			2024	2023
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Charitable Activities							
School fees	2	19,093,848	-	-	-	19,093,848	17,983,191
Other educational income	3	178,728	-	-	-	178,728	121,066
Other ancillary trading income	3	1,801,002	-	-	-	1,801,002	1,779,443
Other trading activities							
Other income	3	53,377	-	-	-	53,377	68,996
Investment income	4	131,604	222,473	72,286	-	426,363	264,656
Voluntary Sources							
Donations and legacies	5	-	538	253,869	-	254,407	176,565
Total income		21,258,559	223,011	326,155	-	21,807,725	20,393,917
EXPENDITURE ON:							
Raising funds							
Fundraising costs		57,716	-	-	-	57,716	54,085
Investment management		-	30,529	14,035	748	45,312	39,632
Charitable activities							
Education and grantmaking		20,649,687	139,940	225,400	-	21,015,027	19,545,658
Total expenditure	6	20,707,403	170,469	239,435	748	21,118,055	19,639,375
NET INCOMING FUNDS FROM OPERATION BEFORE TRANSFERS AND INVESTMENT GAINS/(LOSSES)		551,156	52,542	86,720	(748)	689,670	754,542
Gains/(losses) on investments	9& 10	-	299,656	218,482	9,382	527,520	(97,434)
Transfer between funds	24	(403,000)	403,000	-	-	-	-
NET INCOME AND MOVEMENT IN FUNDS		148,156	755,198	305,202	8,634	1,217,190	657,108
Funds balances at 1 September (restated)		22,323,407	5,262,606	2,969,420	130,540	30,685,973	30,028,865
Funds balances at 31 August	21	22,471,563	6,017,804	3,274,622	139,174	31,903,163	30,685,973

The notes on pages 31 to 46 form part of these accounts.

STOCKPORT GRAMMAR SCHOOL
Company number 6261525
BALANCE SHEET
AS AT 31 AUGUST 2024

	Notes	£	2024 £	£	2023 (restated) £
FIXED ASSETS					
Tangible Fixed Assets	8		**19,182,075**		18,388,160
Securities Investments	9		**6,352,905**		5,503,680
Property Investments	10		**2,260,200**		2,315,000
			27,795,180		26,206,840
CURRENT ASSETS					
Fixed assets held for sale	11	**39,200**		-	
Stocks	12	**60,718**		54,318	
Debtors	13	**989,355**		636,313	
Cash		**10,106,148**		5,917,054	
		11,195,421		6,607,685	
CREDITORS: Amounts falling due within one year	14	**(5,393,518)**		(1,885,750)	
NET CURRENT ASSETS			**5,801,903**		4,721,935
TOTAL ASSETS LESS CURRENT LIABILITIES			**33,597,083**		30,928,775
CREDITORS: Amounts falling due after one year	15		**(1,693,920)**		(242,802)
TOTAL NET ASSETS	21		**31,903,163**		30,685,973
ENDOWED FUNDS	22		**139,174**		130,540
RESTRICTED FUNDS	23		**3,274,622**		2,969,420
UNRESTRICTED FUNDS Designated and general funds	24		**28,489,367**		27,586,013
TOTAL FUNDS			**31,903,163**		30,685,973

The financial statements were approved and authorised for issue by the Board on 10 December 2024 and signed on its behalf by:



J M R Lee
Chair

The notes on pages 31 to 46 form part of these accounts.

STOCKPORT GRAMMAR SCHOOL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Net cash provided by operating activities	26	5,874,069	2,294,557
Cash flows from investing activities:			
Dividends, interest and rents from investments		426,363	264,656
Proceeds from the sale of investments		1,129,936	924,540
Proceeds from the sale of fixed assets		14,000	121,825
Purchase of investments		(1,396,841)	(1,772,918)
Purchase of fixed assets		(1,858,433)	(166,850)
Net cash used in investing activities		(1,684,975)	(628,747)
Change in cash and cash entitlements in the reporting period		4,189,094	1,665,810
Cash and cash equivalents at the beginning of the reporting period	27	5,917,054	4,251,244
Cash and cash equivalents at the end of the reporting period	27	10,106,148	5,917,054

The notes on pages 31 to 46 form part of these accounts.

1. STATEMENT OF ACCOUNTING POLICIES

1.1 Charity information

Stockport Grammar School is a Company limited by guarantee (registered number 6261525), which is registered in England and Wales. It's charity registration number is 1120199. The registered office and principal place of business is Buxton Road, Stockport, SK2 7AF.

Its principal activity is the provision of day schooling.

The members of the company are the Governors named on page 1. In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per member of the School.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Stockport Grammar School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 22.

Critical accounting judgements and key sources of estimation uncertainty

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

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

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

In preparing the financial statements the trustees have considered the treatment of fee deposits. As per the standard terms and conditions fee deposits are offset against future fees or parents can elect to donate the deposit to the School. Therefore, the trustees have judged it appropriate to classify the fee deposits due as split between greater than one year and less than one year based on the expected repayment date.

1.3 Fees and Similar Income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

1.4 Investment income

Investment income from dividends and bank balances is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates.

1.5 Donations and legacies

Donations receivable for the general purposes of the Charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on the Governors, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments – permanent or expendable according to the nature of the restriction.

Donations and legacies income is recognised when the conditions for entitlement, probability and measurement have been met.

1.6 Government grants

Government grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.7 Resources expended

Expenditure is accrued as soon as a liability is considered probable discounted to present value for longer term liabilities and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Liabilities are recognised where there is a legal or constructive obligation committing the entities to the expenditure. The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of charitable activity. Included in support costs of the school are budgeting and accounting, information technology, human resources and finance. School trip expenditure is included under support costs.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the Governors and all costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.8 Pension schemes

The Charity contributed to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator for teaching staff who joined pre-1 April 2024. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme.

The Charity also contributes to a group personal pension scheme for all other staff. Contributions to all schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

1.9 Tangible fixed assets

All fixed assets costing more than £5,000 are capitalised at historical cost.

Depreciation is provided to write off the cost less estimated residual value of tangible fixed assets over their estimated useful lives, on a straight line basis, at the following rates:

Buildings:	2%
Computer system and cabling:	33.33%
Motor vehicles:	25%
Fixtures and Fittings:	10%

Land is not depreciated.

A full year's charge is made in the year in which the asset is brought into use but no charge is made in the year of disposal.

1.10 Investments

Security investments are valued in the balance sheet at their mid-market value at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction-based, while investment income management costs are charged as expenditure out of the relevant income funds.

Investment properties are valued at intervals not exceeding 5 years on an open market existing use basis subject to current occupation and tenancies in place at that time by an appropriately qualified professional. In intervening years the Trustees value them by reference to market reports and government indices. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

1.11 Stock

Stock is valued at the lower of cost and net realisable value.

1.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised costs using the effective interest method, less any impairment.

1.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.14 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments and cash at bank which are held at fair value. Financial assets held at amortised cost comprise trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

1.15 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.
Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are available for use only in accordance with the donor's wishes.

Investment income, gains and losses are allocated to the appropriate fund.

2. CHARITABLE ACTIVITIES: FEES RECEIVABLE

	Senior £	Junior £	Nursery £	2024 £	2023 £
The school's fee income comprised:					
Gross fees	**15,920,014**	**4,014,601**	**271,715**	**20,206,330**	19,344,267
Less: Total bursaries, grants and allowances from unrestricted funds				**(1,112,482)**	(1,361,076)
				19,093,848	17,983,191

After School Care fees included in the above amounted to £73,463 (*2023: £70,103*).

Scholarships, bursaries and other awards were paid to 152 pupils *(2023: 112)*. Within this means tested bursaries totalling £1,208,911 were paid to 93 pupils (*2023: £1,335,517 to 108 pupils*).

3. CHARITABLE ACTIVITIES: OTHER INCOME

	2024 £	2023 £
Other educational charitable activities		
Entrance and registration fees	**73,659**	31,160
Courses and sub-lettings	**105,069**	89,906
	178,728	121,066
Other ancillary activities		
School meals	**1,153,434**	1,105,664
Morning club	**4,449**	2,200
School trips	**642,690**	671,459
Fee interest received	**429**	120
	1,801,002	1,779,443
Other incoming resources		
Other	**53,377**	68,996

4. INVESTMENT INCOME

	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
Bank interest received	146,381	6,303	152,684	67,790
Dividends received	96,948	65,983	162,931	136,991
Investment property rental	110,748	-	110,748	59,875
	354,077	72,286	426,363	264,656

5. DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
General appeal donations	538	-	538	1,145
Bursary appeal donations	-	159,653	159,653	160,225
Prize fund donations	-	3,788	3,788	38
Award funds donation	-	73,551	73,551	-
Baxendale Bursary	-	-	-	4,405
Old Stopfordians donation	-	2,606	2,606	800
Hallam Trust	-	-	-	1,333
Stopfordian Trust Bursary	-	14,271	14,271	8,619
	538	253,869	254,407	176,565

6. ANALYSIS OF TOTAL RESOURCES EXPENDED

a) Total expenditure

	Staff costs £	Other costs £	Depreciation £	Total 2024 £	Total 2023 £
Costs of generating funds:					
Investment management	-	45,312	-	45,312	39,632
Fundraising for voluntary resources	-	57,716	-	57,716	54,085
Total costs of generating funds:	-	103,028	-	103,028	93,717
Charitable activities					
Teaching	11,785,287	1,207,946	-	12,993,233	12,066,774
Welfare	771,000	1,096,268	-	1,867,268	1,712,162
Premises	190,783	1,714,516	772,813	2,678,112	2,993,550
Support costs and governance	1,296,734	1,561,836	252,505	3,111,075	2,535,812
Grants, awards and prizes (note 6 (b))	-	365,339	-	365,339	237,360
Total charitable expenditure	14,043,804	5,945,905	1,025,318	21,015,027	19,545,658
Total resources expended	14,043,804	6,048,933	1,025,318	21,118,055	19,639,375

b) Grants, awards and prices

	2024 £	2023 £
From Restricted Funds:		
Bursaries and other grants	224,000	138,493
From Unrestricted Funds:		
Bursaries and other awards	141,339	98,867
	365,339	237,360

c) Governance included in support costs:

	2024	2023
	£	£
Remuneration paid to auditor for audit services	**17,535**	16,700
Remuneration paid to auditor for assurance services	**735**	650
Remuneration paid to auditor for non-audit related services	**1,838**	1,675
Reimbursement of personal expenses to Governors	**11,539**	10,523
Other governance costs	**18,680**	17,330
	50,327	46,878

Course and travel expenses were claimed by 4 Governors (*2023: 6*).

7. STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2024	2023
	£	£
The aggregate payroll costs for the year were as follows:		
Wages and salaries	**10,688,948**	9,910,548
Social security costs	**1,122,782**	1,039,333
Other Pension costs	**2,232,074**	1,913,219
	14,043,804	12,863,100

Neither the Governors nor any persons connected with them received any remuneration or other benefits for their work on the Governing body.

During the year two settlement agreements totalling £27,280 were paid *(2023: two payments totalling £26,998)*. At the year end there was no outstanding balance *(2023: £Nil)*.

	2024	2023
	£	£
Aggregate employee benefits of key management personnel	**960,136**	1,095,284

The number of higher paid employees was	2024	2023
	No.	No.
Taxable emoluments band:		
£60,001 - £70,000	**23**	14
£70,001 - £80,000	**2**	1
£80,001 - £90,000	**3**	1
£90,001 - £100,000	**-**	2
£100,001 - £110,000	**1**	-
£110,001 - £120,000	**1**	-
£120,001 - £130,000	**1**	1

The average number of employees during the year was 323 (*2023: 314*), whilst the average number of employees calculated on a full time equivalent basis was:

	2024	2023
	No.	No.
Teaching	**161**	142
Welfare	**23**	25
Premises	**6**	5
Support	**41**	55
	231	227

8. TANGIBLE FIXED ASSETS

	Assets under construction	Freehold Land & Buildings	Fixtures & Fittings	Computer System & Cabling	Motor Vehicles	Total
	£	£	£	£	£	£
Cost						
1 September 2023	10,860	22,858,538	3,366,846	1,216,261	24,262	27,476,767
Additions	1,220,709	108,045	70,317	459,362	-	1,858,433
Disposals	-	-	-	(309,393)	(24,262)	(333,655)
Transfer to fixed asset held for sale	-	(39,200)	-	-	-	(39,200)
Transfer between classes	(804,430)	-	804,430	-	-	-
31 August 2024	427,139	22,927,383	4,241,593	1,366,230	-	28,962,345
Depreciation						
1 September 2023	-	5,840,838	2,165,627	1,057,880	24,262	9,088,607
Charge for year	-	440,704	332,109	252,505	-	1,025,318
Eliminated on disposals	-	-	-	(309,393)	(24,262)	(333,655)
31 August 2024	-	6,281,542	2,497,736	1,000,992	-	9,780,270
Net book value 31 August 2024	**427,139**	**16,645,841**	**1,743,857**	**365,238**	-	**19,182,075**
31 August 2023	10,860	17,017,700	1,201,219	158,381	-	18,388,160

The primary use of all the tangible fixed assets is for direct charitable purposes.

On incorporation, two plots of land were presumed to be permanent endowment. These were a plot of land conveyed between Alfred Bell Esq and the Official Trustee of Charity Land in trust for the Stockport Grammar School and a plot of land conveyed between Peter Peirce and the Official Trustee of Charity Land in trust for the Stockport Grammar School. It is not possible to distinguish the value of these plots of land from the freehold land and buildings noted above.

9. INVESTMENTS

	Designated Funds	Restricted Funds	Endowment Funds	Total 2024	Total 2023
	£	£	£	£	£
Market value at 1 September	3,102,888	2,271,429	129,363	**5,503,680**	4,752,736
Additions	1,099,594	297,247	-	**1,396,841**	1,772,918
Disposals	(522,947)	(606,989)	-	**(1,129,936)**	(924,540)
Net investment gains/(losses)	354,456	218,482	9,382	**582,320**	(97,434)
Market value at 31 August	**4,033,991**	**2,180,169**	**138,745**	**6,352,905**	5,503,680

	2024	2023
	£	£
Investments at market value comprise:		
Listed UK Equities	**4,551,283**	4,608,107
Listed non-UK Equities	**1,416,622**	895,573
Cash on deposit	**385,000**	-
	6,352,905	5,503,680

The investments are held as fixed assets which generate income to be applied for the purposes described in notes 22 - 24.

10. PROPERTY INVESTMENTS

	Designated Funds	Total 2024	Total 2023
	£	£	£
Valuation at 1 September 2023	2,315,000	**2,315,000**	2,315,000
Revaluation (net loss)	(54,800)	**(54,800)**	-
Valuation at 31 August 2024	2,260,200	**2,260,200**	2,315,000

The investment property consists of buildings held for investment purposes, which are not used in the School's own activities. All of the properties are in Stockport and are let out on the open market.

The last formal valuations of the properties were undertaken in October 2024. These were undertaken by Michael Hart and Company Limited, Chartered Surveyors and Garner & Sons, Chartered Surveyors.

11. FIXED ASSETS HELD FOR SALE

	2024	2023
	£	£
Assets held for sale	**39,200**	-

12. STOCKS

	2024	2023
	£	£
Goods for resale and consumables	**60,718**	54,318

13. DEBTORS

Due within one year:

	2024	2023
	£	£
Trade debtors:		
Fees outstanding	**141,969**	125,688
Bad debt provision	**(76,318)**	(68,811)
School fees	**65,651**	56,877
Other debtors and accrued income	**434,842**	228,635
Deferred payments for supplies for the following year	**134,848**	97,840
Prepayments	**354,014**	252,961
	989,355	636,313

14. CREDITORS: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	**669,040**	701,863
Taxation and social security	**246,250**	240,806
Fee deposits (see note 16)	**51,916**	54,150
Fees in advance (see note 17)	**2,921,277**	364,263
Other creditors	**21,870**	15,118
Accruals and deferred income	**1,483,165**	509,550
	5,393,518	1,885,750

15. CREDITORS: Amounts falling due after one year

	2024	2023
	£	£
Fee deposits (see note 16)	**247,152**	242,802
Fees in advance (see note 17)	**1,446,768**	-
	1,693,920	242,802

16. FEE DEPOSITS

Fee deposits are returned via the offset of future fees (or alternatively as a donation to the School) and are expected to be applied as follows:

	2024	2023
	£	£
In one year or less	**51,916**	54,150
Between two and five years	**125,850**	121,500
Over five years	**121,302**	121,302
	299,068	296,952

Movements of fee deposits

	2024	2023
	£	£
Balance at 1 September	**296,952**	306,320
New deposits received	**147,620**	152,139
Deposits utilised	**(145,504)**	(161,507)
Balance at 31 August	**299,068**	296,952

17. FEES IN ADVANCE

Parents may enter into a contract to pay the School tuition fees in advance. The money may be returned, subject to specific conditions but, assuming the relevant pupils remain in the School, advance fees will be applied as follows:

	2024	2023
	£	£
In one year or less	**2,921,277**	364,263
Between one and two years	**749,241**	-
Between two and five years	**697,527**	-
	4,368,045	364,263

Movements on advance fees:

	2024	2023
	£	£
Balance at 1 September	**364,263**	180,817
New advance fees received	**4,368,045**	364,263
Amounts utilised in payments	**(364,263)**	(180,817)
Balance at 31 August	**4,368,045**	364,263

18. FINANCIAL INSTRUMENTS

	2024 £	2023 £
Financial assets		
Financial assets measured at fair value through income and expenditure	**8,613,105**	7,818,680

Financial assets measured at fair value comprise assets held as investments.

The School's income, expense, gains and losses in respect of financial instruments are summarised below:

	2024 £	2023 £
Total investment income for financial assets measured at fair value through income and expenditure	**426,363**	264,656
Net (losses)/gains on financial assets measured at fair value through income and expenditure	**527,520**	(97,434)
Impairment (losses)/gains on financial assets measured at amortised cost	**(16,960)**	(30,422)

19. LEASES

At 31 August 2024 the total of the School's future minimum lease income receivable under non-cancellable operating leases was:

	2024 £	2023 £
Within 1 year	**105,140**	105,140
Within 1 – 5 years	**210,280**	315,420
	315,420	420,560

At 31 August 2024 the total of the School has commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Within 1 year	**24,780**	18,599
Within 1 – 5 years	**47,844**	22,994
	72,624	41,593

20. CAPITAL COMMITMENTS

At the year end the School had a capital commitment of £Nil (*2023: £Nil*).

21. NET ASSETS OF THE FUNDS OF THE CHARITY

The Charity's net assets belong to the various funds as follows:

	Fixed Assets	Investments	Net Current Assets/ (Liabilities)	Long term (Liabilities)	Fund Balances 2024
	£	£	£	£	£
Endowment funds	-	138,745	429	-	**139,174**
Restricted funds	-	2,180,169	1,094,453	-	**3,274,622**
Unrestricted funds	19,182,075	6,294,191	4,707,021	(1,693,920)	**28,489,367**
	19,182,075	**8,613,105**	**5,801,903**	**(1,693,920)**	**31,903,163**

Comparative net assets of the funds of the Charity – 2023 (restated):

	Fixed Assets	Investments	Net Current Assets/ (Liabilities)	Long term (Liabilities)	Fund Balances 2023 (restated)
	£	£	£	£	£
Endowment funds	-	129,363	1,177	-	130,540
Restricted funds	-	2,271,429	697,991	-	2,969,420
Unrestricted funds	18,388,160	5,417,888	4,022,767	(242,802)	27,586,013
	18,388,160	7,818,680	4,721,935	(242,802)	30,685,973

22. ENDOWED FUNDS: MOVEMENTS IN THE YEAR

Permanent endowments:	At 1 Sept 2023	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2024
	£	£	£	£	£	£
Endowment	21,550	-	-	-	-	**21,550**
Prize Funds	29,429	-	-	2,369	-	**31,798**
Sykes Trust Fund	79,561	-	(748)	7,013	-	**85,826**
	130,540	**-**	**(748)**	**9,382**	**-**	**139,174**

Comparative endowed fund – 2023:

Permanent endowments:	At 1 Sept 2022	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2023
	£	£	£	£	£	£
Endowment	21,978	-	-	(428)	-	21,550
Prize Funds	30,015	-	-	(586)	-	29,429
Sykes Trust Fund	84,390	-	(899)	(3,930)	-	79,561
	136,383	-	(899)	(4,944)	-	130,540

The twenty-two Prize Funds consist of donations by individual donors. Income from the Funds is used to offset the cost of providing prizes at the annual Prize Day.

The Sykes Trust Fund is endowed funds to generate income for bursaries.

Each Trust Fund is allocated its proportion of investment income and gains and losses and bears its own expenses.

23. RESTRICTED FUNDS: MOVEMENTS IN THE YEAR

Restricted:	At 1 Sept 2023 (restated)	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2024
	£	£	£	£	£	£
Albert Johnston Fund	13,590	240	(1,400)	-	-	**12,430**
Benjamin Smith Fund	115,405	3,273	-	8,442	-	**127,120**
Bursary Appeal	1,774,356	194,731	(94,353)	117,167	-	**1,991,901**
Prize funds	11,322	4,933	-	799	-	**17,054**
Sykes Trust Funds	2,660	3,069	(2,321)	-	-	**3,408**
Stockport Grammar School Educational Foundation Bursary	42,612	-	-	-	-	**42,612**
Roy Clough Fund	953,955	27,323	(91,392)	90,178	-	**980,064**
Nicholas Henshall Stopfordian Trust Bursary	29,687	1,394	(32,977)	1,896	-	**-**
Old Stopfordians Fund	(191)	14,271	(14,271)	-	-	**(191)**
Baxendale Trust Bursaries	21,619	3,370	(2,721)	-	-	**22,268**
Adventure Awards	4,405	-	-	-	-	**4,405**
	-	73,551	-	-	-	**73,551**
	2,969,420	**326,155**	**(239,435)**	**218,482**	**-**	**3,274,622**

Comparative restricted funds – 2023:

Restricted:	At 1 Sept 2022 (restated)	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2023 (restated)
	£	£	£	£	£	£
Albert Johnston Fund	15,061	147	(1,618)	-	-	13,590
Benjamin Smith Fund	115,949	3,140	(1,600)	(2,084)	-	115,405
Bursary Appeal	1,681,933	193,782	(75,341)	(26,018)	-	1,774,356
Prize funds	10,131	1,388	-	(197)	-	11,322
Sykes Trust Funds	895	2,828	(1,063)	-	-	2,660
Stockport Grammar School Educational Foundation Bursary	18,823	-	23,789	-	-	42,612
Roy Clough Fund	1,005,720	25,636	(62,353)	(15,048)	-	953,955
Nicholas Henshall Stopfordian Trust Bursary	56,893	1,390	(27,043)	(1,553)	-	29,687
Old Stopfordians Fund	-	8,619	(8,810)	-	-	(191)
The Hallam Trust	20,454	1,177	(12)	-	-	21,619
Baxendale Trust Bursaries	-	1,334	(1,334)	-	-	-
	-	4,405	-	-	-	4,405
	2,925,859	243,846	(155,385)	(44,900)	-	2,969,420

The Albert Johnston Fund was established by way of a collection following the death of Albert Johnston, a former teacher of the School, in 1981. The income from the Fund is used to provide small travel awards for the winners of a competition among current school pupils.

The John Benjamin Smith Exhibition Fund was established in 1880 to commemorate a former Mayor of Stockport and benefactor to the School. Its original purpose was to provide leaving scholarships for boys going on to University. Since 1981 awards have been made available to boys and girls largely to provide Education Travel Exhibitions.

The Bursary Appeal fund was established following an appeal for funds in 2001 to raise funds for the provision of bursary assistance.

The Sykes Trust Funds are generated from the endowed Sykes Trust Fund to provide bursaries.

The Stockport Grammar School Educational Foundation funding is a donation to be used for bursaries.

The Roy Clough Fund has been established from the generous legacy of a former pupil to provide bursaries.

The Nicholas Henshall Fund was established from the generous legacy of a former pupil, member of staff and Governor to provide bursaries. This has now been fully spent in the year ended 31 August 2024.

The Stopfordian Trust Bursary is a donation used for bursaries.

The Old Stopfordians Fund is held on behalf of the Old Stopfordian Association (OSA). The funds are to be used to continue to support their work in promoting the School to former pupils.

The Baxendale Bursary fund was established after the death of Alan Baxendale (OS 1942) and the establishment of the AS Baxendale Charitable Trust. The School receives assistance to provide bursaries for pupils at the School.

The Hallam Trust is a one-off support to provide assistance to a family experiencing financial difficulties.

The Adventure Awards fund was established by former pupils of the School in 2024 to honour their lifelong passion for the outdoors, climbing, and mountaineering which began whilst they were current pupils. This fund could cover both formal school organised and pupil organised trips outside of term time as well as regular activities (e.g. subsidising weekly climbing).

24. UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR

Designated Funds:	**At 1 Sept 2023 (restated)**	**Incoming Resources**	**Amounts Expended**	**Investment Gains / (Losses)**	**Transfers**	**At 31 August 2024**
	£	£	£	£	£	£
Investment Fund	5,081,046	205,710	(166,901)	295,896	403,000	**5,818,751**
General appeal	128,024	15,941	-	-	-	**143,965**
The Pilkington Fund	53,536	1,360	(3,568)	3,760	-	**55,088**
	5,262,606	223,011	(170,469)	299,656	403,000	**6,017,804**
General Reserve	22,323,407	21,258,559	(20,707,403)	-	(403,000)	**22,471,563**
	27,586,013	21,481,570	(20,877,872)	299,656	-	**28,489,367**

Comparative unrestricted funds – 2023:

Designated Funds:	**At 1 Sept 2022 (restated)**	**Incoming Resources**	**Amounts Expended**	**Investment Gains / (Losses)**	**Transfers**	**At 31 August 2023 (restated)**
	£	£	£	£	£	£
Investment Fund	4,727,344	133,870	(118,505)	(46,663)	385,000	5,081,046
General appeal	118,190	9,834	-	-	-	128,024
The Pilkington Fund	55,316	1,350	(2,203)	(927)	-	53,536
	4,900,850	145,054	(120,708)	(47,590)	385,000	5,262,606
General Reserve	22,065,773	20,005,017	(19,362,383)	-	(385,000)	22,323,407
	26,966,623	20,150,071	(19,483,091)	(47,590)	-	27,586,013

The Designated Investment Fund, established many years ago, was considerably enhanced in 1993 following a bequest from the sister of a former pupil and was enhanced by a further gift from the estate of that former pupil. The Governors decided to create a fund which would be used to provide financial assistance to parents of pupils who fell into financial difficulties. It is used to provide bursaries to needy pupils following the withdrawal of the Assisted Places Scheme from September 1998.

The School has received a generous donation from the family of Sara Pilkington (OS 2010). In memory of Sara, the Governors have designated the funds to provide support for pupils who wish to enter the sixth form.

The General Reserve fund is retained to cover the fixed assets and provide working capital.

The transfer was made to designate further funds towards bursaries.

25. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff who joined pre-1 April 2024. The pension charge for the year includes contributions payable to the TPS of £1,849,616 (*2023: £1,624,856*) and at the year-end £Nil *(2023 - £Nil)* was accrued in respect of contributions to this scheme.

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

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

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

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Given the increase in employer contribution rate and the possibility of further increases in the future, a decision was taken to proceed with Phased Withdrawal from the TPS from 1 April 2024, meaning those teachers joining the school on or after this date would not be eligible to join the TPS, but would instead be eligible to join the group personal pension scheme.

The Charity also runs a group personal pension scheme for its non-teaching staff. The cost for the year represents the Charity's contributions to this scheme of £382,458 (*2023: £288,363*) and at the year end £Nil (*2023: £Nil*) was accrued in respect of contributions to this scheme.

26. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income for the reporting period (as per the statement of financial activities)	**1,217,190**	657,108
Adjustments for:		
Depreciation charges	**1,025,318**	884,755
Profit on fixed asset disposal	**(14,000)**	(8,900)
(Gains)/losses on investments	**(527,520)**	97,434
Dividends, interest and rents from investments	**(426,363)**	(264,656)
(Increase)/decrease in stocks	**(6,400)**	12,627
(Increase)/decrease in debtors	**(353,042)**	1,164,931
Increase/(decrease) in creditors	**4,958,886**	(248,742)
Net cash provided by operating activities	**5,874,069**	2,294,557

27. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash at bank	10,106,148	5,917,054
Total cash and cash equivalents	10,106,148	5,917,054

This includes funds for the next phase of the development of the facilities of the school.

28. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2023	Cash flows	Non-cash changes	At 31 August 2024
Cash at bank	5,917,054	4,189,094	-	10,106,148
	5,917,054	4,189,094	-	10,106,148

29. RELATED PARTY

During the year there were no related party transactions other than those disclosed in note 8.

30. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023 (restated)

	Unrestricted Funds		Restricted Funds	Endowed Funds	Total Funds	Total Funds
	School	Designated			2023	2022
	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:						
Charitable Activities						
School fees	17,983,191	-	-	-	17,983,191	15,984,616
Other educational income	121,066	-	-	-	121,066	118,160
Other ancillary trading income	1,779,443	-	-	-	1,779,443	1,041,419
Other trading activities						
Other income	68,996	-	-	-	68,996	39,613
Investment income	52,321	143,909	68,426	-	264,656	166,463
Voluntary Sources						
Donations and legacies	-	1,145	175,420	-	176,565	2,540,791
Total income	20,005,017	145,054	243,846	-	20,393,917	19,891,062
EXPENDITURE ON:						
Raising funds						
Fundraising costs	54,085	-	-	-	54,085	29,672
Financing costs	-	-	-	-	-	137
Investment management	-	23,459	15,274	899	39,632	85,895
Charitable activities						
Education and grantmaking	19,308,298	97,249	140,111	-	19,545,658	17,074,340
Total expenditure	19,362,383	120,708	155,385	899	19,639,375	17,190,044
NET INCOMING FUNDS FROM OPERATION BEFORE TRANSFERS AND INVESTMENT GAINS/(LOSSES)	642,634	24,346	88,461	(899)	754,542	2,701,018
Gains/(losses) on investments	-	(47,590)	(44,900)	(4,944)	(97,434)	(567,990)
Transfers between funds	(385,000)	385,000	-	-	-	-
NET INCOME AND MOVEMENT IN FUNDS	257,634	361,756	43,561	(5,843)	657,108	2,133,028
Funds balances at 1 September (restated)	22,065,773	4,900,850	2,925,859	136,383	30,028,865	27,895,837
Funds balances at 31 August (restated)	22,323,407	5,262,606	2,969,420	130,540	30,685,973	30,028,865

STOCKPORT GRAMMAR SCHOOL

England & Wales - Charity number 1120199

Accounts

Charity number: 1120199
Company number: 6261525

STOCKPORT GRAMMAR SCHOOL

ANNUAL REPORT AND ACCOUNTS

For the year ended 31 August 2023

STOCKPORT GRAMMAR SCHOOL
ANNUAL REPORT AND ACCOUNTS 2023

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REFERENCE AND ADMINISTRATIVE DETAILS

The School is a company limited by guarantee, company number 6261525 and is registered with the Charity Commission under charity number 1120199. The registered address of the School (which comprises the Senior and Junior Schools) is Stockport Grammar School, Buxton Road, Stockport SK2 7AF.

The Governors of the School are also the Trustees, Directors and Members and are collectively referred to as Governors.

The names of the Governors at the date of signing the Report and/or those who served during the year are as set out below:

Co-optative Governors

* C F Dunn (Chair, retired 31 August 2023)
* J M R Lee (Vice Chair, Chair of Building Committee until 31 August 2023, Chair from 1 September 2023)
* A P Carr (Vice Chair from 1 September 2023)
Ms S E Carroll
* Ms S Lansbury
* A C Simpson (Chair of Finance Committee)
N R Booth
J C P Mason (deceased 31 August 2023)
A J Gardiner (Chair of Building Committee from 1 September 2023)
Dr L Gholkar (Safeguarding, resigned 18 April 2023)
* J A Shackleton
T Firth (Safeguarding from 1 September 2023, appointed 6 December 2022)
Ms A Smethurst (Appointed October 2022, resigned 1 July 2023)
Ms J Smith (appointed 5 December 2023)
T Potter (appointed 5 December 2023)

Co-optative Governors are appointed by the Board of Governors for a period of five years, after which they can be appointed for further five year periods.

Nominative Governors

Professor A J C Bloor (The University of Manchester, Safeguarding from 18 April 2023, resigned 31 August 2023)
Ms C S Muscutt (The Teaching Staff of the School until March 2023, Co-Optative Governor from March 2023, resigned 18 September 2023)
Ms K Carfrae (Old Stopfordians, appointed 30 May 2023)
Ms D Harris (The Teaching Staff of the School, appointed 17 October 2023)
J Millington (The Hallam Trust, appointed 18 October 2022)
Ms H Tritschler (The University of Manchester, appointed 5 December 2023)

Nominative Governors are appointed by their respective nominating organisations for up to two consecutive three-year periods.

* Members of the Management Committee

Mr Jon Mason, Governor and SGS parent, sadly passed away on 1st September after a short illness. Jon was a member of the Buildings Committee as well as the Main Board of Governors. Committed to enriching the pupils' school experience and SGS's support for the wider community of Stockport, he regularly attended concerts and drama productions and worked in support of the school's Artsmark Platinum Award. He will be greatly missed by the school community. Jon was a partner in a national commercial law firm and was also a highly respected international athletics technical official, officiating at the Olympics and the Paralympics https://www.englandathletics.org/news/jon-mason-1975-2023/ Our thoughts are with Jon's family.

Mr Christopher Dunn retired from his role as Chair of the Governing Body at the end of August 2023 after 12 years as a Governor and 9 years as Chair. Christopher (OS 1976) gave huge amounts of his time and energy to the School. As well as supporting music, performances, school and alumni events, he somehow also found the time to be a partner in a national commercial law firm. His wise counsel and ability to listen ensured that he was a steadying influence through periods of change. Mr Jonathan Lee (OS 1983) succeeds Christopher as Chair of Governors in September 2023.

After 5 years at the helm, Dr Paul Owen retired as Head at the end of the academic year. The Governors, staff and pupils wish him a long and happy retirement and thank him for his resilience in dealing with the coronavirus pandemic and its impact on both himself and the School. We should appreciate that often Heads and Governors only discovered the 'new' rules on a Sunday evening along with the general public and Dr Owen handled the rapidly changing situation with an outward sense of calm. Governors were delighted to announce that Mrs Sarah Capewell was appointed as the next Head of Stockport Grammar School with effect from September 2023.

OFFICERS

Head	The School	Dr P M Owen (retired 31 August 2023) Ms S Capewell (appointed 1 September 2023)
Head of Junior School	The Junior School	M J R Copping
Bursar and Clerk to the Governors		Ms J Clague
School Address		Stockport Grammar School Buxton Road Stockport SK2 7AF

The day to day running of the School is delegated to the Head, the Head of the Junior School and the Bursar.

ADVISERS

Bankers	National Westminster Bank plc PO Box 13 10 Great Underbank Stockport SK1 1LT
Solicitors	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS SAS Daniels LLP 30 Greek Street Stockport SK3 8AD Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH Schofield Sweeney Springfield House 76 Wellington Street Leeds LS1 2AY
Auditors	Crowe U.K. LLP Chartered Accountants Registered Auditors Black Country House Rounds Green Road Oldbury B69 2DG
Architects	10architect Ltd 12 Hilton Street Manchester M1 1JF
Insurance Brokers	Bridge Insurance Brokers Ltd Cobac House 14-16 Charlotte Street Manchester M1 4FL
Investment Advisers	Rathbone Investment Management Port of Liverpool Building Pier Head Liverpool L3 1NW

The Governors of the School, who are also the Directors of the Company, present their annual report for the year ended 31 August 2023, together with the audited accounts for the year, which have been prepared in accordance with company law and in compliance with the Charities SORP 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School was established in 1487 under the Will of the founder, Sir Edmund Shaa. It was subject to a Scheme approved by the Charity Commission on 14 February 1991, and amended by variations to the Scheme dated 15 September 1995, 9 January 1996 and 4 May 1999. A company limited by guarantee with charitable status called Stockport Grammar School was incorporated on 29 May 2007 with bespoke Memorandum and Articles of Association. The Governors were appointed as directors and members of the Company and are its charity trustees. The School undertaking and expendable assets of Stockport Grammar School, registered charity number 525936 were transferred to the Company at midnight on 31 August 2007 to form part of the corporate property of the Company. The Articles of Association were reviewed in 2015 and updated to be in line with current legislation.

Governing Body

There is a single governing body for the whole school which comprises the Senior and Junior Schools.

Recruitment and Training of Governors

A Governor search group reviews the composition and future membership of the Board. New Governors are inducted by way of interview with the Clerk to the Governors, who ensures that they are in possession of, and are aware of the implications of, a number of internal documents, Charity Commission guidance documents and the Scheme documents noted above. The Governors have continued a process of self-appraisal and are also encouraged to engage in continuing training during their period of office by attending appropriate external training courses and seminars organised by various external bodies.

The Governors have reviewed the Charity Governance Code for Trustees produced by the Charity Commission and were satisfied that they met the required standards in all areas but that the compliance would continue to be reviewed regularly.

Organisational Management

The School Governors, as Directors of the Company and the Trustees of the Charity, are legally responsible for the overall management and control of Stockport Grammar School, and meet four times a year. The work of implementing most of their policies is carried out by the members of the Management Committee who meet three times a year to consider the more detailed aspects of those matters which fall within the remit of the Governing body. The Management Committee is currently chaired by the Chair of Governors.

The other principal Committees are Finance, Building (including Health and Safety & ICT), Education and External Relations. Each of these Committees meet as and when required. In addition, Governors meet with staff representatives once each term under the umbrella of the Information and Consultation Committee. Governors review each year any potential conflicts of interest. Five Governors had children who were pupils in the School during the year, and declared an interest when relevant decisions were taken.

The day to day running of the School is delegated to the Head, Dr P M Owen supported by Mr M J R Copping, Head of the Junior School and their Senior Management Teams (SMTs), together with the Bursar. The Heads and School Bursar attend meetings of the Board and the above Committees.

Remuneration for all staff is set by the Board and is reviewed annually with reference where possible to other similar schools to ensure that the School is aware of pay and employment conditions elsewhere and that staff are fairly and reasonably rewarded for their contribution to the work of the school. The Governors recognise that delivery of the School's charitable vision and purpose is primarily dependent on the key management personnel and that staff costs are the single largest element of charitable expenditure.

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

Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to apprise staff of current issues.

Governors' Insurance
In accordance with normal commercial practice the School has purchased insurance to protect Governors' and officers from claims arising from negligent acts, errors or omissions occurring whilst on school business. The insurance provides cover up to £5M on any one claim and the cost for the year ended 31 August 2023 was £3,330 of which the proportion relating to Governors is £1,064.

Relationships
The School was connected to another Charity, Stockport Grammar School Educational Foundation, which operated from the same address as Stockport Grammar School. As disclosed in the prior year, as part of meeting its objects the Trustees decided during the prior year that it would be beneficial for Stockport Grammar School to take control of the assets held by the Educational Foundation. At a meeting on 24 August 2022, the Trustees resolved that the Foundation was to be wound up with effect from 31 August 2022. The risks and rewards of ownership of all assets were transferred to Stockport Grammar School on that date, with the registered title legally transferred on 2 September 2022. The winding up of the Foundation was completed in early September 2022.

The School retains ownership of a company Stockport Grammar School (2007) Limited, established under the Companies Acts, which has not traded since incorporation. The School also has a close relationship with the Stopfordian Trust, a Registered Charity whose objectives include the provision of financial assistance to needy pupils in the School.

OBJECTIVES AND ACTIVITIES

Charitable Object
The School's Object, as set out in the 2007 Scheme, is to advance education by the provision and conduct, in or near Stockport, of a school for boys and girls and insofar as it is incidental or ancillary, such other purposes for the benefit of the local community as shall be exclusively charitable.

Objectives for the Year
In the Senior section of the School there were four key strategic areas of focus;

1. To further improve pupils' behavioural standards through establishing clear expectations; recognising that the Covid restrictions have adversely impacted pupils' social maturity.
2. To further develop academic culture within the school through the provision of digital resources (dedicated time for FROG champions in each Department to develop resources), through establishing an essay competition and through reviewing the opportunities for pupils to develop 'inquiry skills'.
3. To re-establish the school trips program.
4. To complete the development of a pupil-generated Equality Charter to explicitly communicate how pupils should treat one another, regardless of gender, sexual orientation, or ethnicity. This will achieve further improvements in 'culture' within the school community.

In addition, in the Junior School their curriculum (and staff personal development) strategic intent was to;

Academic Ambition

1. To further raise standards in writing across the school.
2. Utilise the additional Learning Development Assistant to focus on ensuring the effective progress and attainment of Y5 children.
3. To ensure that the new Phase Leader roles and Deputy Head (Academic) have a positive impact on curriculum provision.
4. Continue to ensure that mathematical problem solving is given the appropriate focus across the school.

Care, Character and Community

5. To ensure that the mental health aspect of pupil wellbeing is reviewed and updated.
6. Review attitudes to learning and refine practices in light of this.
7. To review role of Head Boy, Head Girl and Prefects and increase their responsibilities and engagement, particularly with younger children.
8. To implement a new equality and diversity programme across the Nursery, Reception and Y1.

Beyond the Classroom

9. Develop the after-school offer in the Infant department.

STRATEGIC REPORT

Strategies to achieve the year's objectives

During this period, the School was able to largely operate unaffected by the ongoing Coronavirus pandemic; the School was able to deliver a full curriculum, co-curricular activities and public examinations. The main ongoing financial and logistical challenges relate to staff cover and pupil and staff sickness absences. The general economic pressures combined with inflationary rises in food, fuel and other costs did however pose particular financial challenges.

To further improve pupils' behavioural standards through establishing clear expectations; recognising that the Covid restrictions have adversely impacted pupils' social maturity. As a school we decided on key behaviour attributes that were printed onto durable plastic and put up in each classroom. This area remains an area of focus for Ms Capewell as she takes over as new Head from September 2023.

To further develop academic culture within the school through the provision of digital resources (dedicated time for FROG champions in each Department to develop resources), through establishing an essay competition and through reviewing the opportunities for pupils to develop 'inquiry skills. FROG Champions are in place and have received additional training. Structures for digital resources have been established within each Department. Staff have continued to be given time to develop their FROG pages and this is being audited in the academic year 2023-2024 by the new Head of Computer Science. The essay competition was held last year and winners from each section of school were rewarded by the Head. A review of project work was carried out and Heads of Departments agreed to adopt skills and approaches from the EPQ qualification to ensure, wherever possible, inquiry skills were embedded in project work. In the Junior School the use of Google Classroom has continued for homework tasks and the use of Frog will be explored for Y6 pupils so they have familiarity before starting in the Senior School.

To re-establish the school trips program. In the previous year, school trips ran provided they were UK based due to the ongoing insurance aspects of booking holidays overseas, however in the current year a full programme of school trips has now been re-established. Conscious of the more difficult economic climate and its impact on families, trips are wherever possible run to be financially accessible to all. The normal programme of trips is now in place for which the pupils have a considerate appetite. We have over 150 trips each year. New trips such as the expedition to Borneo, RS/Art trip have been introduced.

To complete the development of a pupil-generated Equality Charter to explicitly communicate how pupils should treat one another, regardless of gender, sexual orientation or ethnicity. This will achieve further improvements in 'culture' within the school community. The development of an inclusive culture remains a key focus and pupil voice is at the heart of this important work. In May 2023 pupils from the Inclusion Union presented the Equality Charter to Governors. The Charter was also submitted to the School Council for review. The key findings from the School Council review were that the charter should be reproduced in Pupil-friendly language and reduced in length to make it more accessible. This has been completed. The Staff DEI group have reviewed the Charter and are satisfied that it is representative of the direction of travel for the School and provides a clear framework for the School's work on DEI to exist within. The Equality Charter was presented to all teaching and some support Staff during the INSET session on return to School in September, and was well received. The Governors feedback will be sought now that the new Head is in post and the Charter will be rolled out School-wide.

Other work on Inclusion and Culture:

The Pupil led Prizm group champions the LGBGTQ+ community at Stockport Grammar School. The Inclusion Prefects have led on Black History Month and on upcoming Anti-Bullying Week. An Anti-Bullying Council has been established in the Junior School. The group are following the same training as the Senior School Council (Diana Award: Antibullying Pro). In response to review and feedback by the Senior School Anti-Bullying Council in June 2023, the anti-bullying policy has been updated for Sept 2023. Their suggestion included simplification of language for parents and pupils, the use of example scenarios to support explanations and the introduction of restorative practice as part of the management of behaviour in School. Pastoral leaders have all received Restorative Practice training and begun to embed this in their day-to-day work. 16 pupils from 5th Year and above attended the Gender, Power and Masculinity conference this term. Assemblies and Form Tutor time this term have reinforced key themes around kindness and inclusion, as well as celebrating the diversity of the school community. Inclusion Union have proposed a 'Multi Cultural' week or fortnight in the Summer Term to showcase and educate the whole community in food, dance, music, language and culture which is represented among our pupils and staff. All departments have begun a curriculum review with the theme 'representation matters'. Heads of Department have been asked to lead their teams in identifying opportunities for more diverse representation e.g do photographs in presentations feature people who reflect our community? Is work by academics from minority groups included in reading lists? Are the experiences of the LGBGTQ+ people or those with disabilities considered in balance with majority groups in teaching and learning?

In addition, in the Junior School their curriculum (and staff personal development) strategic intent was to;

Academic Ambition - To further raise standards in writing across the school. A considerable amount of training and moderation was undertaken over the academic year to develop the quality of teaching and assessment in writing. Whole school data indicates that the proportion of children working at, and above, age related expectations has increased. Further training was undertaken during our INSET Day in September 2023 which specifically focused on the assessment of writing and identifying next steps for children to promote further improvement.

Academic Ambition - Utilise the additional Learning Development Assistant to focus on ensuring the effective progress and attainment of Y5 children. The additional learning development assistant has had a very positive impact by providing additional support to Y5 pupils and giving further capacity across the whole learning development team. This impact can be evidenced through the improvement in attainment following interventions and also lesson observations. This role will continue into the 2023/24 academic year.

Academic Ambition - To ensure that the new Phase Leader roles and Deputy Head (Academic) have a positive impact on curriculum provision. The changes to the leadership and management structure have improved communication across the school and enabled a clear line management for staff. Feedback from staff has been very positive and the impact on further developing teaching and learning successful, encouraging more consistency, and sharing of good practice.

Academic Ambition - Continue to ensure that mathematical problem solving is given the appropriate focus across the school. Data indicates that over 2022-23 the children's ability to problem solve and reason improved. However, a decision was made mid-way through 2022-23 that from September 2023 a new maths scheme would be introduced in Y3-6 which included an even greater focus on reasoning and problem solving. This will be rolled out to the Infant classes in September 2024. Those staff in Y3-6 who are responsible for planning were given additional time to implement the necessary changes in June/July 2023.

Care, Character and Community - To ensure that the mental health aspect of pupil wellbeing is reviewed and updated. Procedures and the structure of the mental health team were reviewed over 2022-23 and resulted in much clearer lines of referral and support for those children identified as benefiting from some form of intervention. In addition, three additional members of staff were trained as mental health first aiders.

Academic Ambition - Review attitudes to learning and refine practices in light of this. In September and October 2022, learning walks were undertaken across the school. These learning walks indicated that the children's attitudes towards learning were strong. Some minor suggested changes to teaching were shared to further enhance this area.

Care, Character and Community - To review role of Head Boy, Head Girl and Prefects and increase their responsibilities and engagement, particularly with younger children. Roles were reviewed over the year and additional roles for prefects identified. In addition, the role of Playground Buddy was further developed.

Care, Character and Community - To implement a new equality and diversity programme (EDI) across the Nursery, Reception and Y1. The 'Think Equal' scheme was introduced across Nursery, Reception and Year 1. The scheme successfully introduces EDI through the use of stories. Staff received training and the implementation, although at an early stage, seems positive.

Beyond the Classroom - Develop the after-school offer in the Infant department. Over the course of the year, additional co-curricular activities for after school were introduced, alongside additional activities at lunchtimes. These additional clubs expanded the 'Infant Offer' however it is important to note that the main co-curricular offer starts in Y3. On average, the Junior School had 57 weekly co-curricular activities each term in the 2022-23 academic year.

The School offered extensive support to pupils throughout the periods of remote learning and this has continued and been added to upon the pupils return to school. This has featured general pastoral support as well as additional provision of counselling for pupils experiencing particular difficulties with their well-being. The school has developed a pastoral, discussion initiative to address the issues raised by the 'Everyone's Invited' website. During the year, work continued with pupils to create an Equality Charter to enhance respect for others within the school community. The Senior School also created Inclusion Prefect positions.

School nurses, Heads of Year, Heads of Section and Deputy Head (Pastoral) are Youth Mental Health First Aiders trained by Mental Health First Aid (MHFA) England. Any new members of the team are offered training as a matter of course. From September 2023, new Pastoral Support Worker roles have been created.

Academic enrichment opportunities have fully returned to pre pandemic levels and the School sustains an excellent range of academic clubs, societies and competitions. Added to this is the full enrichment programme of Music, Drama and Outdoor Pursuits as well as Sport. The Duke of Edinburgh Scheme remains popular and we have unprecedented numbers taking part. We were delighted to receive the Platinum Award in response to hard work on the Artsmark project and to establish the ArtsAward to recognize pupils' achievements in the Arts.

Pupils have also participated in co-curricular clubs and masterclass sessions across a range of subjects and have been supported in academic extension lessons and in their applications to top universities.

Pupils have continued to express their views through the School Councils and Eco Committees in the Junior and Senior Schools. These included feedback on catering provision, communication across the school, and consultation over homework, uniform and diversity as well as their work in charitable fundraising. The School has been successful in it's application for the Platinum Artsmark award and established a creative hub to promote contact with local arts organisations and Schools, and has launched an Arts Award to allow pupils to gain a qualification and validate their artistic involvement.

We are delighted that Stockport Grammar School has been successful with an application for a place on Sadler's Wells' Making Moves choreography and dance performance project. This project was open to schools, youth groups and dance schools from across England and we are one of 48 groups to have been selected to participate. The project's aim is to raise the profile of dance being created in youth settings and will give pupils the chance to work with a renowned British choreographer – Stockport Grammar has been assigned professional choreographer Danielle 'Rhimes' Lecointe.

Pupils in the school have continued to achieve significant successes in a range of sports at local, county and national level. Added to this, the School offers many opportunities to take part in competitive team sports. There have been individual pupil successes in regional and county and national appearances across a wide variety of sports. Other non-sporting successes include many pupil achievement awards in Olympiad competitions, success in Young Enterprise competitions, and recognition of many individual achievements in art and music with pupils performing in regional and national orchestras and exhibiting work in national galleries.

As part of the continuing commitment to improve the facilities available across the whole site, over the summer period 2023 works included large scale maintenance expenditure with particular focus on the languages block and the quiet play area in the Junior School. Following a whole site condition survey, necessary preventative works commenced on the external structure that houses the swimming pool and the art block; this work is ongoing and necessary before the re-roofing of such buildings can be tackled next. As a consequence of the works, the swimming pool had to be closed for the summer but this then enabled redecoration internally and for various large items of pool plant machinery to be replaced. Across the school site, there was a huge investment in wifi technology as the school enables a future move towards smart devices and changes in the learning environment. The School continued its focus on conversion to LED lighting and PIR sensors and the whole of the Hallam Building fire alarm systems were upgraded.

Principal Activities of the Year
The School provides education in Stockport to boys and girls from the ages of 3 – 19.

In the academic year 2022/2023 the Senior School had an average of 1155 pupils (1131 in 2021/22) and the Junior School had an average of 397 pupils (374 in 2021/22). The number of staff employed during the year, including part time staff, shown as FTE's was teaching Staff 161 (Senior 125, Junior 36) and non-teaching staff 66 (153 teaching staff in 2021/22 of which Senior 116, Junior 37 and non-teaching staff 71).

Public Benefit, Aims and Intended Impact
The School's public benefit aim is to provide an excellent independent education through a strong academic tradition and through developing wider social, moral and personal skills. These are encouraged through the development of a supportive community which places a strong emphasis on the individual development of boys and girls. Such an environment helps pupils to learn self-discipline, participate in and be enriched by the challenges of many extra-curricular activities which will contribute to their success in life beyond school and university by equipping them with high moral values, personal qualities and a thirst for knowledge to serve them all their lives and enable them to become worthwhile and responsible citizens.

In setting out policy and planning these activities the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular the requirement to demonstrate that public benefit for any charitable purpose where it had previously been presumed in the absence of evidence to the contrary.

Through the External Relations Department the School has continued with its policy to promote and expand the School's links and role within the wider community of Stockport. Governors were delighted to welcome Aria Johnston who has joined the School as Head of Development. Aria looks forward to working with alumni and the wider school community to increase meaningful experiences for pupils, expand opportunities and support the next generation of Old Stops by growing the bursary funds.

The School continues to provide means tested bursaries to children whose parents would not otherwise be able to pay the fees. Assistance was provided to 14 of the 192 pupils joining the First Form in 2022 and 7.3% of pupils in the Senior School received means tested assistance during the year. There continues to be a wide programme of events and activities in place to raise funds in support of bursaries and bursary information is widely available in the School's publications, on the website and in advertising for Open Events. The 27 bursary holders who left the sixth form of the school in 2023, achieved excellent academic success and secured a total of 35 A* and A grades. Of those going to University this year, more than half have chosen to study in the medical field and will become the doctors of the future along with the next lawyers, engineers and architects.

Academic Support and wider public benefit

- The School has continued to develop extensive links with other local schools and colleges across a range of ages and activities. 127 local primary school pupils, from 18 schools, took part in the 10th Year 5 Art Competition in February and 264 pupils from local primary schools booked to take part in the Year 5 Taster sessions in the Summer Term, held over 3 days.
- 248 children from 33 schools took part in the Year 5 Maths Competition in June.
- 44 pupils from 11 schools took part in a Year 10 Science Competition organised at the School in July.
- Director of Drama: visited 3 local primary schools to deliver Theatre in Education workshops to Years 4 & 5. They also facilitated a musician to work with over 85 pupils at two local primary schools and worked with Stockport School and a secondary school in Romiley to develop work with Writing Squad.
- The School hosted a Leadership Conference in November for over 50 teachers from schools in the NW on Core Values and Motivational Leadership.
- A Senior School Teacher provides resources for the Classical Association which are freely available to all schools and provides training to teachers to teach primary school Latin. Support is also provided to a teacher at Didsbury High School to provide Greek lessons and they delivered presentations at a recent Classical Association Conference.
- Junior School Head offers support to a state school, leading the appraisal process for the Headteacher.
- A Senior School Art teacher supported Cedar Mount Academy with the GCSE standardisation and moderation process in an advisory capacity.
- A Senior School teacher helps pupils and staff from state schools with university applications/medical interviews.
- The Head of Sixth Form is part of the University of Manchester Schools and Colleges forum and also on the Advisory Group at UCAS.
- The Head of Art is a member of the All-Party Parliamentary Group (APPG) for Education in Art and Design. They are also a Team Leader and Senior Moderator for AQA A-level Art and Design and Lead Assessment for AQA A-level Art and Design, responsible for producing an A level paper that is used by schools and colleges nationally and internationally.
- The Head of Art is active on the National Society for Education in Art and Design (NSEAD) media platforms and has a YouTube channel with demonstration videos available as open access.
- A Senior School Chemistry teacher is a member of the Manchester and District Local Section of the Royal Society of Chemistry's Education sub-committee and organiser of Chemquiz Manchester.
- The Assistant Head of Sixth Form is Chair of Governors at a SEND Secondary provision in Newcastle under Lyme, running 3 Teaching and Learning Conferences per year across the specialist pathways at the school and chairs both the Curriculum Committee and Resources Meetings. They also contribute to the *Team Around the School* meeting each term.

Sports support and wider public benefit

- A Senior School teacher organizes fixtures with State Schools. He is also the Cheshire representative on England Schools Rugby committee; Cheshire Schools Rugby Competitions Chair (organises all Cheshire Schools cups and tournaments, involving state and independent schools). He is Chair of England Schools Rugby Competitions Committee that oversee the National Schools competitions at U15 and U18; Cheshire Schools representative on North West Regional Player Pathway Group and sits on the Cheshire Rugby Disciplinary Panel.
- The PE department play numerous football fixtures against state schools and host and run the SSSSA athletics meeting involving 7 state schools.
- The PE department host festivals and tournaments for state schools in Rugby, Football, Netball and Hockey.

Stockport Grammar support of clubs and sports activities as part of the wider public benefit

- The School has continued to encourage coaching and sporting opportunities for young people in the area by making its sports and site facilities available for use by other organisations. The school swimming pool is used by Great Moor School and the Rotary Club Charity Swimathon (no charge). The pool is also hired by Norris Bank Swimming Club, Aqua Seals, Trafford Artistic Swimming Club and the Lucy Hesford Swim School providing swim lessons to local children.
- The sports hall is hired by High Lane Cricket Club and Stockport Georgians Cricket Club. New lets in the year now also include Stockport Trinity Cricket Club Kingsway Power Netball and a Professional Netball Academy.

Voluntary Work and Community Support

- The Head of Sixth Form is a Governor at a local primary school and this has included chairing the Curriculum Committee.
- Duke of Edinburgh pupils carry out voluntary work at various locations in the local area. 64 Lower and Upper Sixth Form pupils carry out voluntary work at various locations.
- Approximately 20 pieces of artwork were included as part of More Woods for Woodsmoor community art project – six 'trees' sited at Woodsmoor station.
- A Deputy Head is a Trustee at their local church.
- The Dance Teacher helps out at a youth theatre group, 'Manchester Musical Youth' and their younger 'Apprentices' group.
- A senior School teacher volunteers as an independent Custody Visitor for the Lancashire Police and Crime Commissioner.
- The Head of Drama leads projects in the community on behalf of LCEP (Local Cultural Education Partnership) to help local children and young people.
- Second and Fourth year pupils took part in a project run by Curious Young Minds and supported by Arts Council England called 'Pushing Boundaries' with artist Amang Mardokhy.
- A Junior School Teacher is a co-opted Governor at a local school and volunteers as a Beaver Scout Leader. Another member of the Junior School Support Staff is a Parent Governor at a local state Primary School in Sale. Other staff ran sessions at local Rainbow and beaver groups.
- The Art Department are involved in an architecture project about St George's Church to produce silk painting, lino prints and mixed media pieces which will be displayed in the Church.

Wider Engagement and Public Benefit

- The School was delighted to host the National Youth Brass Band Championships of Great Britain. Over 1,200 children from 38 bands took part and the event was attended by over 1,000 audience members.
- In February the Wellspring Charity used the school facilities for their annual quiz and fundraising for local homeless people and returned to Stockport Grammar later in the year to host a piano recital.

Charity Fundraising and Community Service

- The school is proud to be able to fundraise for charities locally, nationally and internationally.
- Both the Senior and Junior Schools have a Charity Club and the pupils work together with staff to choose the causes they would like to support and to brainstorm ideas of how they can engage the SGS community. Previous ideas have included bake sales, non-uniform days, taking part in physical challenges and food collections.
- Pupils take part in and gain much from a wide range of community service activities, particularly in the Sixth Form and as part of the Duke of Edinburgh Award. A number of charity fundraising events took place; pupils in the Senior School raised £5,637 supporting MIND on World Mental Health Day, Educaid, Centre Point, Bare Necessities, Barnados and gave food and clothing donations to Wellspring. The Junior School were equally active and raised £4,661 in support of Children in Need, Macmillan, Francis House and the Turkey/Syrian Earthquake Appeal.

The School continues to enjoy a national reputation for the quality of its delivery of the Duke of Edinburgh Award Scheme and is the largest independent provider in the North West. The scheme has extended the opportunities for participation at gold and silver level with mountain biking and canoeing now available and there are now over three hundred and fifty pupils actively participating in the scheme. The scheme has a completion rate in excess of 80% which is well above the national average for the UK. Enrolment remains higher with over 85% of the 3rd year starting their DofE Bronze last year.

Governors appreciate and celebrate the huge commitment of all staff who go above and beyond in their roles to enrich the lives of young people, to act as aspirational role models and ambassadors in the local community.

Grant-making Policy
The Governors' policy is to make bursary awards available to support an individual's educational potential and ensure that the opportunity for an education at the School is available to as wide a range of children as possible to join the School at 11+ or 16+.

The School endeavours to promote the availability of bursaries to the widest audience through its literature and information, together with the terms and conditions for awards, which are available to view on its website at www.stockportgrammar.co.uk.

This year, the value of bursaries, music scholarships, allowances and other awards made to the School's pupils out of unrestricted funds amounted to £1,394,104 (prior year £1,360,600) of which £1,335,517 were means tested bursaries, which was close to the upper target figure of 8% set by the Governors to allocate from gross fee income. Of the bursaries awarded 85% were transformational awards with full fee remission.

Volunteers
The Stopfordian Parents' Association has continued to provide invaluable support to the School in terms of fundraising and support of a wide variety of activities.

ACHIEVEMENTS AND PERFORMANCE

Operational Performance
In the Senior School the objective is to ensure that all pupils maximise their academic potential and the target set by the Governors is that there will be at least an 85% pass rate at Grades A and B at Advanced Level. In summer 2023 our pupils were the first cohort to sit A-Level public examinations despite not having sat GCSE's in the usual way as a result of the covid pandemic. The School is immensely proud of the achievements of all of our pupils and their resilience at handling the impact on their learning; at Advanced Level 66% achieving A*, A or B grades and 38% at A* and A.

Two pupils accepted places at Cambridge or Oxford and recipients of transformational bursaries secured places at Russell Group universities. 88% of other pupils were successful in meeting the entry requirements of their chosen universities. The school value added according to CEM centre data was positive and is improving over time.

In 2023 at GCSE 61% of grades awarded were at 9/8/7 with 20% of entries at the highest grade 9. The overall results were judged to be a fair reflection of pupil abilities and reflect the phased move back to 'normal' exam situations for our pupils' post pandemic. The majority of pupils took nine subjects at GCSE or IGCSE Level from a range of examining bodies. The school value added according to CEM centre data was positive and is continuing to improve over time.

In the Junior School, the table below indicates the outcomes in standardised tests undertaken by infant and junior school pupils in June 2023. These tests are undertaken on a termly basis and the outcomes are based on national benchmarks, percentage in 'average' range and percentage above in brackets. Our tracking system demonstrates that outcomes in the average range and above average range have continued to increase over the last few years.

	PIRA (Reading)	PUMA (Maths)
Year 1	90% (44% above)	94% (36% above)
Year 2	95% (46% above)	98% (61% above)
Year 3	98% (52% above)	98% (61% above)
Year 4	97% (49% above)	98% (63%)
Year 5	97% (48% above)	98% (62% above)
Year 6	100% (43% above)	96% (42% above)
All	**96% (47% above)**	**97% (54% above)**

Benchmarking
The School participates each year in the benchmarking survey conducted by Baines Cutler Solutions Ltd where its financial performance is measured against that of similar schools in the north of England. Comparing those results for the survey conducted in 2023 the Governors are encouraged by the performance of the school against those schools against which it is benchmarked.

Fundraising Performance
No specific financial target was set by the Governors, but during the year under review, the amount raised was £176,565 (2022, £235,674). This included a generous donation from the Zochonis Charitable Trust of £70,000 and an anonymous donation of £13,215 for the provision of bursaries. The direct cost incurred in money-raising was £54,085. The School's aim is to ensure that strong relations continue to be maintained with alumni and other potential benefactors and has appointed an additional member of staff to develop the opportunities for fundraising both for bursaries and capital projects. The School has continued to benefit from a number of generous legacies from former pupils which support the bursary funds that enable pupils to join the school. During the year the School received the legacy of £1,000,000 that was disclosed in the accounts in the previous year. Stockport Grammar School remains very grateful for the generous support provided by such donors. It enables talented children to join the school who can only attend with the assistance of a means-tested bursary The Governors anticipate that significant future donations will arise from the legacy programme.

The School had no fundraising activities requiring disclosure under 5162A of the Charities Act 2011.

Investment Performance
During a continued challenging backdrop for markets over the financial year to 31st August 2023, the consolidated investment portfolio produced a return of +1.2% vs the benchmark (PIMFA Balanced index) of +1.8%. Markets have primarily been driven by inflation and the associated policy response of rising interest rates, which have seen valuations of risk assets struggle to make headway. As rate increases feed into the real economy, this will continue to suppress demand and with it, hopefully, inflation; signs of which we are seeing already. This will pave the way for a relaxation of Interest rate policy which would see this headwind become a tailwind.

As we have seen in the last 12 months politics, policy and geopolitics can create market volatility. The current Israel/Gaza conflict and upcoming elections in the West will see these factors likely continue to play a part, but may also create opportunity. While Governors recognise some of the near-term challenges, the Board remains focussed on the objective of achieving long term growth, through a combination of capital appreciation and income, to support our beneficiaries.

Factors outside the School's Control

While some of the factors which most influence the School are within its own control (for example the curriculum on offer and the quality of teaching staff), other factors are not. As well as fluctuations in the birth rate in its catchment area, the School recognises that factors of the strength of the local and national economy, location and travel options continue to have a major impact on the recruitment of pupils at all levels.

The economic impact of the Coronavirus pandemic, conflict in Ukraine and Israel and Palestine, world recessionary pressures and the risks of new political policy initiatives present significant threats and limit the Governors' ability to produce robust medium and long term plans. The continued recruitment of high calibre pupils in future years from a smaller market will require that the School maintains the highest possible standards in all areas whilst potentially facing significant cost increases and the Governors and senior management teams recognise these factors in all their business planning. The Governors maintain a risk register as part of their governance of the school and analysis of this demonstrates that the sector faces unprecedented threats in the short to medium term. For obvious reasons there is worry in the sector; the political appetite would appear that the 'benefits' enjoyed by independent schools may be something that future governments wish to end. Governors wish to reassure parents and staff that while there is a commercial sensitivity in sharing full details, Governors are planning behind the scenes, trimming costs and ensuring that resilience plans are well developed. This will no doubt involve some tough decisions to be made along the way but equally once an elected Government gives a real outline of intentions, at that point the school will evolve and restructure to obtain the best result for themselves, staff, and for parents and pupils.

The Governors continue to encourage all members of the School to play an active role in the community and promote the work of the School and they encourage pupils from all areas of the town to apply to the School. The Governors are mindful of recent inspections undertaken and guidance issued by the Charity Commission with regard to public benefit.

FINANCIAL REVIEW

The School's net incoming resources on unrestricted funds before transfers or gains showed a net surplus for the year of £642,634 (2022, surplus of £1,439,280 including a legacy of £1,000,000) after charging depreciation of £884,755 and receipt of bank interest of £63,575. Whilst pupil numbers for the year were higher than anticipated, this was offset by the costs relating to necessary catch-up building maintenance. The school was able to make some savings in operating costs, but this was offset by unprecedented inflationary pressures relating to unavoidable costs such as insurance, food, fuel and coach travel. Governors are mindful of the fact that all of this is against a backdrop where families face ongoing financial difficulties and that families cannot continue to absorb the increases in the school's operating costs. The School is also needing to spend more on bus subsidies in an effort to limit bus fare increases for families and keep school bus routes viable and the cost of additional pastoral support for pupils who need it also adds an additional and increasing cost to running the school. Those families who demonstrated the need for further support were offered additional flexibility regarding the timing of fee payments.

Governors recognise that the continuing very significant economic pressures on parents may have an impact on future recruitment and retention. However, they note the huge commitment of families to Stockport Grammar and their children's education and that the level of fee debt owed to the School has now significantly reduced. Statements made by political parties about the intention to introduce VAT on School fees, withdraw Business Rates Relief for Charities and/or withdraw charitable status for independent schools causes significant uncertainty in the sector and would pose significant further financial pressures on the School. Governors are mindful of this and continue to ensure that efficiencies are made where possible to cushion against financial shocks. The Governors were also pleased to note the continuing value of the external letting of the swimming pool, sports hall and rental property and the additional income it generated to support the work of the School.

Reserves and Reserves Policy
Notes 21 to 24 to the financial statements show the assets and liabilities attributable to the various types of fund and summarise the year's movements on each fund. The School's total reserves of £30,685,973 at year end comprised £130,540 endowed funds, restricted funds of £2,955,830 and unrestricted funds of £27,599,603. Unrestricted funds, not designated by the Governors, amounted to £22,323,407 at 31 August 2023. Designated funds amounted to £5,276,196 and a description of the purpose of the designations is shown in note 24 to the financial statements. Free reserves, after deducting the net book value of tangible fixed assets, were £3,935,247.

The Governors have examined the School's requirement for reserves and have established a policy of maximising unrestricted funds not proposed, committed or invested in tangible fixed assets held by the School and that they should be between 5% and 10% of turnover. This equates to holding reserves between £964k and £1.9m and therefore funds held are currently in excess of this policy but this is reviewed regularly in light of the need to invest in development of the School's facilities.

The reserves are required to provide the funding for the building development and maintenance programmes and investment in resources to enable the School to provide the best possible facilities for the pupils commensurate with the School's standing in the community.

The School's policy is that its banking arrangements should be sufficient to support the continuing activities of the School in the short term given that parents are required to give one term's notice of their intention to withdraw a child from the School.

Funding Sources
The School relies almost entirely on its fee income received from parents to cover its expenditure and to pay for investment in buildings and resources. The only external sources of funds are normally by way of donations and these are shown as income to the School and in the Restricted Funds.

Investment Policy and Objectives
The objective for investing the reserve funds is to grow the value of the portfolios over the long term to provide financial support and sustainability, with particular focus on the provision of bursary funding for pupils of the school.

The Board aims to maximise the total return (a combination of income and capital growth) on the investment assets within an appropriate and agreed risk profile such that capital growth is achieved to at least keep pace with inflation and an income is generated to help support the school and its pupils. The Board, on consultation with their investment manager (Rathbones), agreed to a Risk Level 4 on Rathbones scale of 1-6, where 6 is highest. Whilst some of the smaller funds have differing aspects, the Board agreed that the investment strategy and risk profile should be consistent across the funds, although this is reviewed regularly.

Rathbones have been appointed with a discretionary investment mandate, carrying out the day-to-day portfolio management within the agreed framework. The board will monitor the manager and the fund performance with reference to the MSCI PIMFA Balanced index (an industry market relative benchmark) and the long term (absolute) return measure of CPI+3%.

Principal Risks and Uncertaintles
The Board of Governors is responsible for the management of the risks faced by the School. The Governors view the most significant risk to the future of the School to be a possible future reduction in pupil numbers as a result of changing economic or political circumstances. These may either be as a direct consequence of the current recessionary forces impacting on families ability or desire to commit to independent school education or as a result of government decisions which impact on the economic circumstances of families in the local area or force unavoidable fee increases via Government policy. Whilst levels of recruitment interest have remained strong and in some year groups increased as a result of concerns about the recent provision in the maintained sector, continued economic uncertainty, the factors of travel and geography which influence many families' decisions, and current trends in post 16 education all contribute to the risks associated with pupil numbers in the future. In order to cope with strong inflationary pressures, fee increases in the last 2 years have by necessity been higher than the long run average but mindful of this burden to families Governors are minded to keep future increases as low as

possible. The increase in the employers' contribution to the Teachers' Pension Scheme from April 2024 will have a very significant impact on the costs of employing staff and therefore Governors commenced a consultation exercise with staff in June 2023 in order to seek to manage the very high risk of these disproportionate future increases. Another critical risk common to all businesses remains the threat of cyber security attacks and the School is mindful of the need to continue to improve resilience and mitigate such risks as much as possible.

Health and Safety risk management underpins many of the activities of the School, from daily management of infrastructure risks such as fire to personal risks, particularly when pupils are involved in off-site co-curricular activities. Careful planning and detailed risk assessment procedures are in place to minimise these. A close watch continues to be kept over all operational matters to mitigate the risks of infection transmission – while this is no longer a headline item in the news, infection numbers of staff and pupils (particularly in the junior school) continues to periodically increase and leads to additional control measures being reintroduced at such times.

During the year the Governing Body reviewed and updated its strategic plan and the analysis of the risks to which the School could be exposed. These risks are regularly reviewed by the Senior Management of the School and day to day management of those risks is delegated to the Senior Management Teams. Risks are identified, assessed and controls established throughout the year.

The key controls used by the School include:

- Comprehensive strategic planning, budgeting and management accounting;
- Established organisation structure and lines of reporting;
- Formal written policies including clear authorisation and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable;
- Terms of reference for all Committees;
- Formal agendas for all Committee and Board activity; and
- Safeguarding and Health and Safety being a key, standard item on all agendas for meetings.

Through the risk management process established for the School, the Governors are satisfied that the major risks identified have been adequately managed. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

PLANS FOR FUTURE PERIODS

It remains the Governors' and Head's intention to ensure that pupils continue to achieve excellent academic results that will enable them to gain entry to leading universities and prepare them for life beyond school whilst having the opportunity to participate in as wide a range of co-curricular activities as possible.

In the Senior section of the School there are three key strategic areas of focus;

Academic Ambition

1. To review the current use and provision of IT and to develop an IT strategy for the school.
2. To improve the provision for SEND pupils through a focus on inclusion but providing specialist and targeted teaching where necessary.

Care, Community and Character

3. To develop a culture of kindness and community within the school, encompassing pupils, parents and staff.

In addition, in the Junior School their curriculum (and staff personal development) strategic intent is to;

Academic Ambition

1. To continue with curriculum changes in Y1 and Y2.
2. To implement the White Rose Maths Scheme in Y3-6 to ensure greater challenge and reasoning.
3. To provide whole staff INSET on Growth Mindset.
4. Development of pupil voice in school self-evaluation and improvement planning.

Care, Character and Community

1. To develop the role of Anti-Bullying Ambassadors in the Junior School.

Beyond the Classroom

1. To increase recruitment in Y3 and Y4 so that any surplus places are removed.

Despite the long-term financial pressures faced by the School the Governors are committed to completing the work that has already started to improve the buildings and facilities on the school site. Work on the completion of the new junior school quiet play area in Summer 2023 involved the construction of a sheltered seating space for outdoor classroom and performance possibilities. Our thanks also go to the grounds staff for the considerate planting of the area, making it a calm oasis and a place to shelter from all extremes of weather! We hope that the work is completed in the next year with the addition of small finishing touches. As a result of the full planned maintenance survey carried out for the whole estate during 2022, there will now be a period of maintenance and preventative measures being carried out. The School is aided in this regard by the newly created role of Head of Estates in order that competitive quotes and best value is being obtained in every case.

Further large-scale developments will continue through the detailed planning stages so that they can commence subject to the availability of resources. These projects include plans to make further improvements to the Main Hall to support and enhance the provision of facilities for Drama, the eventual creation of a new Reception area and entrance and the development of a master plan for the sports facilities and the frontage of the site.

The External Relations Committee will continue to review the following: pupil recruitment at all ages, public benefit, (with particular focus on links to the community and the provision of bursaries), marketing; and alumni relations. This will involve developing a range of alternative engagement strategies with greater focus on targeted digital communication. A key objective remains to embrace the School's social responsibilities as an outward facing school by engagement with the local and wider communities. The School will continue to explore opportunities to participate in external initiatives to raise the quality of provision in the maintained sector in Stockport and South Manchester and prepare to respond if there are further national initiatives regarding collaborative partnerships. The School will continue to work with other schools and organisations in the area to further its responsibility to contribute to the local community of Stockport. The School will continue to make every effort to promote awareness of the School's Bursary Scheme to widen access to the School.

The events of the last year have further highlighted and reinforced the Governors' recognition of the economic pressures on parents caused by the current level of fees and the impact of external factors over which the School has no control which can add very significantly to the School's operating costs. The Governors will continue to ensure that the fees for tuition offer excellent value for money as well as seeking ways to reduce costs wherever possible without compromising the high standards of teaching, pastoral care, co-curricular opportunities, the provision of other services, and the long-term investment in the site and the School's resources.

The Governors recognise what a very difficult period this has been for the whole school community and they want to record their thanks to all those who have continued to support the School throughout the last few years, with particular thanks to all the staff, teaching and non-teaching who have worked tirelessly over the last year to maintain the high standards of teaching and support for the pupils.

STREAMLINED ENERGY AND CARBON REPORTING

The School's greenhouse gas emissions and energy consumption are as follows:

	2023	2022	2021
UK energy use (1)kWh	3,600,761	3,863,500	4,052,452
Associated Greenhouse gas emissions (2) Tonnes CO2 equivalent	680.09	713.00	772.33
Intensity ratio - Emissions per pupils	0.43 per pupil	0.47 per pupil	0.53 per pupil
Intensity ratio - Emissions per area	0.03 per sqm	0.04 per sqm	0.04 per sqm

The School has used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition). Further emission factors were used from UK Government's GHG Conversion Factors for Company Reporting 2020. The School is delighted to see the progress being made since it started to monitor emissions and energy consumption in 2021.

UK energy use covers gas, electricity and transport fuel.

The total school roll increased over the last 12 months but this is now expected to flatten out as the school is at maximum capacity. Added to this for the last 2 years the School has admitted more students into the first form and has seen a higher retention rate into the Sixth form. Health and Safety guidance during the pandemic led to windows being kept open wherever possible in teaching and communal spaces in order to aid ventilation but in colder months this also led to heating systems being required to work harder to keep spaces adequately heated as a result of windows being opened; this move has now become normalised within the School.

During the summer of 2023, further work was undertaken in the main Hallam building to convert to LED lighting and PIR sensors. This is part of an ongoing project. The School also continues to move all legacy heating systems on to a centrally controlled BMS system and lower the maximum temperature at which the school heats its buildings to reduce consumption, control costs and provide a healthy working environment.

SECTION 172 STATEMENT AND STAKEHOLDER ENGAGEMENT

The Governors have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the School for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172 of the Companies Act 2006.

In discharging their duties above, the Governors carefully consider, amongst other matters, the impact on and interest of other stakeholders in the School and factor these into their decision-making process.

Pupils
Pupils benefit from the School's excellent pastoral provision with staff placing as much importance on pupils' all-round personal development as they do on academic progress.

Employees
The School recognises that the qualities, skills and commitment of its employees play a major role in the School's success. Regular briefings keep staff informed of School-wide developments, and wide-ranging employee benefits enhance their quality of life. Staff wellbeing remains a key focus as the increasing demands and pace of change that all employees now face in a modern world. Focus also remains on equality, diversity and inclusion where improvements can always be made. The introduction of the Employee Assistance Programme in 2022 to provide 24/7 support to staff and their immediate families has proved to be a valuable resource.

Parents
The School recognises the many benefits of engaging with parents and has reimagined its communications with parents over the past twelve months. An historic reliance on written communication has given way to digital innovations such as streaming live and recorded audio-visual events and podcasts.

Community
The School is proud of its place in the local community and conscious that it has significantly beneficial impact on the local economy and on local cultural life.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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

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

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

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

- there is no relevant audit information of which the School's auditor is unaware, and
- that Governors have taken all the steps that ought to have been taken in order to be aware of any information needed by the School's auditor in connection with preparing its report and to establish that the School's auditor is aware of that information.

This report, incorporating the Strategic report, was approved by the Governors, as the company directors, on 5 December 2023 and signed on the board's behalf by:

J M R Lee
Chair

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

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of 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 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

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

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

Use of our report

This report is made solely to the charity's trustees, 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 charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Kerry Brown
Senior Statutory Auditor
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG
Date: 18 December 2023

STOCKPORT GRAMMAR SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted Funds		Restricted Funds	Endowed Funds	Total Funds	Total Funds
		School	Designated			2023	2022
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Charitable Activities							
School fees	2	17,983,191	-	-	-	17,983,191	15,984,616
Other educational income	3	121,066	-	-	-	121,066	118,160
Other ancillary trading income	3	1,779,443	-	-	-	1,779,443	1,041,419
Other trading activities							
Other income	3	68,996	-	-	-	68,996	39,613
Investment Income	4	52,321	144,056	68,279	-	264,656	166,463
Voluntary Sources							
Donations and legacies	5	-	1,145	175,420	-	176,565	2,540,791
Total income		20,005,017	145,201	243,699	-	20,393,917	19,891,062
EXPENDITURE ON:							
Raising funds							
Fundraising costs		54,085	-	-	-	54,085	29,672
Financing costs	7	-	-	-	-	-	137
Investment management		-	23,459	15,274	899	39,632	85,895
Charitable activities							
Education and grantmaking		19,308,298	98,867	138,493	-	19,545,658	17,074,340
Total expenditure	6	19,362,383	122,326	153,767	899	19,639,375	17,190,044
NET INCOMING FUNDS FROM OPERATION BEFORE TRANSFERS AND INVESTMENT GAINS/(LOSSES)		642,634	22,875	89,932	(899)	754,542	2,701,018
Gains/(losses) on investments	10	-	(47,590)	(44,900)	(4,944)	(97,434)	(567,990)
Transfers between funds	24	(385,000)	385,000	-	-	-	-
NET INCOME AND MOVEMENT IN FUNDS		257,634	360,285	45,032	(5,843)	657,108	2,133,028
Funds balances at 1 September		22,065,773	4,915,911	2,910,798	136,383	30,028,865	27,895,837
Funds balances at 31 August	21	22,323,407	5,276,196	2,955,830	130,540	30,685,973	30,028,865

The notes on pages 27 to 42 form part of these accounts.

STOCKPORT GRAMMAR SCHOOL
Company number 6261525
BALANCE SHEET
AS AT 31 AUGUST 2023

	Notes	£	2023 £	£	2022 £
FIXED ASSETS					
Tangible Fixed Assets	9		18,388,160		19,218,990
Securities Investments	10		5,503,680		4,752,736
Property Investments	11		2,315,000		2,315,000
			26,206,840		26,286,726
CURRENT ASSETS					
Stocks	12	54,318		66,945	
Debtors	13	636,313		1,801,244	
Cash		5,917,054		4,251,244	
		6,607,685		6,119,433	
CREDITORS: Amounts falling due within one year	14	(1,885,750)		(2,135,986)	
NET CURRENT ASSETS			4,721,935		3,983,447
Total Assets Less Current Liabilities			30,928,775		30,270,173
CREDITORS: Amounts falling due after one year	15		(242,802)		(241,308)
TOTAL NET ASSETS	21		30,685,973		30,028,865
ENDOWED FUNDS	22		130,540		136,383
RESTRICTED FUNDS	23		2,955,830		2,910,798
UNRESTRICTED FUNDS Designated and general funds	24		27,599,603		26,981,684
TOTAL FUNDS			30,685,973		30,028,865

The financial statements were approved and authorised for issue by the Board on 5th December 2023 and signed on its behalf by:



J M R Lee
Chairman

The notes on pages 27 to 42 form part of these accounts.

STOCKPORT GRAMMAR SCHOOL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023	2022
		£	£
Cash flows from operating activities:			
Net cash provided by operating activities	26	2,294,557	1,417,348
Cash flows from investing activities:			
Dividends, interest and rents from investments		264,656	166,463
Proceeds from the sale of investments		924,540	989,672
Proceeds from the sale of fixed assets		121,825	7,200
Purchase of investments		(1,772,918)	(824,252)
Purchase of fixed assets		(166,850)	(1,083,632)
Net cash used in investing activities		(628,747)	(744,549)
Cash flows from financing activities			
Repayments of borrowing		-	(29,133)
Interest paid on borrowings		-	(137)
Net cash used in financing activities		-	(29,270)
Change in cash and cash entitlements in the reporting period		1,665,810	643,529
Cash and cash equivalents at the beginning of the reporting period	27	4,251,244	3,607,715
Cash and cash equivalents at the end of the reporting period	27	5,917,054	4,251,244

The notes on pages 27 to 42 form part of these accounts.

1. STATEMENT OF ACCOUNTING POLICIES

1.1 Charity information

Stockport Grammar School is a Company limited by guarantee (registered number 6261525), which is registered in England and Wales. It's charity registration number is 1120199. The registered office and principal place of business is Buxton Road, Stockport, SK2 7AF.

Its principal activity is the provision of day schooling.

The members of the company are the Governors named on page 1. In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per member of the School.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Stockport Grammar School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 19.

Critical accounting judgements and key sources of estimation uncertainty

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

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

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

In preparing the financial statements the trustees have considered the treatment of fee deposits. As per the standard terms and conditions fee deposits are offset against future fees or parents can elect to donate the deposit to the School. Therefore, the trustees have judged it appropriate to classify the fee deposits due as split between greater than one year and less than one year based on the expected repayment date.

1.3 Fees and Similar Income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

1.4 Investment income

Investment income from dividends and bank balances is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates.

1.5 Donations and legacies

Donations receivable for the general purposes of the Charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on the Governors, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments – permanent or expendable according to the nature of the restriction.

Donations and legacies income is recognised when the conditions for entitlement, probability and measurement have been met.

1.6 Government grants

Government grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.7 Resources expended

Expenditure is accrued as soon as a liability is considered probable discounted to present value for longer term liabilities and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Liabilities are recognised where there is a legal or constructive obligation committing the entities to the expenditure. The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of charitable activity. Included in support costs of the school are budgeting and accounting, information technology, human resources and finance. School trip expenditure is included under support costs.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the Governors and all costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.8 Pension schemes

The Charity contributed to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme.

The Charity also contributes to a group personal pension scheme for non-teaching staff. Contributions to all schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

1.9 Tangible fixed assets

All fixed assets costing more than £5,000 are capitalised at historical cost.

Depreciation is provided to write off the cost less estimated residual value of tangible fixed assets over their estimated useful lives, on a straight line basis, at the following rates:

Buildings:	2%
Computer system and cabling:	33.33%
Motor vehicles:	25%
Fixtures and Fittings:	10%

Land is not depreciated.

A full year's charge is made in the year in which the asset is brought into use but no charge is made in the year of disposal.

1.10 Investments

Security investments are valued in the balance sheet at their mid-market value at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction-based, while investment income management costs are charged as expenditure out of the relevant income funds.

Investment properties are valued at intervals not exceeding 5 years on an open market existing use basis subject to current occupation and tenancies in place at that time by an appropriately qualified professional. In intervening years the Trustees value them by reference to market reports and government indices. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

1.11 Stock

Stock is valued at the lower of cost and net realisable value.

1.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised costs using the effective interest method, less any impairment.

1.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.14 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments and cash at bank which are held at fair value. Financial assets held at amortised cost comprise trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

1.15 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.
Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are available for use only in accordance with the donor's wishes.

Investment income, gains and losses are allocated to the appropriate fund.

2. CHARITABLE ACTIVITIES: FEES RECEIVABLE

	Senior	Junior	Nursery	2023	2022
	£	£	£	£	£
The school's fee income comprised:					
Gross fees	15,263,453	3,878,737	202,077	19,344,267	17,245,311
Less: Total bursaries, grants and allowances from unrestricted funds				(1,361,076)	(1,260,695)
				17,983,191	15,984,616

After School Care fees included in the above amounted to £70,103 (*2022: £42,961*).

Scholarships, bursaries and other awards were paid to 112 pupils *(2022: 135)*. Within this means tested bursaries totalling £1,335,517 were paid to 108 pupils (*2022: £1,304,109 to 111 pupils*).

3. CHARITABLE ACTIVITIES: OTHER INCOME

	2023	2022
	£	£
Other educational charitable activities		
Entrance and registration fees	31,160	30,950
Courses and sub-lettings	89,906	87,210
	121,066	118,160
Other ancillary activities		
School meals	1,105,664	1,025,438
Morning club	2,200	1,292
School trips	671,459	13,761
Fee interest received	120	928
	1,779,443	1,041,419
Other incoming resources		
Other	68,996	39,613

4. INVESTMENT INCOME

	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Bank interest received	63,575	4,215	67,790	10,661
Dividends received	72,927	64,064	136,991	94,054
Investment property rental	59,875	-	59,875	61,748
	196,377	68,279	264,656	166,463

5. DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Donation of property from Stockport Grammar School Educational Foundation	-	-	-	1,200,000
General appeal donations	1,145	-	1,145	1,223
Legacy	-	-	-	1,000,000
Bursary appeal donations	-	160,225	160,225	234,413
Prize fund donations	-	38	38	38
Stopfordians	-	-	-	1,661
Bursaries from Stockport Grammar School Educational Foundation	-	-	-	90,000
Baxendale Bursary	-	4,405	4,405	-
Stopfordian Trust Bursary	-	800	800	12,123
Hallam Trust	-	1,333	1,333	1,333
GMET Bursaries	-	8,619	8,619	-
	1,145	175,420	176,565	2,540,791

6. ANALYSIS OF TOTAL RESOURCES EXPENDED

a) Total expenditure

	Staff costs £	Other costs £	Depreciation £	Total 2023 £	Total 2022 £
Costs of generating funds:					
Financing costs (note 7)	-	-	-	-	137
Investment management	-	39,632	-	39,632	85,895
Fundraising for voluntary resources	-	54,085	-	54,085	29,672
Total costs of generating funds:	-	93,717	-	93,717	115,704
Charitable activities					
Teaching	10,854,627	1,212,147	-	12,066,774	11,176,344
Welfare	689,618	1,022,544	-	1,712,162	1,651,138
Premises	177,643	2,074,298	741,609	2,993,550	2,265,555
Support costs and governance	1,141,212	1,251,454	143,146	2,535,812	1,624,446
Grants, awards and prizes (note 6 (b))	-	237,360	-	237,360	356,857
Total charitable expenditure	12,863,100	5,797,803	884,755	19,545,658	17,074,340
Total resources expended	12,863,100	5,891,520	884,755	19,639,375	17,190,044

b) Grants, awards and prices

	2023	2022
	£	£
From Restricted Funds:		
Bursaries and other grants	138,493	312,404
From Unrestricted Funds:		
Bursaries and other awards	98,867	44,453
	237,360	356,857

c) Governance included in support costs:

	2023	2022
	£	£
Remuneration paid to auditor for audit services	16,700	16,370
Remuneration paid to auditor for assurance services	650	650
Remuneration paid to auditor for non-audit related services	1,675	1,735
Reimbursement of personal expenses to Governors	10,523	291
Other governance costs	17,330	21,361
	46,878	40,407

Course and travel expenses were claimed by 6 Governors (*2022: 2*).

7. FINANCE AND OTHER COSTS

	2023	2022
	£	£
Bank loan interest	-	137

8. STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2023	2022
	£	£
The aggregate payroll costs for the year were as follows:		
Wages and salaries	9,910,548	9,268,170
Social security costs	1,039,333	974,406
Other Pension costs	1,913,219	1,776,089
	12,863,100	12,018,665

Neither the Governors nor any persons connected with them received any remuneration or other benefits for their work on the Governing body.

During the year two settlement agreements totalling £26,998 were paid (*2022: one payment of £10,000*).

	2023	2022
	£	£
Aggregate employee benefits of key management personnel	1,095,284	713,759

The number of higher paid employees was	2023	2022
	No.	No.
Taxable emoluments band:		
£60,001 - £70,000	14	4
£70,001 - £80,000	1	3
£80,001 - £90,000	1	1
£90,001 - £100,000	2	1
£120,001 - £130,000	1	1

The average number of employees during the year was 314 (*2022: 321*), whilst the average number of employees calculated on a full time equivalent basis was:

	2023 No.	2022 No.
Teaching	142	153
Welfare	25	21
Premises	5	7
Support	55	43
	227	224

9. TANGIBLE FIXED ASSETS

	Assets under construction	Freehold Land & Buildings	Fixtures & Fittings	Computer System & Cabling	Motor Vehicles	Total
	£	£	£	£	£	£
Cost						
1 September 2022	148,252	22,858,538	3,314,465	1,077,325	24,262	27,422,842
Additions	4,982	-	22,932	138,936	-	166,850
Disposals	-	-	(112,925)	-	-	(112,925)
Transfer	(142,374)	-	142,374	-	-	-
31 August 2023	10,860	22,858,538	3,366,846	1,216,261	24,262	27,476,767
Depreciation						
1 September 2022	-	5,402,294	1,862,560	914,736	24,262	8,203,852
Charge for year	-	438,544	303,067	143,144	-	884,755
Eliminated on disposals	-	-	-	-	-	-
31 August 2023	-	5,840,838	2,165,627	1,057,880	24,262	9,088,607
Net book value 31 August 2023	10,860	17,017,700	1,201,219	158,381	-	18,388,160
31 August 2022	148,252	17,456,244	1,451,905	162,589	-	19,218,990

The primary use of all the tangible fixed assets is for direct charitable purposes.

On incorporation, two plots of land were presumed to be permanent endowment. These were a plot of land conveyed between Alfred Bell Esq and the Official Trustee of Charity Land in trust for the Stockport Grammar School and a plot of land conveyed between Peter Peirce and the Official Trustee of Charity Land in trust for the Stockport Grammar School. It is not possible to distinguish the value of these plots of land from the freehold land and buildings noted above.

10. SECURITIES INVESTMENTS

	Designated Funds	Restricted Funds	Endowment Funds	Total 2023	Total 2022
	£	£	£	£	£
Market value at 1 September	2,355,304	2,263,109	134,323	4,752,736	5,486,146
Additions	1,126,138	646,780	-	1,772,918	824,252
Disposals	(330,963)	(593,570)	(7)	(924,540)	(989,672)
Net investment gains/(losses)	(47,591)	(44,890)	(4,953)	(97,434)	(567,990)
Market value at 31 August	3,102,888	2,271,429	129,363	5,503,680	4,752,736

	2023 £	2022 £
Investments comprise:		
Listed UK Equities	5,503,680	4,752,736

The investments are held as fixed assets which generate income to be applied for the purposes described in notes 22 - 24 and are all listed on the UK stock exchange.

11. PROPERTY INVESTMENTS

	Designated Funds	Total 2023	Total 2022
	£	£	£
Valuation at 1 September 2022	2,315,000	2,315,000	1,115,000
Addition	-	-	1,200,000
Valuation at 31 August 2023	2,315,000	2,315,000	2,315,000

The investment property consists of buildings held for investment purposes, which are not used in the School's own activities. All of the properties are in Stockport and are let out on the open market.

The last formal valuations of the properties were undertaken in 2021 and June 2022. These were undertaken by Michael Hart and Company Limited, Chartered Surveyors and Lambert Smith Hampton, Chartered Surveyors.

12. STOCKS

	2023	2022
	£	£
Goods for resale and consumables	54,318	66,945

13. DEBTORS

Due within one year:

	2023	2022
	£	£
Trade debtors:		
Fees outstanding	125,688	60,754
Bad debt provision	(68,811)	(39,300)
School fees	56,877	21,454
Other debtors and accrued income	228,635	1,446,622
Deferred payments for supplies for the following year	97,840	82,522
Prepayments	252,961	250,646
	636,313	1,801,244

14. CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	701,863	581,601
Taxation and social security	240,806	237,638
Fee deposits (see note 16)	54,150	65,012
Fees in advance (see note 17)	364,263	180,817
Other creditors	15,118	37,128
Accruals and deferred income	509,550	1,033,790
	1,885,750	2,135,986

15. CREDITORS: Amounts falling due after one year

	2023	2022
	£	£
Fee deposits (see note 16)	242,802	241,308

16. FEE DEPOSITS

Fee deposits are returned via the offset of future fees (or alternatively as a donation to the School) and are expected to be applied as follows:

	2023	2022
	£	£
In one year or less	54,150	65,012
Between one and two years	-	26,833
Between two and five years	121,500	70,672
Over five years	121,302	143,803
	296,952	306,320

Movements of fee deposits

	2023	2022
	£	£
Balance at 1 September	306,320	293,158
New deposits received	152,139	157,100
Deposits utilised	(161,507)	(143,938)
Balance at 31 August	296,952	306,320

17. FEES IN ADVANCE

Parents may enter into a contract to pay the School tuition fees in advance. The money may be returned, subject to specific conditions but, assuming the relevant pupils remain in the School, advance fees will be applied as follows:

	2023	2022
	£	£
In one year or less	364,263	180,817

Movements on advance fees:

	2023	2022
	£	£
Balance at 1 September	180,817	299,585
New advance fees received	364,263	168,970
Amounts utilised in payments	(180,817)	(287,738)
Balance at 31 August	364,263	180,817

18. FINANCIAL INSTRUMENTS

	2023 £	2022 £
Financial assets		
Financial assets measured at fair value through income and expenditure	**7,818,680**	7,067,736

Financial assets measured at fair value comprise assets held as investments.

The School's income, expense, gains and losses in respect of financial instruments are summarised below:

	2023 £	2022 £
Total investment income for financial assets measured at fair value through income and expenditure	**264,656**	166,463
Net (losses)/gains on financial assets measured at fair value through income and expenditure	**(97,434)**	(567,990)
Impairment (losses)/gains on financial assets measured at amortised cost	**(30,422)**	(12,242)

19. LEASES

At 31 August 2023 the total of the School's future minimum lease income receivable under non-cancellable operating leases was:

	2023 £	2022 £
Within 1 year	**105,140**	127,340
Within 1 – 5 years	**315,420**	420,560
	420,560	547,900

At 31 August 2023 the total of the School has commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Within 1 year	**18,599**	18,486
Within 1 – 5 years	**22,994**	40,981
	41,593	59,467

20. CAPITAL COMMITMENTS

At the year end the School had a capital commitment of £Nil (*2022: £Nil*).

21. NET ASSETS OF THE FUNDS OF THE CHARITY

The Charity's net assets belong to the various funds as follows:

	Fixed Assets	Investments	Net Current Assets/ (Liabilities)	Long term (Liabilities)	Fund Balances 2023
	£	£	£	£	£
Endowment funds	-	129,363	1,177	-	130,540
Restricted funds	-	2,271,429	684,401	-	2,955,830
Unrestricted funds	18,388,160	5,417,888	4,036,358	(242,802)	27,599,603
	18,388,160	7,818,680	4,721,935	(242,802)	30,685,973

Comparative net assets of the funds of the Charity – 2022:

	Fixed Assets	Investments	Net Current Assets/ (Liabilities)	Long term (Liabilities)	Fund Balances 2022
	£	£	£	£	£
Endowment funds	-	134,323	2,060	-	136,383
Restricted funds	-	2,263,109	647,689	-	2,910,798
Unrestricted funds	19,218,990	4,670,304	3,333,698	(241,308)	26,981,684
	19,218,990	7,067,736	3,983,447	(241,308)	30,028,865

22. ENDOWED FUNDS: MOVEMENTS IN THE YEAR

Permanent endowments:	At 1 Sept 2022	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2023
	£	£	£	£	£	£
Endowment	21,978	-	-	(428)	-	21,550
Prize Funds	30,015	-	-	(586)	-	29,429
Sykes Trust Fund	84,390	-	(899)	(3,930)	-	79,561
	136,383	-	(899)	(4,944)	-	130,540

Comparative endowed fund – 2022:

Permanent endowments:	At 1 Sept 2021	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2022
	£	£	£	£	£	£
Endowment	23,003	-	-	(1,025)	-	21,978
Prize Funds	31,414	-	-	(1,399)	-	30,015
Sykes Trust Fund	88,536	-	(545)	(3,601)	-	84,390
	142,953	-	(545)	(6,025)	-	136,383

The twenty-two Prize Funds consist of donations by individual donors. Income from the Funds is used to offset the cost of providing prizes at the annual Prize Day.

The Sykes Trust Fund is endowed funds to generate income for bursaries.

Each Trust Fund is allocated its proportion of investment income and gains and losses and bears its own expenses.

23. RESTRICTED FUNDS: MOVEMENTS IN THE YEAR

Restricted:	At 1 Sept 2022	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2023
	£	£	£	£	£	£
Benjamin Smith Fund	115,949	3,140	(1,600)	(2,084)	-	115,405
Bursary Appeal	1,681,933	193,782	(75,341)	(26,018)	-	1,774,356
Prize funds	10,131	1,388	-	(197)	-	11,322
Sykes Trust Funds	895	2,828	(1,063)	-	-	2,660
Stockport Grammar School Educational Foundation Bursary	18,823	-	23,789	-	-	42,612
Roy Clough Fund	1,005,720	25,636	(62,353)	(15,048)	-	953,955
Nicholas Henshall	56,893	1,390	(27,043)	(1,553)	-	29,687
Stopfordian Trust Bursary	-	8,619	(8,810)	-	-	(191)
Old Stopfordians Fund	20,454	1,177	(12)	-	-	21,619
The Hallam Trust	-	1,333	(1,333)	-	-	-
Baxendale Trust Bursaries	-	4,405	-	-	-	4,405
	2,910,798	243,699	(153,767)	(44,900)	-	2,955,830

Comparative restricted funds – 2022:

Restricted:	At 1 Sept 2021	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2022
	£	£	£	£	£	£
Benjamin Smith Fund	119,779	3,010	(1,850)	(4,990)	-	115,949
Bursary Appeal	1,662,903	258,840	(102,662)	(137,148)	-	1,681,933
Prize funds	10,604	1,166	(1,166)	(473)	-	10,131
Sykes Trust Funds	350	1,948	(1,403)	-	-	895
Sports	868	-	(868)	-	-	-
Stockport Grammar School Educational Foundation Bursary	11,272	90,000	(82,449)	-	-	18,823
Roy Clough Fund	1,197,500	21,327	(84,683)	(128,424)	-	1,005,720
Nicholas Henshall	96,575	1,374	(36,976)	(4,080)	-	56,893
Stopfordian Trust Bursary	-	12,123	(12,123)	-	-	-
Old Stopfordians Fund 6th Form quad building	22,454	1,689	(3,689)	-	-	20,454
The Hallam Trust	-	1,333	(1,333)	-	-	-
	3,122,305	392,810	(329,202)	(275,115)	-	2,910,798

The John Benjamin Smith Exhibition Fund was established in 1880 to commemorate a former Mayor of Stockport and benefactor to the School. Its original purpose was to provide leaving scholarships for boys going on to University. Since 1981 awards have been made available to boys and girls largely to provide Education Travel Exhibitions.

The Bursary Appeal fund was established following an appeal for funds in 2001 to raise funds for the provision of bursary assistance.

The Sykes Trust Funds are generated from the endowed Sykes Trust Fund to provide bursaries.

The Stockport Grammar School Educational Foundation funding is a donation to be used for bursaries.

The Roy Clough Fund has been established from the generous legacy of a former pupil to provide bursaries.

The Nicholas Henshall Fund has been established from the generous legacy of a former pupil, member of staff and Governor to provide bursaries.

The Stopfordian Trust Bursary is a donation used for bursaries.

The Old Stopfordians Fund is held on behalf of the Old Stopfordian Association (OSA). The funds are to be used to continue to support their work in promoting the School to former pupils.

The Baxendale Bursary fund was established after the death of Alan Baxendale (OS 1942) and the establishment of the AS Baxendale Charitable Trust. The School receives assistance to provide bursaries for pupils at the School.

The Hallam Trust is a one-off support to provide assistance to a family experiencing financial difficulties.

24. UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR

Designated Funds:	At 1 Sept 2022	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2023
	£	£	£	£	£	£
Albert Johnston Fund	15,061	147	(1,618)	-	-	13,590
Investment Fund	4,727,344	133,870	(118,505)	(46,663)	385,000	5,081,046
General appeal	118,190	9,834	-	-	-	128,024
The Pilkington Fund	55,316	1,350	(2,203)	(927)	-	53,536
	4,915,911	145,201	(122,326)	(47,590)	-	5,276,196
General Reserve	22,065,773	20,005,017	(19,362,383)	-	(385,000)	22,323,407
	26,981,684	20,150,218	(19,484,709)	(47,590)	-	27,599,603

Comparative unrestricted funds – 2022:

Designated Funds:	At 1 Sept 2021	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2022
	£	£	£	£	£	£
Albert Johnston Fund	16,306	8	(1,253)	-	-	15,061
Investment Fund	3,811,969	1,309,612	(109,610)	(284,627)	-	4,727,344
General appeal	116,601	1,789	(200)	-	-	118,190
The Pilkington Fund	59,210	1,339	(3,010)	(2,223)	-	55,316
	4,004,086	1,312,748	(114,073)	(286,850)	-	4,915,911
General Reserve	20,626,493	18,185,504	(16,746,224)	-	-	22,065,773
	24,630,579	19,498,252	(16,860,297)	(286,850)	-	26,981,684

The Albert Johnston Fund was established by way of a collection following the death of Albert Johnston, a former teacher of the School, in 1981. The income from the Fund is used to provide small travel awards for the winners of a competition among current school pupils.

The Designated Investment Fund, established many years ago, was considerably enhanced in 1993 following a bequest from the sister of a former pupil and was enhanced by a further gift from the estate of that former pupil. The Governors decided to create a fund which would be used to provide financial assistance to parents of pupils who fell into financial difficulties. It is used to provide bursaries to needy pupils following the withdrawal of the Assisted Places Scheme from September 1998.

The School has received a generous donation from the family of Sara Pilkington (OS 2010). In memory of Sara, the Governors have designated the funds to provide support for pupils who wish to enter the sixth form.

The General Reserve fund is retained to cover the fixed assets and provide working capital.

The transfer made during the year is to designate further funds towards bursaries.

25. PENSION SCHEMES

The School particlpates in the Teachers' Pensions Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,624,856 (*2022: £1,522,011*) and at the year-end £Nil *(2022 - £Nil)* was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' 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 employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

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

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

The Charity also runs a group personal pension scheme for its non-teaching staff. The cost for the year represents the Charity's contributions to this scheme of £288,363 (*2022: £254,078*) and at the year end £Nil (*2022: £133*) was accrued in respect of contributions to this scheme.

26. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net Income for the reporting period (as per the statement of financial activities)	657,108	2,133,028
Adjustments for:		
Depreciation charges	884,755	886,043
Fixed asset donated by Stockport Educational Foundation	-	(1,200,000)
Profit on fixed asset disposal	(8,900)	(7,200)
Losses on investments	97,434	567,990
Dividends, interest and rents from investments	(264,656)	(166,463)
Decrease in stocks	12,627	53
Decrease/(increase) in debtors	1,164,931	(1,334,582)
(Decrease)/increase in creditors	(248,742)	538,342
Interest paid on borrowings	-	137
Net cash provided by operating activities	2,294,557	1,417,348

27. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash at bank	5,917,054	4,251,244
Total cash and cash equivalents	5,917,054	4,251,244

This includes funds for the next phase of the development of the facilities of the school.

28. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022	Cash flows	Non-cash changes	At 31 August 2023
Cash at bank	4,251,244	1,665,810	-	5,917,054
	4,251,244	1,665,810	-	5,917,054

29. RELATED PARTY

During the year there were no related party transactions other than those disclosed in note 8.

30. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted Funds		Restricted Funds	Endowed Funds	Total Funds	Total Funds
		School	Designated			2022	2021
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Charitable Activities							
School fees	2	15,984,616	-	-	-	15,984,616	15,271,314
Other educational income	3	118,160	-	-	-	118,160	76,380
Other ancillary trading income	3	1,041,419	-	-	-	1,041,419	589,362
Other trading activities							
Other income	3	39,613	-	-	-	39,613	70,092
Investment income	4	1,696	111,525	53,242	-	166,463	179,136
Voluntary Sources							
Donations and legacies	5	1,000,000	1,201,223	339,568	-	2,540,791	248,988
Total Income		18,185,504	1,312,748	392,810	-	19,891,062	16,435,272
EXPENDITURE ON:							
Raising funds							
Fundraising costs		29,672	-	-	-	29,672	84,459
Financing costs	7	137	-	-	-	137	3,467
Investment management		-	69,420	15,930	545	85,895	81,450
Charitable activities							
Education and grantmaking		16,716,415	44,653	313,272	-	17,074,340	16,124,410
Total expenditure	6	16,746,224	114,073	329,202	545	17,190,044	16,293,786
NET INCOMING FUNDS FROM OPERATION BEFORE TRANSFERS AND INVESTMENT GAINS/(LOSSES)		1,439,280	1,198,675	63,608	(545)	2,701,018	141,486
Gains/(losses) on investments	10	-	(286,850)	(275,115)	(6,025)	(567,990)	975,789
Gains/(losses) on Investment property		-	-	-	-	-	260,814
Transfers between funds	24	-	-	-	-	-	-
NET INCOME AND MOVEMENT IN FUNDS		1,439,280	911,825	(211,507)	(6,570)	2,133,028	1,378,089
Funds balances at 1 September		20,626,493	4,004,086	3,122,305	142,953	27,895,837	26,517,748
Funds balances at 31 August	21	22,065,773	4,915,911	2,910,798	136,383	30,028,865	27,895,837

STOCKPORT GRAMMAR SCHOOL

England & Wales - Charity number 1120199

Accounts

Charity number: 1120199
Company number: 6261525

STOCKPORT GRAMMAR SCHOOL

ANNUAL REPORT AND ACCOUNTS

For the year ended 31 August 2022

REFERENCE AND ADMINISTRATIVE DETAILS

The School is a company limited by guarantee, company number 6261525 and is registered with the Charity Commission under charity number 1120199. The registered address of the School (which comprises the Senior and Junior Schools) is Stockport Grammar School, Buxton Road, Stockport SK2 7AF.

The Governors of the School are also the Trustees, Directors and Members and are collectively referred to as Governors.

The names of the Governors at the date of signing the Report and/or those who served during the year are as set out below:

Co-optative Governors

* C F Dunn (Chair)
* A P Carr (Vice Chair and member of Management Committee until 31 August 2022)
Ms S E Carroll
Mrs S Lansbury
* A C Simpson
* J M R Lee (Vice Chair and member
* of Management Committee from 1 Sept 2022)
N R Booth
J C P Mason
* A J Gardiner
Dr L Gholkar (Safeguarding)
J A Shackleton
*

Nominative Governors

Professor A J C Bloor (The University of Manchester)
Ms C S Muscutt (The Teaching Staff of the School)

Co-optative Governors are appointed by the Board of Governors for a period of five years, after which they can be appointed for further five year periods.

Nominative Governors are appointed by their respective nominating organisations for up to two consecutive three-year periods.

* Members of the Management Committee

OFFICERS

Head	The School	Dr P M Owen
Head of Junior School	The Junior School	M J R Copping
Bursar and Clerk to the Governors		J Clague
School Address		Stockport Grammar School Buxton Road Stockport SK2 7AF

The day to day running of the School is delegated to the Head, the Head of the Junior School and the Bursar.

The Governors of the School, who are also the Directors of the Company, present their annual report for the year ended 31 August 2022, together with the audited accounts for the year, which have been prepared in accordance with company law and in compliance with the Charities SORP 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School was established in 1487 under the Will of the founder, Sir Edmund Shaa. It was subject to a Scheme approved by the Charity Commission on 14 February 1991, and amended by variations to the Scheme dated 15 September 1995, 9 January 1996 and 4 May 1999. A company limited by guarantee with charitable status called Stockport Grammar School was incorporated on 29 May 2007 with bespoke Memorandum and Articles of Association. The Governors were appointed as directors and members of the Company and are its charity trustees. The School undertaking and expendable assets of Stockport Grammar School, registered charity number 525936 were transferred to the Company at midnight on 31 August 2007 to form part of the corporate property of the Company. The Articles of Association were reviewed in 2015 and updated to be in line with current legislation.

Governing Body

There is a single governing body for the whole school which comprises the Senior and Junior Schools.

Recruitment and Training of Governors

A Governor search group reviews the composition and future membership of the Board. New Governors are inducted by way of interview with the Clerk to the Governors, who ensures that they are in possession of, and are aware of the implications of, a number of internal documents, Charity Commission guidance documents and the Scheme documents noted above. The Governors have continued a process of self-appraisal and are also encouraged to engage in continuing training during their period of office by attending appropriate external training courses and seminars organised by various external bodies.

The Governors have reviewed the Charity Governance Code for Trustees produced by the Charity Commission and were satisfied that they met the required standards in all areas but that the compliance would continue to be reviewed regularly.

Organisational Management

The School Governors, as Directors of the Company and the Trustees of the Charity, are legally responsible for the overall management and control of Stockport Grammar School, and meet four times a year. The work of implementing most of their policies is carried out by the members of the Management Committee who meet three times a year to consider the more detailed aspects of those matters which fall within the remit of the Governing body. The Management Committee is currently chaired by the Chair of Governors.

The other principal Committees are Finance, Building (including Health and Safety & ICT), Education and External Relations. Each of these Committees meet as and when required. In addition, Governors meet with staff representatives once each term under the umbrella of the Information and Consultation Committee. Governors review each year any potential conflicts of interest. Three Governors had children in the School during the year, and declared an interest when relevant decisions were taken.

The day to day running of the School is delegated to the Head, Dr P M Owen supported by Mr M J R Copping, Head of the Junior School and their Senior Management Teams (SMTs), together with the Bursar. The Heads and School Bursar attend meetings of the Board and the above Committees.

Remuneration for all staff is set by the Board and is reviewed annually with reference where possible to other similar schools to ensure that the School is sensitive to the issues of pay and employment conditions elsewhere and that staff are fairly and reasonably rewarded for their contribution to the work of the school. The Governors recognise that delivery of the School's charitable vision and purpose is primarily dependent on the key management personnel and that staff costs are the single largest element of charitable expenditure.

Employment policy

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

provides appropriate support and guidance.
4. To embed the new Early Years Foundation Stage changes introduced from September 2021.
5. Develop the teaching of reading through identified Guided Reading sessions in the curriculum. To produce reading tracking sheets in KS2 so that progress can be accurately monitored.
6. To develop the teaching of writing through effective modelling.
7. To revise the appraisal system so that it is more streamlined and focuses on key areas of performance and to ensure that SMT are trained to undertake appraisals of staff within their team.
8. To develop the use of ICT across the curriculum.
9. Change the learning support cycle so that interventions start in September rather than after October half term.

STRATEGIC REPORT

Strategies to achieve the year's objectives

The Coronavirus pandemic continued to impact upon the School. In particular the Junior School was impacted and at times staffing became very difficult due to staff members being infected, presumably by the unvaccinated younger children. The pandemic had a less direct impact upon the finances of the School initially in the year, but in the last 2 terms, inflationary rises in food, fuel and other costs started to pose particular challenges. In the main there was strong recovery and the School was able to deliver the curriculum, co-curricular activities and public examinations.

To continue to implement the new RSE curriculum launched in September 2020. To continue to implement the Equality Charter initiative with separate discussion events for each year-group and pupil-developed initiatives to promote respect for others. Continue to train pastoral staff in supporting pupils' mental health as well as sustaining a higher level of counselling provision given increased demand for these services from pupils.
The RSE curriculum has been fully implemented through Life Studies, Biology and Computer Science. Separate discussion events have been held for each year group and the Prism LGBT+ group has met regularly. Mental health awareness amongst pastoral staff has been sharpened through regular discussion at pastoral meetings and staff have been trained as necessary. The counselling provision for pupils has been expanded according to demand.

The School has offered extensive support to pupils throughout the period of remote learning and this has continued and been added to upon the pupils return to school. This has featured general pastoral support as well as additional provision of counselling for pupils experiencing particular difficulties with their well-being. The school has developed a pastoral, discussion initiative to address the issues raised by the 'Everyone's Invited' website. During the year, work continued with pupils to create an Equality Charter to enhance respect for others within the school community. The Senior School also created Inclusion Prefect positions.

School nurses, Heads of Year, Heads of Section and Deputy Head (Pastoral) are Youth Mental Health First Aiders trained by Mental Health First Aid (MHFA) England. Any new members of the team will in future be offered training as a matter of course.

The Junior School has identified two mental health leads; one to focus on mental health within the curriculum and one on interventions. The School has devised a clear roadmap for support and further Mental Health First Aiders have been trained in the last year.

To continue to strengthen the provision of digital resources through FROG, making them available within lessons and outside of lessons to enhance pupils' learning.
FROG Champions have been appointed and trained within each Department and structures for digital resources have been established. Pilot projects have allowed Departments to learn how best to produce digital resources in preparation for the effective use of dedicated time in future years.

Further development of the School's parent portal and homework information system (FROG) have enhanced effective communication with parents and allowed them access to details on their children's progress and curriculum whilst the School's online learning platform has continued to give extended opportunities for independent and collaborative teaching and learning across the School.

Develop the teaching of reading through identified Guided Reading sessions in the curriculum. To produce reading tracking sheets in KS2 so that progress can be accurately monitored.
Guided Reading has been embedded across the school to ensure greater opportunities for discussion and analysis of texts. From September 2022, further sessions have been timetabled to provide more time for this focus.

In the Junior School - To develop the teaching of writing through effective modelling.
Staff have benefited from writing continual professional development and have also looked at various teaching strategies from schools nationally. All units now include clear modelling which has directly impacted on writing standards. This work will continue in 2022-23 with a focus on grammar and punctuation.

In the Junior School - To revise the appraisal system so that it is more streamlined and focuses on key areas of performance and to ensure that SMT are trained to undertake appraisals of staff within their team.
All members of SMT undertook staff appraisals over the year, ensuring clear and measurable targets. All teaching assistants also received appraisals.

In the Junior School - To develop the use of ICT across the curriculum.
An INSET day was used to provide staff with external training on developing ICT across the curriculum. This had an immediate impact on the development of apps used across the school. Staff are now also mapping the use of ICT across the curriculum to demonstrate the strong links which have been made.

In the Junior School - Change the learning support cycle so that interventions start in September rather than after October half term.
The learning support cycle was moved from October to September. This has resulted in all interventions starting at the beginning of the year.

Academic enrichment opportunities were returned to pre pandemic levels and despite the ongoing challenges posed by coronavirus, the School was able to sustain a good range of academic clubs, societies and competitions. For example, the Medical Society organised several on-line and in-person talks for prospective medical students and National competitions in mathematics attracted a good number of candidates. The full enrichment programme was reintroduced with Music, Drama and Outdoor Pursuits as well as Sport. The Duke of Edinburgh Scheme remains popular and we were able to catch up the backlog of expeditions from summer 2020. We continue to work on the Artsmark project and to establish the ArtsAward to recognize pupils' achievements in the Arts.

Pupils have also participated in co-curricular clubs and masterclass sessions across a range of subjects and have been supported in academic extension lessons and in their applications to top universities.

Pupils have continued to express their views through the School Councils and Eco Committees in the Junior and Senior Schools. These included feedback on catering provision, communication across the school, and consultation over homework, uniform and diversity as well as their work in charitable fundraising. The School has progressed its application for the Artsmark award and established a creative hub to promote contact with local arts organisations and Schools, and has launched an Arts Award to allow pupils to gain a qualification and validate their artistic involvement.

Pupils in the school have continued to achieve significant successes in a range of sports at local, county and national level. Added to this, opportunities to take part in competitive team sports were fully reintroduced. There have been individual pupil successes in regional and county and national appearances across a wide variety of sports. Other non-sporting successes include many pupil achievement awards in Olympiad competitions, success in Young Enterprise competitions, and recognition of many individual achievements in art and music with pupils performing in regional and national orchestras and exhibiting work in national galleries. The school was delighted to welcome the resumption of drama and music productions.

As part of the continuing commitment to improve the facilities available across the whole school, over the summer period 2022 works included full refurbishment of a chemistry laboratory and the senior school staffroom. A previously redundant space was reconfigured to provide a pastoral hub for Heads of Year and some much-needed meeting room and office spaces were introduced. The final quadrant of the dining hall roof was replaced and new lighting and heating systems were installed in the main hall. The School

Gets In for SGS and Stockport School pupils.

- The Head of Classics ran a session at the Classics for all Teacher Training Day at Parrs Wood High School, attended by a number of state school teachers. Following the event, the resources were uploaded for access.
- The Head of Design is Assistant Principal Moderator for A-level Design and Technology, helping state sector pupils to gain entry to Higher Education. He also manages the Non-Exam Advisers team at AQA A level DT and provides individual support to all schools.
- A Senior School teacher has online meetings with a teacher from North Chadderton School, Oldham regarding an Oxbridge programme at North Chadderton and offering support.
- The Head of Sixth Form is part of the University of Manchester Schools and Colleges forum and also on the Advisory Group at UCAS.
- The Head of Art is a member of the All-Party Parliamentary Group (APPG) for Education in Art and Design. This Head of Department is also a Team Leader and Senior Moderator for AQA A-level Art and Design and Lead Assessment for AQA A-level Art and Design, responsible for producing an A level paper that is used by schools and colleges nationally and internationally.
- The Head of Art is also active on the National Society for Education in Art and Design (NSEAD0 media platforms and has a YouTube channel with demonstration videos available as open access.
- A member of the Senior School Chemistry teaching team is a member of the Manchester and District Local Section of the Royal Society of Chemistry's Education sub-committee and organiser of Chemquiz Manchester.
- SGS staff provide mentoring support to newly qualified teachers in other schools and assist with their appraisal process.

Sports support and wider public benefit

- The Head of Rugby organizes fixtures with State Schools. He is also the Cheshire representative on England Schools Rugby committee; Cheshire Schools Rugby Competitions Chair (organises all Cheshire Schools cups and tournaments, involving state and independent schools). He is Chair of England Schools Rugby Competitions Committee that oversee the National Schools competitions at U15 and U18; Cheshire Schools representative on North West Regional Player Pathway Group and sits on the Cheshire Rugby Disciplinary Panel.

Stockport Grammar support of clubs and sports activities as part of the wider public benefit

- The School has continued to encourage coaching and sporting opportunities for young people in the area by making its sports and site facilities available for use by other organisations. The school swimming pool is used by Great Moor School and the Rotary Club Charity Swimathon (no charge). The pool is also hired by Norris Bank Swimming Club, Aqua Seals, Trafford Artistic Swimming Club and the Lucy Hesford Swim School providing swim lessons to local children.
- The sports hall is hired by High Lane Cricket Club and Stockport Georgians Cricket Club.
- The School hosted Sportspoint's Football Development camp for young people in July.

Voluntary Work and Community Support

- The Head of Sixth Form is a Governor at a local primary school and this has included chairing the Curriculum Committee.
- Duke of Edinburgh pupils carry out voluntary work at various locations in the local area.
- The Junior School Head offers support to a state school, leading the appraisal process for the Head Teacher.
- Approximately 20 pieces of artwork were included as part of More Woods for Woodsmoor community art project – six 'trees' sited at Woodsmoor station.
- The Amnesty Group sent letters to Care Homes throughout the UK at Christmas.
- The Dance Teacher helps out at a youth theatre group, 'Manchester Musical Youth' and their younger 'Apprentices' group.
- A senior School teacher volunteers as an independent Custody Visitor for the Lancashire Police and Crime Commissioner.
- Other teachers are governors at local schools and volunteer with local Beaver Scout Groups and acting as volunteer reading helpers.

requirements of their chosen universities. The school value added according to CEM centre data was positive and is improving over time.

In 2022 at GCSE 77% of grades awarded were at 9/8/7 with 31% of entries at the highest grade 9. The overall results were judged to be a fair reflection of pupil abilities and the best results the school has ever achieved. The majority of pupils took nine subjects at GCSE or IGCSE Level from a range of examining bodies. The school value added according to CEM centre data was positive and is continuing to improve over time.

In the Junior School, the table below indicates the outcome of standardised tests undertaken in June 2022. These tests are undertaken on termly basis and the outcomes based on national benchmarks, percentage in 'average' range and percentage above in brackets. Our new tracking system demonstrates that outcomes in the average range and above average range have increased over the last few years. Our teacher assessed writing data is slightly lower than reading, we have had a significant focus on this area over the last year and we will continue to develop this in 2022-23.

	PIRA (Reading)	PUMA (Maths)
Year 1	97.4% (34.2% above)	97.3% (68% above)
Year 2	94.4% (50% above)	91.7% (41.7% above)
Year 3	98% (62% above)	98% (66% above)
Year 4	95.4% (39.1% above)	98.4% (35.9%)
Year 5	100% (40% above)	93% (38% above)
Year 6	100% (65% above)	100% (54.2% above)
All	**97.5% (48.3% above)**	**96.4% (50.6%)**

Benchmarking
The School participates each year in the benchmarking survey conducted by Baines Cutler Solutions Ltd where its financial performance is measured against that of similar schools in the north of England. Comparing those results for the survey conducted in 2022 the Governors are encouraged by the performance of the school against those schools against which it is benchmarked.

Fundraising Performance
No specific financial target was set by the Governors, but during the year under review the amount raised was £235,674 (2021, £123,408). This included a generous donation from the Zochonis Charitable Trust of £75,000 and an anonymous donation of £12,123 for the provision of bursaries. The direct cost incurred in money-raising was £29,672. The School's aim is to ensure that strong relations continue to be maintained with alumni and other potential benefactors and has appointed an additional member of staff to develop the opportunities for fundraising both for bursaries and capital projects. The School has continued to benefit from a number of generous legacies from former pupils which support the bursary funds that enable pupils to join the school. During the year the School was notified of a legacy of £1,000,000. Stockport Grammar School remains very grateful for the generous support provided by such donors. It enables talented children to join the school who can only attend with the assistance of a means-tested bursary The Governors anticipate that significant future donations will arise from the legacy programme. The School has received further generous support for bursaries at 11+ from the Stockport Grammar School Education Foundation.

The School had no fundraising activities requiring disclosure under 5162A of the Charities Act 2011.

Investment Performance
The consolidated investment portfolio produced a return over the financial year to 31st August 2022 of -8.4% vs the benchmark (PIMFA Balanced Index) return of -4.0%. Over this challenging period for the global economy and risk assets, the portfolio gave back some of the material gains from the prior year (+23%). The unanticipated rise in inflation, and the changing monetary policy backdrop as a result, has driven markets and this saw a large rotation in markets away from 'Growth' investments, which had been the dominant driver of returns over the last few years, into 'Value' investments. As a result, some of the successful investments in the portfolio over the last few years, gave some of those prior gains back.

The Governors have examined the School's requirement for reserves and have established a policy of maximising unrestricted funds not proposed, committed or invested in tangible fixed assets held by the School and that they should be between 5% and 10% of turnover. This equates to holding reserves between £800k and £1.6m and therefore funds currently held are well in excess of this policy but this is reviewed regularly in light of the need to invest in development of the School's facilities.

The reserves are required to provide the funding for the building development and maintenance programmes and investment in resources to enable the School to provide the best possible facilities for the pupils commensurate with the School's standing in the community.

The School's policy is that its banking arrangements should be sufficient to support the continuing activities of the School in the short term given that parents are required to give one term's notice of their intention to withdraw a child from the School.

Funding Sources
The School relies almost entirely on its fee income received from parents to cover its expenditure and to pay for investment in buildings and resources. The only external sources of funds are normally by way of donations and these are shown as income to the School and in the Restricted Funds. In order to fund the construction of the Woodsmoor teaching facilities in 2012 the Governors negotiated a number of medium term loans with the NatWest Bank which were repaid in the period.

Investment Policy and Objectives
The objective for investing the reserve funds is to grow the value of the portfolios over the long term to provide financial support and sustainability, with particular focus on the provision of bursary funding for pupils of the school.

The Board aims to maximise the total return (a combination of income and capital growth) on the investment assets within an appropriate and agreed risk profile such that capital growth is achieved to at least keep pace with inflation and an income is generated to help support the school and its pupils. The Board, on consultation with their investment manager (Rathbones), agreed to a Risk Level 4 on Rathbones scale of 1-6, where 6 is highest. Whilst some of the smaller funds have differing aspects, the Board agreed that the investment strategy and risk profile should be consistent across the funds, although this is reviewed regularly.

Rathbones have been appointed with a discretionary investment mandate, carrying out the day-to-day portfolio management within the agreed framework. The board will monitor the manager and the fund performance with reference to the MSCI PIMFA Balanced index (an industry market relative benchmark) and the long term (absolute) return measure of CPI+3%.

Principal Risks and Uncertainties
The Board of Governors is responsible for the management of the risks faced by the School. The Governors view the most significant risk to the future of the School to be a possible future reduction in pupil numbers as a result of changing economic or political circumstances. These may either be as a direct consequence of the current recessionary forces impacting on families ability or desire to commit to independent school education or as a result of government decisions which impact on the economic circumstances of families in the local area or force unavoidable fee increases via Government policy. Whilst levels of recruitment interest have remained strong and in some year groups increased as a result of concerns about the recent provision in the maintained sector, continued economic uncertainty, the factors of travel and geography which influence many families' decisions, and current trends in post 16 education all contribute to the risks associated with pupil numbers in the future. Whilst fees were frozen for a year in response to the Coronavirus pandemic in 2022 there were signs of strong inflationary pressure across all costs. Governors are however minded to keep future increases as low as possible. The increase in the employers' contribution to the Teachers' Pension Scheme has already had a very significant impact on the costs of employing staff and there remains a very high risk of disproportionate future increases within the next three years. Another critical risk common to all businesses remains the threat of cyber security attacks and the School is mindful of the need to continue to improve resilience and mitigate such risks as much as possible.

Health and Safety risk management underpins many of the activities of the School, from daily management

Care, Character and Community

5. To ensure that the mental health aspect of pupil wellbeing is reviewed and updated.
6. Review attitudes to learning and refine practices in light of this.
7. To review role of Head Boy, Head Girl and Prefects and increase their responsibilities and engagement, particularly with younger children.
8. To implement a new equality and diversity programme across the Nursery, Reception and Y1.

Beyond the Classroom

9. Develop the after-school offer in the Infant department.

Despite the long-term financial pressures faced by the School the Governors are committed to completing the work that has already started to improve the buildings and facilities on the school site. Work on the completion of the new junior school quiet play area was largely completed by the end of the academic year to 31 August 2022 and the long-term plan to refurbish the main hall will also continue. A full planned maintenance survey was carried out for the whole estate during the year and there will now be a period of maintenance and preventative measures being carried out.

Further large-scale developments will continue through the detailed planning stages so that they can commence subject to the availability of resources. These projects include plans to make further improvements to the Main Hall to support and enhance the provision of facilities for Drama, the eventual creation of a new Reception area and entrance and the development of a masterplan for the sports facilities and the frontage of the site.

The External Relations Committee will continue to review the strategy for pupil recruitment at all ages, public benefit, (particularly links to the community and the provision of bursaries), marketing and alumni relations and also to increase the School's role in the wider community. This will involve developing a range of alternative engagement strategies with greater focus on targeted digital communication. A key objective remains to embrace the School's social responsibilities as an outward facing school by engagement with the local and wider communities. The School will continue to explore opportunities to participate in external initiatives to raise the quality of provision in the maintained sector in Stockport and South Manchester and prepare to respond if there are further national initiatives regarding collaborative partnerships. The plans to complement some of the curriculum and co-curricular developments within the School by working to secure the Arts Mark accreditation were delayed by the lockdown but we will continue to work with other schools and organisations in the area to secure this and widen our activities in these areas. The School will continue to make every effort to promote awareness of the School's Bursary Scheme to widen access to the School. An additional post has been created to bring a new impetus to fundraising activities both for potential capital projects but also to continue to raise funds to sustain and expand the provision of support for local pupils and to continue the School's tradition of servicing the local community of Stockport.

The events of the last year have further highlighted and reinforced the Governors' recognition of the economic pressures on parents caused by the current level of fees and the impact of external factors over which the School has no control which can add very significantly to the School's operating costs. The Governors will continue to ensure that the fees for tuition offer excellent value for money as well as seeking ways to reduce costs wherever possible without compromising the high standards of teaching, pastoral care, co-curricular opportunities, the provision of other services, and the long-term investment in the site and the School's resources.

The Governors recognise what a very difficult period this has been for the whole school community and they want to record their thanks to all those who have continued to support the School throughout the extended period of permacrisis, with particular thanks to all the staff, teaching and non-teaching who have worked tirelessly over the last year to maintain the high standards of teaching and support for the pupils.

with parents over the past twelve months. An historic reliance on written communication has given way to digital innovations such as streaming live and recorded audio-visual events and podcasts.

Community
The School is proud of its place in the local community and conscious that it has significantly beneficial impact on the local economy and on local cultural life.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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

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

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

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

- there is no relevant audit information of which the School's auditor is unaware, and
- that Governors have taken all the steps that ought to have been taken in order to be aware of any information needed by the School's auditor in connection with preparing its report and to establish that the School's auditor is aware of that information.

This report, incorporating the Strategic report, was approved by the Governors, as the company directors, on 6 December 2022 and signed on the board's behalf by:

C F Dunn
Chair

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

STOCKPORT GRAMMAR SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted Funds		Restricted Funds	Endowed Funds	Total Funds	Total Funds
		School	Designated			2022	2021
		£	£	£	£		£
INCOME AND ENDOWMENTS FROM:							
Charitable Activities							
School fees	2	15,984,616	-	-	-	15,984,616	15,271,314
Other educational income	3	118,160	-	-	-	118,160	76,380
Other ancillary trading income	3	1,041,419	-	-	-	1,041,419	589,362
Other trading activities							
Other income	3	39,613	-	-	-	39,613	70,092
Investment Income	4	1,696	111,525	53,242	-	166,463	179,136
Voluntary Sources							
Donations and legacies	5	1,000,000	1,201,223	339,568	-	2,540,791	248,988
Total Income		18,185,504	1,312,748	392,810	-	19,891,062	16,435,272
EXPENDITURE ON:							
Raising funds							
Fundraising costs		29,672	-	-	-	29,672	84,459
Financing costs	7	137	-	-	-	137	3,467
Investment management		-	69,420	15,930	545	85,895	81,450
Charitable activities							
Education and grantmaking		16,716,415	44,653	313,272	-	17,074,340	16,124,410
Total expenditure	6	16,746,224	114,073	329,202	545	17,190,044	16,293,786
NET INCOMING FUNDS FROM OPERATION BEFORE TRANSFERS AND INVESTMENT GAINS/(LOSSES)		1,439,280	1,198,675	63,608	(545)	2,701,018	141,486
Gains/(losses) on investments	10	-	(286,850)	(275,115)	(6,025)	(567,990)	975,789
Gains/(losses) on investment property	11	-	-	-	-	-	260,814
Transfers between funds	24	-	-	-	-	-	-
NET INCOME AND MOVEMENT IN FUNDS		1,439,280	911,825	(211,507)	(6,570)	2,133,028	1,378,089
Funds balances at 1 September		20,626,493	4,004,086	3,122,305	142,953	27,895,837	26,517,748
Funds balances at 31 August	21	22,065,773	4,915,911	2,910,798	136,383	30,028,865	27,895,837

The notes on pages 24 to 39 form part of these accounts.

STOCKPORT GRAMMAR SCHOOL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by operating activities	26	**1,417,348**	712,942
Cash flows from investing activities:			
Dividends, interest and rents from investments		**166,463**	179,136
Proceeds from the sale of investments		**989,672**	786,036
Proceeds from the sale of fixed assets		**7,200**	-
Purchase of investments		**(824,252)**	(804,238)
Purchase of fixed assets		**(1,083,632)**	(1,881,531)
Net cash used in investing activities		**(744,549)**	(1,720,597)
Cash flows from financing activities			
Repayments of borrowing		**(29,133)**	(84,333)
Interest paid on borrowings		**(137)**	(3,467)
Net cash used in financing activities		**(29,270)**	(87,800)
Change in cash and cash entitlements in the reporting period		**643,529**	(1,095,455)
Cash and cash equivalents at the beginning of the reporting period	27	**3,607,715**	4,703,170
Cash and cash equivalents at the end of the reporting period	27	**4,251,244**	3,607,715

The notes on pages 24 to 39 form part of these accounts.

1.3 Fees and Similar Income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

1.4 Investment income

Investment income from dividends and bank balances is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates.

1.5 Donations and legacies

Donations receivable for the general purposes of the Charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on the Governors, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments – permanent or expendable according to the nature of the restriction.

Donations and legacies income is recognised when the conditions for entitlement, probability and measurement have been met.

1.6 Government grants

Government grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.7 Resources expended

Expenditure is accrued as soon as a liability is considered probable discounted to present value for longer term liabilities and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Liabilities are recognised where there is a legal or constructive obligation committing the entities to the expenditure. The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of charitable activity. Included in support costs of the school are budgeting and accounting, information technology, human resources and finance. School trip expenditure is included under support costs.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the Governors and all costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.8 Pension schemes

The Charity contributed to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme.

The Charity also contributes to a group personal pension scheme for non-teaching staff. Contributions to all schemes are charged in the SOFA as they become payable in accordance with

1.15 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.
Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are available for use only in accordance with the donor's wishes.

Investment income, gains and losses are allocated to the appropriate fund.

2. CHARITABLE ACTIVITIES : FEES RECEIVABLE

	Senior £	Junior £	2022 £	2021 £
The school's fee income comprised:				
Gross fees	**13,753,251**	**3,492,060**	**17,245,311**	16,502,539
Less: Total bursaries, grants and allowances from unrestricted funds			**(1,260,695)**	(1,231,225)
			15,984,616	15,271,314

After School Care fees included in the above amounted to £42,961 (2021: £18,305).

Scholarships, bursaries and other awards were paid to 135 pupils (2021: 150). Within this means tested bursaries totalling £1,304,109 were paid to 111 pupils (2021: £1,367,670 to 112 pupils).

3. CHARITABLE ACTIVITIES : OTHER INCOME

	2022 £	2021 £
Other educational charitable activities		
Entrance and registration fees	**30,950**	33,069
Courses and sub-lettings	**87,210**	43,311
	118,160	76,380
Other ancillary activities		
School meals	**1,025,438**	574,824
Morning club	**1,292**	1,152
School trips	**13,761**	13,386
Fee interest received	**928**	-
	1,041,419	589,362
Other incoming resources		
Government grant	**-**	46,078
Other	**39,613**	24,014
	39,613	70,092

4. INVESTMENT INCOME

	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Bank interest received	**6,071**	**4,590**	**10,661**	5,797
Dividends received	**45,402**	**48,652**	**94,054**	111,076
Investment property rental	**61,748**	**-**	**61,748**	62,263
	113,221	**53,242**	**166,463**	179,136

c) **Governance Included in support costs:**

	2022	2021
	£	£
Remuneration paid to auditor for audit services	16,370	15,300
Remuneration paid to auditor for assurance services	650	635
Remuneration paid to auditor for non-audit related services	1,735	1,625
Reimbursement of personal expenses to Governors	291	685
Other governance costs	21,361	54,463
	40,407	72,708

Course and travel expenses were claimed by 2 Governors (2021: 1).

7. FINANCE AND OTHER COSTS

	2022	2021
	£	£
Bank loan interest	137	3,467

8. STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2022	2021
	£	£
The aggregate payroll costs for the year were as follows:		
Wages and salaries	9,268,170	8,983,625
Social security costs	974,406	930,830
Other Pension costs	1,776,089	1,743,335
	12,018,665	11,657,790

Neither the Governors nor any persons connected with them received any remuneration or other benefits for their work on the Governing body.

During the prior year one settlement agreement of £10,000 was paid. There were no settlement agreements in the current year.

	2022	2021
	£	£
Aggregate employee benefits of key management personnel	713,759	770,922

The number of higher paid employees was	2022 No.	2021 No.
Taxable emoluments band:		
£60,001 - £70,000	4	5
£70,001 - £80,000	3	2
£80,001 - £90,000	1	-
£90,001 - £100,000	1	1
£120,001 - £130,000	1	1

The average number of employees during the year was 321 (2021: 307), whilst the average number of employees calculated on a full time equivalent basis was:

	2022	2021
	No.	No.
Teaching	153	129
Welfare	21	26
Premises	7	7
Support	43	63
	224	225

11. PROPERTY INVESTMENTS

	Designated Funds	Total 2022	Total 2021
	£	£	£
Valuation at 1 September 2021	1,115,000	**1,115,000**	854,186
Addition	1,200,000	**1,200,000**	-
Revaluation gain	-	**-**	260,814
Valuation at 31 August 2022	2,315,000	**2,315,000**	1,115,000

The investment property consists of buildings held for investment purposes, which are not used in the School's own activities. All of the properties are in Stockport and are let out on the open market.

A formal valuation of the properties was prepared by Michael Hart and Company Limited, Chartered Surveyors in 2021 which valued these properties at £1,115,000 in total. During the year the assets held by Stockport Grammar School Educational Foundation were transferred to the School. The investment property was formally valued by Lambert Smith Hampton, Chartered Surveyors on 17 June 2022 at £1,200,000.

12. STOCKS

	2022	2021
	£	£
Goods for resale and consumables	66,945	66,998

13. DEBTORS

Due within one year:

	2022	2021
	£	£
Trade debtors:		
Fees outstanding	**60,754**	67,347
Bad debt provision	**(39,300)**	(28,886)
School fees	**21,454**	38,461
Other debtors and accrued income	**1,446,622**	72,373
Deferred payments for supplies for the following year	**82,522**	53,995
Prepayments	**250,646**	301,833
	1,801,244	466,662

14. CREDITORS: Amounts falling due within one year

	2022	2021
	£	£
Bank loan	**-**	29,133
Trade creditors	**581,601**	642,664
Taxation and social security	**237,638**	213,135
Fee deposits (see note 16)	**65,012**	54,949
Fees in advance (see note 17)	**180,817**	287,738
Other creditors	**37,128**	18,363
Accruals and deferred income	**1,033,790**	372,047
	2,135,986	1,618,029

At previous year end there was one bank loan from National Westminster Plc. This loan was secured over the investment property at 214-216 Buxton Road, Stockport. The interest rate at 31 August 2021 was 4.84%.

18. FINANCIAL INSTRUMENTS

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through income and expenditure	**7,067,736**	6,601,146

Financial assets measured at fair value comprise assets held as investments.

The School's income, expense, gains and losses in respect of financial instruments are summarised below:

	2022 £	2021 £
Total investment income for financial assets measured at fair value through income and expenditure	**166,463**	179,136
Net (losses)/gains on financial assets measured at fair value through income and expenditure	**(567,990)**	1,236,603
Impairment (losses)/gains on financial assets measured at amortised cost	**(12,242)**	143,684

19. LEASES

At 31 August 2022 the total of the School's future minimum lease income receivable under non-cancellable operating leases was:

	2022 £	2021 £
Within 1 year	**127,340**	23,700
Within 1 – 5 years	**420,560**	48,000
Greater than 5 years	**-**	11,000
	547,900	82,700

At 31 August 2022 the total of the School has commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Within 1 year	**18,486**	18,486
Within 1 – 5 years	**40,981**	54,835
Greater than 5 years	**-**	-
	59,467	73,321

20. CAPITAL COMMITMENTS

At the year end the School had a capital commitment of £Nil (2021: £Nil).

23. RESTRICTED FUNDS: MOVEMENTS IN THE YEAR

	At 1 Sept 2021	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2022
	£	£	£	£	£	£
Benjamin Smith Fund	119,779	3,010	(1,850)	(4,990)	-	**115,949**
Bursary Appeal	1,662,903	258,840	(102,662)	(137,148)	-	**1,681,933**
Prize funds	10,604	1,166	(1,166)	(473)	-	**10,131**
Sykes Trust Funds	350	1,948	(1,403)	-	-	**895**
Sports	868	-	(868)	-	-	**-**
Stockport Grammar School Educational Foundation Bursary	11,272	90,000	(82,449)	-	-	**18,823**
Roy Clough Fund	1,197,500	21,327	(84,683)	(128,424)	-	**1,005,720**
Nicholas Henshall	96,575	1,374	(36,976)	(4,080)	-	**56,893**
Stopfordian Trust Bursary	-	12,123	(12,123)	-	-	**-**
Old Stopfordians Fund	22,454	1,689	(3,689)	-	-	**20,454**
The Hallam Trust	-	1,333	(1,333)	-	-	**-**
	3,122,305	**392,810**	**(329,202)**	**(275,115)**	**-**	**2,910,798**

Comparative restricted funds – 2021:

	At 1 Sept 2020	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2021
	£	£	£	£	£	£
Benjamin Smith Fund	100,230	2,912	-	16,637	-	**119,779**
Bursary Appeal	1,405,307	147,909	(122,208)	231,895	-	**1,662,903**
Prize funds	9,028	1,131	(1,130)	1,575	-	**10,604**
Sykes Trust Funds	350	1,386	(1,386)	-	-	**350**
Sports	868	-	-	-	-	**868**
Stockport Grammar School Educational Foundation Bursary	8,068	85,986	(82,782)	-	-	**11,272**
Roy Clough Fund	1,045,213	23,911	(79,628)	208,004	-	**1,197,500**
Nicholas Henshall	112,653	1,845	(36,798)	18,875	-	**96,575**
Stopfordian Trust Bursary	-	11,997	(11,997)	-	-	**-**
Old Stopfordians Fund	22,470	34	(50)	-	-	**22,454**
6th Form quad building	-	23,397	(23,397)	-	-	**-**
The Hallam Trust	-	4,200	(4,200)	-	-	**-**
	2,704,187	**304,708**	**(363,576)**	**476,986**	**-**	**3,122,305**

The John Benjamin Smith Exhibition Fund was established in 1880 to commemorate a former Mayor of Stockport and benefactor to the School. Its original purpose was to provide leaving scholarships for boys going on to University. Since 1981 awards have been made available to boys and girls largely to provide Education Travel Exhibitions.

The Bursary Appeal fund was established following an appeal for funds in 2001 to raise funds for the provision of bursary assistance.

The Sykes Trust Funds are generated from the endowed Sykes Trust Fund to provide bursaries.

The Stockport Grammar School Educational Foundation funding is a donation to be used for bursaries.

The Roy Clough Fund has been established from the generous legacy of a former pupil to provide bursaries.

The School has received a generous donation from the family of Sara Pilkington (OS 2010). In memory of Sara, the Governors have designated the funds to provide support for pupils who wish to enter the sixth form.

The General Reserve fund is retained to cover the fixed assets and provide working capital.

25. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,522,011 (2021: £1,487,982) and at the year-end £Nil (2021 - £Nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' 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 employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

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

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future

30. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds		Restricted Funds	Endowed Funds	Total Funds	Total Funds
		School	Designated			2021	2020
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Charitable Activities							
School fees	2	15,271,314	-	-	-	15,271,314	13,910,275
Other educational income	3	76,380	-	-	-	76,380	66,634
Other ancillary trading income	3	589,362	-	-	-	589,362	889,141
Other trading activities							
Other income	3	70,092	-	-	-	70,092	273,648
Investment income	4	6,233	115,933	56,970	-	179,136	176,247
Voluntary Sources							
Donations and legacies	5	-	1,250	247,738	-	248,988	374,239
Total income		16,013,381	117,183	304,708	-	16,435,272	15,690,184
EXPENDITURE ON:							
Raising funds							
Fundraising costs		84,459	-	-	-	84,459	10,364
Financing costs	7	3,467	-	-	-	3,467	7,134
Investment management		-	63,852	17,034	564	81,450	72,091
Charitable activities							
Education and grantmaking		15,659,164	118,704	346,542	-	16,124,410	15,581,616
Total expenditure	6	15,747,090	182,556	363,576	564	16,293,786	15,671,205
NET INCOMING FUNDS FROM OPERATION BEFORE TRANSFERS AND INVESTMENT GAINS/(LOSSES)		266,291	(65,373)	(58,868)	(564)	141,486	18,979
Gains/(losses) on investments	10	-	475,838	476,986	22,965	975,789	25,209
Gains/(losses) on investment property	11	-	260,814	-	-	260,814	-
Transfers between funds	24	-	-	-	-	-	-
NET INCOME AND MOVEMENT IN FUNDS		266,291	671,279	418,118	22,401	1,378,089	44,188
Funds balances at 1 September		20,360,202	3,332,807	2,704,187	120,552	26,517,748	26,473,560
Funds balances at 31 August	21	20,626,493	4,004,086	3,122,305	142,953	27,895,837	26,517,748

STOCKPORT GRAMMAR SCHOOL

England & Wales - Charity number 1120199

Accounts

Charity number: 1120199
Company number: 6261525

STOCKPORT GRAMMAR SCHOOL

ANNUAL REPORT AND ACCOUNTS

For the year ended 31 August 2021

STOCKPORT GRAMMAR SCHOOL
ANNUAL REPORT AND ACCOUNTS 2021

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REFERENCE AND ADMINISTRATIVE DETAILS

The School is a company limited by guarantee, company number 6261525 and is registered with the Charity Commission under charity number 1120199. The registered address of the School (which comprises the Senior and Junior Schools) is Stockport Grammar School, Buxton Road, Stockport SK2 7AF.

The Governors of the School are also the Trustees, Directors and Members and are collectively referred to as Governors.

The names of the Governors at the date of signing the Report and/or those who served during the year are as set out below:

Co-optative Governors

* C F Dunn (Chair)
* A P Carr (Vice Chair)
* P A Cuddy (until 26 March 2021
* Miss S E Carroll
* P Milner (until 22 June 2021)
* Mrs S Lansbury
A C Simpson
J M R Lee
* N R Booth
J C P Mason
A J Gardiner
Dr L Gholkar

Nominative Governors

J A Shackleton (The Old Stopfordians Association)
* Professor A J C Bloor (The University of Manchester)
Mrs C S Muscutt (The Teaching Staff of the School)

Co-optative Governors are appointed by the Board of Governors for a period of five years, after which they can be appointed for further five year periods.

Nominative Governors are appointed by their respective nominating organisations for up to two consecutive three-year periods.

* Members of the Management Committee

OFFICERS

Headmasters	The School	Dr P M Owen
	The Junior School	M J R Copping
Bursar and Clerk to the Governors		C J Watson (to 26.03.2021) J Clague (from 22.03.2021)
School Address		Stockport Grammar School Buxton Road Stockport SK2 7AF

The day to day running of the School is delegated to the Headmasters and Bursar.

ADVISERS

Bankers	National Westminster Bank plc PO Box 13 10 Great Underbank Stockport SK1 1LT
Solicitors	Veale Wasbrough Orchard Court Orchard Lane Bristol BS1 5WS
	SAS Daniels LLP 30 Greek Street Stockport SK3 8AD
	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH
	Schofield Sweeney Springfield House 76 Wellington Street Leeds LS1 2AY
Auditors	Crowe U.K. LLP Chartered Accountants Registered Auditors Black Country House Rounds Green Road Oldbury B69 2DG
Architects	10architect Ltd 12 Hilton Street Manchester M1 1JF
Insurance Brokers	Towergate 7th Floor West One 114 Wellington Street Leeds LS1 1BA
Investment Advisers	Rathbone Investment Management Port of Liverpool Building Pier Head Liverpool L3 1NW

The Governors of the School, who are also the Directors of the Company, present their annual report for the year ended 31 August 2021, together with the audited accounts for the year, which have been prepared in accordance with company law and in compliance with the Charities SORP 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School was established in 1487 under the Will of the founder, Sir Edmund Shaa. It was subject to a Scheme approved by the Charity Commission on 14 February 1991, and amended by variations to the Scheme dated 15 September 1995, 9 January 1996 and 4 May 1999. A company limited by guarantee with charitable status called Stockport Grammar School was incorporated on 29 May 2007 with bespoke Memorandum and Articles of Association. The Governors were appointed as directors and members of the Company and are its charity trustees. The School undertaking and expendable assets of Stockport Grammar School, registered charity number 525936 were transferred to the Company at midnight on 31 August 2007 to form part of the corporate property of the Company. The Articles of Association were reviewed in 2015 and updated to be in line with current legislation.

Governing Body

There is a single governing body for the whole school which comprises the Senior and Junior Schools.

Recruitment and Training of Governors

A Governor search group reviews the composition and future membership of the Board. New Governors are inducted by way of interview with the Clerk to the Governors, who ensures that they are in possession of, and are aware of the implications of, a number of internal documents, Charity Commission guidance documents and the Scheme documents noted above. The Governors have continued a process of self-appraisal and are also encouraged to engage in continuing training during their period of office by attending appropriate external training courses and seminars organised by various external bodies.

The Governors have reviewed the Charity Governance Code for Trustees produced by the Charity Commission and were satisfied that they met the required standards in all areas but that the compliance would continue to be reviewed regularly.

Organisational Management

The School Governors, as Directors of the Company and the Trustees of the Charity, are legally responsible for the overall management and control of Stockport Grammar School, and meet four times a year. The work of implementing most of their policies is carried out by the members of the Management Committee who meet six times a year to consider the more detailed aspects of those matters which fall within the remit of the Governing body. The Management Committee is currently chaired by the Chairman of Governors.

The other principal Committees are Finance, Building (including Health and Safety), Education, ICT and External Relations. Each of these Committees meet as and when required. Governors review each year any potential conflicts of interest. Three Governors had children in the School during the year, and declare an interest when relevant decisions were taken.

The day to day running of the School is delegated to the Headmaster, Dr P M Owen supported by Mr M J R Copping, Headmaster of the Junior School and their Senior Management Teams (SMTs), together with the Bursar. The Headmasters and School Bursar attend meetings of the Board and the above Committees. In March 2021 Mr C J Watson retired after fourteen years dedicated service to the School and its pupils. The Governors have appointed Miss Joanne Clague as his successor.

Remuneration for all staff is set by the Board and is reviewed annually with reference where possible to other similar schools to ensure that the School is sensitive to the issues of pay and employment conditions elsewhere and that staff are fairly and reasonably rewarded for their contribution to the work of the school. The Governors recognise that delivery of the School's charitable vision and purpose is primarily dependent on the key management personnel and that staff costs are the single largest element of charitable expenditure.

Employment policy

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

Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to apprise staff of current issues.

Governors' Insurance

In accordance with normal commercial practice the School has purchased insurance to protect Governors' and officers from claims arising from negligent acts, errors or omissions occurring whilst on school business. The insurance provides cover up to £5M on any one claim and the cost for the year ended 31 August 2021 was £2,265.

Relationships

The School is connected to another Charity, Stockport Grammar School Educational Foundation, which operates from the same address as Stockport Grammar School. The object of the Foundation is to apply its income and so much of its capital as may be determined by its Trustees for the advancement of education at the School.

The School retains ownership of a company Stockport Grammar School (2007) Limited, established under the Companies Acts, which has not traded since incorporation. The School also has a close relationship with the Stopfordian Trust, a Registered Charity whose objectives include the provision of financial assistance to needy pupils in the School.

OBJECTIVES AND ACTIVITIES

Charitable Object

The School's Object, as set out in the 2007 Scheme, is to advance education by the provision and conduct, in or near Stockport, of a school for boys and girls and insofar as it is incidental or ancillary, such other purposes for the benefit of the local community as shall be exclusively charitable.

Objectives for the Year

These were:

- To ensure that every child achieved a satisfactory level of academic performance and had the opportunity to participate in an outstanding and wide ranging programme of co-curricular activities;
- To provide a complete education package from the age of 3 to 18 years;
- To keep the curriculum under frequent review to ensure that it remains appropriate to the needs of pupils in a changing education and examination environment;
- To improve further the quality of teaching through staff development and by ensuring that good practice is promulgated throughout the School;
- To ensure that pupils from the Junior School achieve success in the entrance examination for advancement to the Senior School;
- To develop further the use of ICT across the School to support both the teaching and learning in the School and to support the work of the administration and management of the School;
- The continuing development of an External Relations strategy, engagement in the wider community of Stockport; and
- The continuing development and improvement of facilities and resources across the site.

STRATEGIC REPORT

Strategies to achieve the year's objectives

Whilst the Coronavirus pandemic has dominated the majority of the School year and had a significant impact both on the finances of the School and on the delivery of the curriculum, co-curricular activities and public examinations, the early Autumn and Summer terms saw the consolidation and further development of the School's strategic plans across all areas.

To ensure that pupils continue to achieve excellent academic results and prepare them for life beyond school whilst having the opportunity to participate in as wide a range of co-curricular activities as possible.
The Senior School and Junior School were inspected separately by the Independent Schools Inspectorate in October 2019. In assessing the educational quality of a school, the Inspectorate focus on two key outcomes, the achievement of the pupils including their academic development and the personal development of the pupils, and both schools were rated as "excellent" in both categories.

The School achieved excellent GCSE results (76% at grades 7 or above) and at A Level (86% A*-B) through the Teacher Assessed Grades system. These grades were based on a series of mini-assessments devised, marked and graded by the teachers. This arrangement maximised the pupils' opportunities to show their best form whilst limiting the amount of content that the pupils had to master at any one time. Academic enrichment opportunities were harder to provide during periods of remote learning and because of coronavirus restrictions when pupils were in school. Nevertheless we were able to sustain a good range of academic clubs, societies and competitions. For example, the Medical Society organised several on-line and in-person talks for prospective medical students and National competitions in mathematics attracted a good number of candidates. Since pupils returned to school in March we have re-established the full enrichment programme with Music, Drama and Outdoor Pursuits as well as Sport. The Duke of Edinburgh Scheme remains popular and we were able to catch up the backlog of expeditions from summer 2020. We continue to work on the Artsmark project and to establish the ArtsAward to recognize pupils' achievements in the Arts.

Detailed planning and preparation has continued across all curriculum areas including the introduction of a new option of Drama at A Level and further research into how to better enhance existing reporting and review systems to support pupil development and learning.

The Junior School continued to provide a wide range of co-curricular opportunities and developed the offer to include many enrichment activities beyond sport. This included utilising Senior School staff for such clubs as Drama and Minimus. The implementation of new History and Geography schemes of work resulted in even higher standards in these subjects. Curriculum Subject Leader roles were reviewed and developed in order to ensure full coverage across both the Infant and Junior sections of the school. This will enable highly effective self-evaluation and improvement planning.

To refine and enhance digital learning platforms and the mechanisms by which they are made available to pupils, staff and parents.
Further development of the School's parent portal and homework information system (FROG) have enhanced effective communication with parents and allowed them access to details on their children's progress and curriculum whilst the School's online learning platform has continued to give extended opportunities for independent and collaborative teaching and learning across the School. These resources were used extensively during the lockdown period to support the continued delivery of teaching and learning across year groups.

During the period of remote learning from January to March the School offered full on-line lessons with extensive provision of digital resources through Satchel:One and Google Meet. We began the implementation of a new learning platform (FROG) in May and this provides on-line homework as well as improved communication. Over the next few months we will use FROG to develop more digital resources to support learning within and outside the classroom.

The Junior School has fully embedded the use of Google Classroom and Google Meet. During the Spring Term 2021 lockdown period, live lessons were delivered using Google Meet and work was submitted using Google Classroom. The use of Google Classroom has continued for homework tasks and the use of Frog will be explored for Y6 pupils so they have familiarity before starting in the Senior School.

To promote a learning culture, develop curiosity of pupils and provide opportunities for stretch and challenge.
The 2 schools continue to work closely to align curricula. Modifications to the Junior School timetable have brought consistency between the lesson timings in the two schools and this allows more efficient use of facilities and staff.

During the academic year, the new Junior School Headmaster has formally observed, in conjunction with the SMT and relevant Subject Leaders, all members of teaching staff at least twice. This has shaped the

Junior School Development Plan for 20-21 and 21-22. From September 21, the Junior School timetable will now match the Senior School to allow for Senior School staff to further support areas of the Junior School curriculum. Another focus in 20-21 (and continuing in 21-22) was the development of problem solving in mathematics in order to further challenge children through using and applying the mathematics they have been taught. A new tracking system was implemented so that the progress and attainment of Junior School pupils could be even more closely monitored. This, alongside Pupil Progress Meetings, will allow for timely interventions in order to ensure stretch and challenge for all children. During the academic year, the Junior School joined North West Gifted and Talented this provides CPD opportunities for staff and workshops to provide even further challenge in a range of subjects.

To seek ways to ensure that the principles set out in the Every Child Matters framework are embedded across all areas of the School.
There has been further work to develop the pastoral support that is available to students, mindful of the considerable pressures that families and young people have been under during the ongoing global pandemic. There has continued to be extensive training provided for all staff on safeguarding matters and there have been further improvements to the monitoring of pupil progress and participation in co-curricular activities.

Refinements to the form period and assembly programme, continued support for staff on positive behaviour management and development of mindfulness and mentoring programmes are all focussed on improving the quality of care and support across the school.

The School has offered extensive support to pupils throughout the period of remote learning and upon the pupils return to school. This has featured general pastoral support as well as additional provision of counselling for pupils experiencing particular difficulties with their well-being. The school has developed a pastoral, discussion initiative to address the issues raised by the 'Everyone's Invited' website and a pilot was carried out with the Lower Sixth year-group in June. This will lead to a pupil-generated Equality Charter to enhance respect for others within the school community.

The Junior School has identified two mental health leads; one to focus on mental health within the curriculum and one on interventions. The School has devised a clear roadmap for support and three Mental Health First Aiders have been trained in the last year. Further investment was made in training two further staff to deliver Mindfulness in Schools, this additional capacity has enabled the Junior School to deliver this within both form time and as a co-curricular activity.

Pupils have continued to express their views through the School Councils in the Junior and Senior Schools. These included feedback on catering provision, the newly opened sixth form café, communication across the school, and consultation over homework and uniform as well as their work in charitable fundraising. The School has progressed its application for the Artsmark award and established a creative hub to promote contact with local arts organisations and Schools, and has launched an Arts Award to allow pupils to gain a qualification and validate their artistic involvement.

To promote enhanced opportunities for pupils to participate in sport.
The School has expanded the coaching provision in the main team sports as well as developing new sporting opportunities, particularly girls' football. It has been difficult to organise fixtures against other schools because of coronavirus restrictions but an extensive Saturday programme of intra-school training and competitions has been very successful.

To review strategies for pupil recruitment, public benefit, marketing and alumni relations.
The External Relations team has supported the SPA with various projects in the year including the Cookbook. The School has developed expertise in video to showcase pupils work and activities during the periods of remote learning. Work has begun to enhance fund raising for bursaries with a new Alumni community website. We continue to provide outreach events and competitions for maintained sector pupils in Art, Drama, Mathematics and the Sciences.

The External Relations department has continued to focus on pupil recruitment with focussed marketing initiatives for entry at all ages and opportunities for prospective pupils and their parents to visit the School despite the challenges of most events moving to online platforms. Key messages are promoted via the School website and through an increased use of social media, whilst more conventional advertising of the school continues to promote its strengths in academic and co-curricular provision and the admissions team

has continued to develop contact with prospective parents and support pupil recruitment across all age groups. Behind the scenes there has been considerable investment in a new platform through which we will engage with our alumni and build opportunities for wider involvement with the school to those who wish to support us.

The External Relations Committee has continued to promote the School's public benefit initiatives, maintain and develop the School's reputation with key stakeholders and the wider community and to work with Old Stopfordians and others to raise funds particularly for the support of bursaries. The Committee now includes representation from former pupils and has replaced the Old Stopfordians Association to coordinate the activities for former pupils and to improve engagement with them through the school website and social media.

Eco Schools participation.
The Eco-Schools Committee, now led by dedicated Eco-Schools prefects has continued to influence the school community with campaigns on reducing food-waste, use of plastics and considerations of travelling to school. The School has now achieved the Silver Eco-Schools Award. Stockport Grammar will continue to participate in the Eco Schools programme, looking to progress rapidly to green flag levels. This will continue to provide leadership and development opportunities for pupils and to support the wider initiatives of the School in being aware and caring for our environment. The Junior School has their own teacher with responsibility who feeds into the Senior School.

Pupils in the school have continued to achieve significant successes in a range of sports at local, county and national level although opportunities to take part in competitive team sports were impacted for the majority of the academic year by ongoing social distancing measures. There have been individual pupil successes in regional and county and national appearances across a wide variety of sports. Other non-sporting successes include many pupil achievement awards in Olympiad competitions, success in Young Enterprise competitions, and recognition of many individual achievements in art and music with pupils performing in regional and national orchestras and exhibiting work in national galleries. The school eagerly anticipates the resumption of drama and music productions in the Autumn Term 2021.

As part of the continuing commitment to improve the facilities available across the whole school, two major capital investment projects to create new and enhanced facilities for the Sixth Form pupils and the construction of a new Pre-Reception building were completed despite delays created as a result of the Coronavirus pandemic. Work to expand and develop the hall and changing rooms in the Junior School was also completed. As usual there were a number of other projects undertaken over the summer period including the creation of gender neutral changing facilities and replacement roofs to the refectory and Bursary. The old portacabin that previously housed the pre reception facility was removed and work has commenced to create an exciting new 'quiet play' area to the junior school playground. A comprehensive programme of refurbishment has also started on the main hall. Added to this was an extensive programme of other maintenance and repair work.

Principal Activities of the Year
The School provides education in Stockport to boys and girls from the ages of 3 – 18.

In the academic year 2020/2021 the Senior School had an average of 1102 pupils (1036 in 2019/20) and the Junior School had an average of 356 pupils (374 in 2019/20). The number of staff employed during the year, including part time staff, shown as FTE's was teaching Staff 129 (Senior 101, Junior 28) and non-teaching staff 96 (126 teaching staff in 2019/20 of which Senior 98, Junior 28 and non-teaching staff 96).

Public Benefit, Aims and Intended Impact
The School's public benefit aim is to provide an excellent independent education through a strong academic tradition and through developing wider social, moral and personal skills. These are encouraged through the development of a supportive community which places a strong emphasis on the individual development of boys and girls. Such an environment helps pupils to learn self-discipline, participate in and be enriched by the challenges of many extra-curricular activities which will contribute to their success in life beyond school and university by equipping them with high moral values, personal qualities and a thirst for knowledge to serve them all their lives and enable them to become worthwhile and responsible citizens.

In setting out policy and planning these activities the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular the requirement to demonstrate that public benefit for any charitable purpose where it had previously been presumed in the absence of evidence to the contrary.

Through the External Relations Department the School has continued with its policy to promote and expand the School's links and role within the wider community of Stockport.

The School continues to provide means tested bursaries to children whose parents would not otherwise be able to pay the fees. Assistance was provided to 12 of the 188 pupils joining the First Form in 2020 and 10.1% of pupils in the Senior School received means tested assistance during the year. There continues to be a wide programme of events and activities in place to raise funds in support of bursaries and bursary information is widely available in the School's publications, on the website and in advertising for Open Events. The 17 bursary holders who left the sixth form of the school in 2021, achieved excellent academic success and secured a total of 26 A* and A grades. All of those in receipt of a transformational bursary have gone on to study at university with ten bursary holders securing places at Russell Group universities.

The School has continued to develop extensive links with other local schools and colleges across a range of ages and activities although some of the more established and popular events had to be cancelled during the lockdown period. The School looks forward to the opportunity to resume shared academic support with local secondary schools in Classics, Drama and sciences and with Y5 pupils from eighteen local maintained primary schools participating in the project to support Art education. Pupils have also participated in co-curricular clubs and masterclass sessions across a range of subjects and have been supported in academic extension lessons and in their applications to top universities.

Staff support teaching in the maintained sector with participation in teacher training schemes, academic extension schemes for primary school teachers, NQT monitoring and work as examination moderators. Four staff act as Governors in maintained schools, others are trustees for other charities or actively volunteer to support other local community organisations. The Head of the Junior School is a Headteacher Performance Management Adviser to the Governing Body of a State Primary School in Liverpool. The school continues to provide high level coaching and management as well as the use of sports facilities to local sports organisations, county rugby teams and to national independent schools rugby.

Pupils take part in and gain much from a wide range of community service activities, particularly in the Sixth Form and as part of the Duke of Edinburgh Award. Despite the curtailment of a number of charity fundraising events through those that were able to take place pupils in the Senior School raised £3,800 supporting Educaid Sierra Leone and Mind. In a difficult year, Junior School pupils donated £2,150 to four main charities; Macmillan Cancer Support, Children In Need and Comic Relief. At Christmas, the pupils donated food to The Trussell Trust Food Bank, this provided 2000 meals for families in Stockport throughout the festive period. Continuing the community ethos, Junior School pupils offered words of emotional support to children who would be spending their Christmas at Wythenshaw Hospital in the form of handprints and wore Christmas jumpers to support Save the Children.

The School continues to enjoy a national reputation for the quality of its delivery of the Duke of Edinburgh Award Scheme and is the largest independent provider in the North West. The scheme has extended the opportunities for participation at gold and silver level with mountain biking and canoeing now available and there are now over three hundred and fifty pupils actively participating in the scheme. The scheme has a completion rate in excess of 80% which is well above the national average for the UK. Enrolment remains higher with over 85% of the 3rd year starting their DofE Bronze last year.

The School has continued to encourage coaching and sporting opportunities for young people in the area by making its sports and site facilities available for use by other organisations. The School's playing fields have been used for training by local junior rugby and athletics teams. Five outside swimming clubs for young people make regular weekly use of the swimming pool and the swimming facilities are used for no charge each week by Year 5 and Year 6 pupils of Great Moor Junior School. The ongoing Global Pandemic did impact on the School's ability to let its facilities but as the situation improves full focus is being given to prioritising the reintroduction of existing lets.

The School continued to provide support for the children of key workers, both during the lockdown period and during the school holidays, but the normal extensive programme of activity weeks and specialist sports

camps during the summer period were unable to run. Plans for the use of other school facilities to be used by a number of other charities had to be postponed although these are now gradually being reintroduced in the Autumn Term 2021.

Grant-making Policy
The Governors' policy is to make bursary awards available to support an individual's educational potential and ensure that the opportunity for an education at the School is available to as wide a range of children as possible to join the School at 11+ or 16+.

The School endeavours to promote the availability of bursaries to the widest audience through its literature and information, together with the terms and conditions for awards, which are available to view on its website at www.stockportgrammar.co.uk.

This year, the value of bursaries, music scholarships, allowances and other awards made to the School's pupils out of unrestricted funds amounted to £1,419,659 (prior year £1,362,431) of which £1,367,670 were means tested bursaries, which was close to the upper target figure of 8% set by the Governors to allocate from gross fee income. Of the bursaries awarded 76% were transformational awards with full fee remission.

Volunteers
The Stopfordian Parents' Association has continued to provide invaluable support to the School in terms of fundraising and support of a wide variety of activities.

ACHIEVEMENTS AND PERFORMANCE

Operational Performance
In the Senior School the objective is to ensure that all pupils maximise their academic potential and the target set by the Governors is that there will be at least an 85% pass rate at Grades A and B at Advanced Level. The ongoing uncertainty and further lockdowns meant that students were again disappointed not to be able to sit external examinations but with the robust internal assessment process, our pupils achieved an Advanced Level pass rate of 100% with 86% achieving A*, A or B grades.

Two pupils accepted places at Cambridge and recipients of transformational bursaries secured places at Russell Group universities. 89% of other pupils were successful in meeting the entry requirements of their chosen universities. The school value added according to CEM centre data was positive and is improving over time.

In 2021 the GCSE grades were also awarded on the basis of internally assessed grades. The pass rate was 99% (grades, 9 to 4). 76% of grades awarded were at 9/8/7 with 27% of entries at the highest grade 9. The overall results were judged to be a fair reflection of pupil abilities. The majority of pupils took nine subjects at GCSE or IGCSE Level from a range of examining bodies. The school value added according to CEM centre data was positive and is continuing to improve over time.

In the Junior School, the objective is to increase the number of children achieving 'Greater Depth' in Maths and English. Currently, All Early Years pupils make progress from Start of Year to End of Year in CEM standardised testing of Literacy and Maths. In literacy, 89% of children were at or above the expected national level. 81% of pupils reached the expected level of attainment in Maths.

In KS1, 87.5.% of pupils were working at or above year expectations in reading. 80.2% were working at or above expectations in writing and 91.6% in Maths. 100% of EAL pupils achieved at expected levels or above in all areas. At the end of the academic year 2020 2021, approximately 80.25% of KS2 pupils were working at or above expectations in reading. 75% were working at or above expected standards in writing and 70% in Maths. 100% of EAL pupils achieved at or above expectations in all areas.

Benchmarking
The School participates each year in the benchmarking survey conducted by Baines Cutler Solutions Ltd where its financial performance is measured against that of similar schools in the north of England. Comparing those results for the survey conducted in 2021 the Governors are encouraged by the performance of the school against those schools against which it is benchmarked.

Fundraising Performance
No specific financial target was set by the Governors, but during the year under review the amount raised was £123,408 (2020, £268,520). This included a generous donation from the Zochonis Charitable Trust of £75,000 and an anonymous donation of £12,000 for the provision of bursaries. The direct cost incurred in money-raising was £84,459. The School's aim is to ensure that strong relations continue to be maintained with alumni and other potential benefactors and has appointed an additional member of staff to develop the opportunities for fundraising both for bursaries and capital projects. The School has continued to benefit from a number of generous legacies from former pupils which support the bursary funds that enable pupils to join the school. The Governors anticipate that significant future donations will arise from the legacy programme. The School has received further generous support for bursaries at 11+ from the Stockport Grammar School Education Foundation.

The School had no fundraising activities requiring disclosure under 5162A of the Charities Act 2011.

Investment Performance
The consolidated investment portfolio produced a return over the financial year to 31st August 2021 of +23.1% vs the benchmark returns of 18.0% for the PIMFA Balanced Index and 6.3% for the absolute return measure of CPI+3%. The portfolio benefitted from the continued economic and equity market recovery from the Covid crisis which was facilitated by the vaccine discovery and roll out, with the investment manager outperforming the benchmarks through a combination of asset allocation positioning and individual stock selection. While the outlook remains to some extent uncertain with Covid still present and inflationary pressures an increasing concern, since the period end the portfolio has made further small gains. Our investment managers remain constructive on the outlook for the coming year.

In a period that was heavily impacted by the Coronavirus pandemic the portfolios experienced some volatility but recovered from the initial market weakness and have performed well and materially ahead of the benchmark. Following the financial year end (and at the time of writing) the portfolios have increased further in value.

Factors outside the School's Control
While some of the factors which most influence the School are within its own control (for example the curriculum on offer and the quality of teaching staff), other factors are not. As well as fluctuations in the birth rate in its catchment area, the School recognises that factors of the strength of the local and national economy, location and travel options continue to have a major impact on the recruitment of pupils at all levels.

The economic impact of the Coronavirus pandemic, the uncertainty surrounding Brexit and the risks of new political policy initiatives present significant threats and limit the Governors' ability to produce robust medium and long term plans. The continued recruitment of high calibre pupils in future years from a smaller market will require that the School maintains the highest possible standards in all areas whilst potentially facing significant cost increases and the Governors and senior management teams recognise these factors in all their business planning.

The Governors continue to encourage all members of the School to play an active role in the community and promote the work of the School and they encourage pupils from all areas of the town to apply to the School. The Governors are mindful of recent inspections undertaken and guidance issued by the Charity Commission with regard to public benefit.

FINANCIAL REVIEW
The School's net incoming resources on unrestricted funds before transfers or gains showed a net surplus for the year of £266,291 (2020, loss of £63,930) after charging depreciation of £810,011 and receipt of bank interest of £5,797. Whilst pupil numbers for the year were higher than anticipated, the lockdown of the School for the majority of the spring term 2021 and the shift to remote learning had a significant impact on the financial position of the School. Whilst the school was able to make some savings in operating costs and took advantage of the CJRS scheme, many costs increased (provision of testing facilities, additional cleaning, additional staffing arising out of keeping children in bubbles, staffing both remote education and provision within school for face to face learning for children of key worker families) and this was against a backdrop where themselves also families faced ongoing financial difficulties. As well as refunding meal charges across the whole school for periods when the school was by necessity closed, Governors also took the decision to retain fees at existing levels and to make internal cost savings. Those families who

needed further support were offered additional flexibility regarding the timing of fee payments and the School did not charge interest on fees paid late during this academic year.

Governors recognise that the continuing very significant economic pressures on parents will have an impact on future recruitment and retention. However they note the huge commitment of families to Stockport Grammar and their children's education and that the level of fee debt owed to the School has now significantly reduced. The Governors were also pleased to note the continuing value of the external letting of the swimming pool and sports hall and the additional income it generated to support the work of the School.

Reserves and Reserves Policy
Notes 21 to 24 to the financial statements show the assets and liabilities attributable to the various types of fund and summarise the year's movements on each fund. The School's total reserves of £27,895,837 at year end comprised £142,953 endowed funds, restricted funds of £3,122,305 and unrestricted funds of £24,630,579. Unrestricted funds, not designated by the Governors, amounted to £20,626,493 at 31 August 2021. Designated funds amounted to £4,004,086 and a description of the purpose of the designations is shown in note 24 to the financial statements. Free reserves, after deducting the net book value of tangible fixed assets, were £1,605,092.

The Governors have examined the School's requirement for reserves and have established a policy of maximising unrestricted funds not proposed, committed or invested in tangible fixed assets held by the School and that they should be between 5% and 10% of turnover. This equates to holding reserves between £780K and £1.5M and therefore funds currently held are well in excess of this policy but this is reviewed regularly in light of the need to invest in development of the School's facilities.

The reserves are required to provide the funding for the building development and maintenance programmes and investment in resources to enable the School to provide the best possible facilities for the pupils commensurate with the School's standing in the community.

The School's policy is that its banking arrangements should be sufficient to support the continuing activities of the School in the short term given that parents are required to give one term's notice of their intention to withdraw a child from the School.

Funding Sources
The School relies almost entirely on its fee income received from parents to cover its expenditure and to pay for investment in buildings and resources. The only external sources of funds are normally by way of donations and these are shown as income to the School and in the Restricted Funds. In order to fund the construction of the Woodsmoor teaching facilities in 2012 the Governors negotiated a number of medium term loans with the NatWest Bank of which only one remains ongoing. In the current year the School applied for support from the Coronovirus Job Retention Scheme to cover the costs of staff who were furloughed and received a figure of £46,078 towards the costs of their employment.

Investment Policy and Objectives
The objective for investing the reserve funds is to grow the value of the portfolios over the long term to provide financial support and sustainability, with particular focus on the provision of bursary funding for pupils of the school.

The Board aims to maximise the total return (a combination of income and capital growth) on the investment assets within an appropriate and agreed risk profile such that capital growth is achieved to at least keep pace with inflation and an income is generated to help support the school and its pupils. The Board, on consultation with their investment manager (Rathbones), agreed to a Risk Level 4 on Rathbones scale of 1-6, where 6 is highest. Whilst some of the smaller funds have differing aspects, the Board agreed that the investment strategy and risk profile should be consistent across the funds, although this is reviewed regularly.

Rathbones have been appointed with a discretionary investment mandate, carrying out the day to day portfolio management within the agreed framework. The board will monitor the manager and the fund performance with reference to the MSCI PIMFA Balanced index (an industry market relative benchmark) and the long term (absolute) return measure of CPI+3%.

Principal Risks and Uncertainties

The Board of Governors is responsible for the management of the risks faced by the School. The Governors view the most significant risk to the future of the School to be a possible future reduction in pupil numbers as a result of changing economic circumstances. These may either be as a direct consequence of the current Coronavirus pandemic or as a result of government decisions which impact on the economic circumstances of families in the local area. Whilst levels of recruitment interest have remained strong and in some year groups increased as a result of concerns about the recent provision in the maintained sector, continued economic uncertainty, the factors of travel and geography which influence many families' decisions, and current trends in post 16 education all contribute to the risks associated with pupil numbers in the future. Whilst fees were frozen for a year in response to the Coronavirus pandemic there is now signs of stronger inflationary pressure across all costs. Governors are however minded to keep future increases as low as possible. The increase in the employers' contribution to the Teachers' Pension Scheme has already had a very significant impact on the costs of employing staff and there remains a very high risk of disproportionate future increases within the next three years. Another critical risk common to all businesses remains the threat of cyber security attacks and the School is mindful of the need to continue to improve resilience and mitigate such risks as much as possible.

Health and Safety risk management underpins many of the activities of the School, from daily management of infrastructure risks such as fire to personal risks, particularly when pupils are involved in offsite co-curricular activities. Careful planning and detailed risk assessment procedures are in place to minimise these and a full dynamic review of all operational matters to mitigate the risks of infection transmission continues to underpin all decisions affecting staff and students within the School community.

During the year the Governing Body reviewed and updated its strategic plan and the analysis of the risks to which the School could be exposed. A full risk assessment was completed prior to the reopening of the School in both September 2020 and then March 2021. These risks are regularly reviewed by the Senior Management of the School and day to day management of those risks is delegated to the Senior Management Teams. Risks are identified, assessed and controls established throughout the year.
The key controls used by the School include:

- Comprehensive strategic planning, budgeting and management accounting;
- Established organisation structure and lines of reporting;
- Formal written policies including clear authorisation and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable;
- Terms of reference for all Committees; and
- Formal agendas for all Committee and Board activity.

Through the risk management process established for the School, the Governors are satisfied that the major risks identified have been adequately managed. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

PLANS FOR FUTURE PERIODS

It remains the Governors' and Headmaster's intention to ensure that pupils continue to achieve excellent academic results that will enable them to gain entry to leading universities and prepare them for life beyond school whilst having the opportunity to participate in as wide a range of co-curricular activities as possible. In order to protect all members of the School community from the Coronavirus pandemic the School has introduced wide ranging changes to its daily operation with revised movement plans around the site, timetabling, hygiene, cleaning and catering arrangements. These will continue for as long as deemed necessary by government and medical advice despite the impact they have on the full range of opportunities the School seeks to provide.

In the Senior section of the School there are four key strategic areas of focus;

1. To continue to implement the new RSE curriculum launched in September 2020. To continue to implement the Equality Charter initiative with separate discussion events for each year-group and pupil-developed initiatives to promote respect for others. Continue to train pastoral staff in supporting pupils' mental health as well as sustaining a higher level of counselling provision given increased demand for these services from pupils.

2. To continue to strengthen the provision of digital resources through FROG, making them available within lessons and outside of lessons to enhance pupils' learning.
3. To continue to re-establish the co-curricular program now that coronavirus restrictions have lifted with concerts, drama productions and a full program of sporting fixtures now possible. The aim is to promote pupil involvement in co-curricular activities to enhance personal development and pupil well-being. Measures will be taken to record co-curricular involvement in a more robust way to enhance recognition of pupils' achievements.
4. To implement a system of recognition awards to notify parents when pupils have shown the five character strengths or produced great pieces of academic work.

In addition, in the Junior School their curriculum (and staff personal development) strategic intent is to;

1. Develop the children's ability to use and apply mathematics in problem solving texts.
2. Embed new pupil assessment tracking system so that data can be analysed more efficiently and effectively.
3. To review and update our marking and feedback policy to ensure that this moves learning on and provides appropriate support and guidance.
4. To embed the new Early Years Foundation Stage changes introduced from September 2021.
5. Develop the teaching of reading through identified Guided Reading sessions in the curriculum. To produce reading tracking sheets in KS2 so that progress can be accurately monitored.
6. To develop the teaching of writing through effective modelling.
7. To revise the appraisal system so that it is more streamlined and focuses on key areas of performance and to ensure that SMT are trained to undertake appraisals of staff within their team.
8. To develop the use of ICT across the curriculum.
9. Change the learning support cycle of support so that interventions start in September rather than after October half term.

Despite the long term financial pressures faced by the School the Governors are committed to completing the work that has already started to improve the buildings and facilities on the school site. Work on the completion of the new junior school quiet play area will be completed by the end of the academic year to 31 August 2022 and the long term plan to refurbish the main hall will also continue.

Further large scale developments will continue through the detailed planning stages so that they can commence subject to the availability of resources. These projects include plans to make further improvements to the Main Hall to support and enhance the provision of facilities for Drama, the creation of a new Reception area and entrance and the development of a masterplan for the sports facilities on the site.

The External Relations Committee will continue to review the strategy for pupil recruitment at all ages, public benefit, (particularly links to the community and the provision of bursaries), marketing and alumni relations and also to increase the School's role in the wider community. This will involve developing a range of alternative engagement strategies with greater focus on targeted digital communication. A key objective remains to embrace the School's social responsibilities as an outward facing school by engagement with the local and wider communities. The School will continue to explore opportunities to participate in external initiatives to raise the quality of provision in the maintained sector in Stockport and South Manchester and prepare to respond if there are further national initiatives regarding collaborative partnerships. The plans to complement some of the curriculum and co-curricular developments within the School by working to secure the Arts Mark accreditation were delayed by the lockdown but we will continue to work with other schools and organisations in the area to secure this and widen our activities in these areas. The School will continue to make every effort to promote awareness of the School's Bursary Scheme to widen access to the School. An additional post has been created to bring a new impetus to fundraising activities both for potential capital projects but also to continue to raise funds to sustain and expand the provision of support for local pupils and to continue the School's tradition of servicing the local community of Stockport.

The events of the last year have further highlighted and reinforced the Governors' recognition of the economic pressures on parents caused by the current level of fees and the impact of external factors over which the School has no control which can add very significantly to the School's operating costs. The Governors will continue to ensure that the fees for tuition offer excellent value for money as well as seeking ways to reduce costs wherever possible without compromising the high standards of teaching, pastoral

care, co-curricular opportunities, the provision of other services, and the long term investment in the site and the School's resources.

The Governors recognise what a very difficult period this has been for the whole school community and they want to record their thanks to all those who have continued to support the School throughout this period, with particular thanks to all the staff, teaching and non-teaching who have worked tirelessly over recent months to maintain the high standards of teaching and support for the pupils.

STREAMLINED ENERGY AND CARBON REPORTING

The School's greenhouse gas emissions and energy consumption are as follows:

	2021	2020
UK energy use (1)kWh	4,052,452	3,573,767
Associated Greenhouse gas emissions (2) Tonnes CO2 equivalent	772.33	707.30
Intensity ratio - Emissions per pupils	0.53 per pupil	0.50 per pupil
Intensity ratio - Emissions per area	0.04 per sqm	0.04 per sqm

The School has used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition). Further emission factors were used from UK Government's GHG Conversion Factors for Company Reporting 2020.

UK energy use covers gas, electricity and transport fuel.

The total school roll has increased over the last 12 months. Added to this for the last couple of years the School has admitted more students into the first form and has seen a higher retention rate into the Sixth form. Health and Safety guidance during the pandemic led to windows being kept open wherever possible in teaching and communal spaces in order to aid ventilation but in colder months this also led to heating systems being required to work harder to keep spaces adequately heated as a result of windows being opened.

SECTION 172 STATEMENT AND STAKEHOLDER ENGAGEMENT

The Governors have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the School for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172 of the Companies Act 2006.

In discharging their duties above, the Governors carefully consider, amongst other matters, the impact on and interest of other stakeholders in the School and factor these into their decision-making process.

Pupils
Pupils benefit from the School's excellent pastoral provision with staff placing as much importance on pupils' all-round personal development as they do on academic progress.

Employees
The School recognises that the qualities, skills and commitment of its employees play a major role in the School's success. Regular briefings keep staff informed of School-wide developments, and wide -ranging employee benefits enhance their quality of life. Staff wellbeing has been a key focus this year and will be a continued area of attention, along with equality, diversity and inclusion. Furloughed staff were successfully re-integrated as they returned from an extended period of absence from the site.

Parents
The School recognises the many benefits of engaging with parents and has reimagined its communications with parents over the past twelve months. An historic reliance on written communication has given way to digital innovations such as streaming live and recorded audio-visual events and podcasts.

Community
The School is proud of its place in the local community and conscious that it has significantly beneficial impact on the local economy and on local cultural life.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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

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

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

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

- there is no relevant audit information of which the School's auditor is unaware, and
- that Governor's have taken all the steps that ought to have been taken as a Governor in order to be aware of any information needed by the School's auditor in connection with preparing its report and to establish that the School's auditor is aware of that information.

This report, incorporating the Strategic report, was approved by the Governors, as the company directors, on 7 December 2021 and signed on the board's behalf by:

C F Dunn
Chair

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

Opinion

We have audited the financial statements of Stockport Grammar School ('the charitable company') for the year ended 31 August 2021 which comprise Statement of Financial Activities, the Balance sheet, the Statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of 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 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

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

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

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

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of fee income (other than school fees), donations and ancillary income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

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

Use of our report

This report is made solely to the charity's trustees, 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 charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Kerry Brown
Senior Statutory Auditor
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG
Date: 17 December 2021

STOCKPORT GRAMMAR SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds		Restricted Funds	Endowed Funds	Total Funds 2021	Total Funds 2020
		School £	Designated £	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Charitable Activities							
School fees	2	15,271,314	-	-	-	15,271,314	13,910,275
Other educational income	3	76,380	-	-	-	76,380	66,634
Other ancillary trading income	3	589,362	-	-	-	589,362	889,141
Other trading activities							
Other income	3	70,092	-	-	-	70,092	273,648
Investment income	4	6,233	115,933	56,970	-	179,136	176,247
Voluntary Sources							
Donations and legacies	5	-	1,250	247,738	-	248,988	374,239
Total income		16,013,381	117,183	304,708	-	16,435,272	15,690,184
EXPENDITURE ON:							
Raising funds							
Fundraising costs		84,459	-	-	-	84,459	10,364
Financing costs	7	3,467	-	-	-	3,467	7,134
Investment management		-	63,852	17,034	564	81,450	72,091
Charitable activities							
Education and grantmaking		15,659,164	118,704	346,542	-	16,124,410	15,581,616
Total expenditure	6	15,747,090	182,556	363,576	564	16,293,786	15,671,205
NET INCOMING FUNDS FROM OPERATION BEFORE TRANSFERS AND INVESTMENT GAINS/(LOSSES)		266,291	(65,373)	(58,868)	(564)	141,486	18,979
Gains/(losses) on investments	10	-	475,838	476,986	22,965	975,789	25,209
Gains/(losses) on investment property	11	-	260,814	-	-	260,814	-
Transfers between funds	24	-	-	-	-	-	-
NET INCOME AND MOVEMENT IN FUNDS		266,291	671,279	418,118	22,401	1,378,089	44,188
Funds balances at 1 September		20,360,202	3,332,807	2,704,187	120,552	26,517,748	26,473,560
Funds balances at 31 August	21	20,626,493	4,004,086	3,122,305	142,953	27,895,837	26,517,748

The notes on pages 22 to 37 form part of these accounts.

STOCKPORT GRAMMAR SCHOOL
Company number 6261525
BALANCE SHEET
AS AT 31 AUGUST 2021

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible Fixed Assets	9		**19,021,401**		17,951,081
Securities Investments	10		**5,486,146**		4,492,155
Property Investments	11		**1,115,000**		854,186
			25,622,547		23,297,422
CURRENT ASSETS					
Stocks	12	**66,998**		63,484	
Debtors	13	**466,662**		536,360	
Cash		**3,607,715**		4,703,170	
		4,141,375		5,303,014	
CREDITORS: Amounts falling due within one year	14	**(1,618,029)**		(1,803,735)	
NET CURRENT ASSETS			**2,523,346**		3,499,279
Total Assets Less Current Liabilities			**28,145,893**		26,796,701
CREDITORS: Amounts falling due after one year	15		**(250,056)**		(278,953)
TOTAL NET ASSETS	21		**27,895,837**		26,517,748
ENDOWED FUNDS	22		**142,953**		120,552
RESTRICTED FUNDS	23		**3,122,305**		2,704,187
UNRESTRICTED FUNDS					
Designated and general funds	24		**24,630,579**		23,693,009
TOTAL FUNDS			**27,895,837**		26,517,748

The financial statements were approved and authorised for issue by the Board on 7 December 2021 and signed on its behalf by:

C F Dunn
Chairman

The notes on pages 22 to 37 form part of these accounts.

STOCKPORT GRAMMAR SCHOOL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash provided by operating activities	26	**712,942**	686,417
Cash flows from investing activities:			
Dividends, interest and rents from investments		**179,136**	176,247
Proceeds from the sale of investments		**786,036**	4,218,067
Purchase of investments		**(804,238)**	(4,043,477)
Purchase of fixed assets		**(1,881,531)**	(2,684,575)
Net cash used in investing activities		**(1,720,597)**	(2,333,738)
Cash flows from financing activities			
Repayments of borrowing		**(84,333)**	(80,741)
Interest paid on borrowings		**(3,467)**	(7,134)
Net cash used in financing activities		**(87,800)**	(87,875)
Change in cash and cash entitlements in the reporting period		**(1,095,455)**	(1,735,196)
Cash and cash equivalents at the beginning of the reporting period	27	**4,703,170**	6,438,366
Cash and cash equivalents at the end of the reporting period	27	**3,607,715**	4,703,170

The notes on pages 22 to 37 form part of these accounts.

1. STATEMENT OF ACCOUNTING POLICIES

1.1 Charity information

Stockport Grammar School is a Company limited by guarantee (registered number 6261525), which is registered in England and Wales. It's charity registration number is 1120199. The registered office and principal place of business is Buxton Road, Stockport, SK2 7AF.

Its principal activity is the provision of day schooling.

The members of the company are the Governors named on page 1. In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per member of the School.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Stockport Grammar School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 19.

Critical accounting judgements and key sources of estimation uncertainty

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

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

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

In preparing the financial statements the trustees have considered the treatment of fee deposits. As per the standard terms and conditions fee deposits are offset against future fees or parents can elect to donate the deposit to the School. Therefore, the trustees have judged it appropriate to classify the fee deposits due as split between greater than one year and less than one year based on the expected repayment date.

1.3 Fees and Similar Income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

1.4 Investment income

Investment income from dividends and bank balances is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates.

1.5 Donations and legacies

Donations receivable for the general purposes of the Charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on the Governors, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments – permanent or expendable according to the nature of the restriction.

Donations and legacies income is recognised when the conditions for entitlement, probability and measurement have been met.

1.6 Government grants

Government grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.7 Resources expended

Expenditure is accrued as soon as a liability is considered probable discounted to present value for longer term liabilities and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Liabilities are recognised where there is a legal or constructive obligation committing the entities to the expenditure. The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of charitable activity. Included in support costs of the school are budgeting and accounting, information technology, human resources and finance. School trip expenditure is included under support costs.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the Governors and all costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.8 Pension schemes

The Charity contributed to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme.

The Charity also contributes to a group personal pension scheme for non-teaching staff. Contributions to all schemes are charged in the SOFA as they become payable in accordance with

the rules of the schemes.

1.9 Tangible fixed assets

All fixed assets costing more than £5,000 are capitalised at historical cost.

Depreciation is provided to write off the cost less estimated residual value of tangible fixed assets over their estimated useful lives, on a straight line basis, at the following rates:

Buildings:	2%
Computer system and cabling:	33.33%
Motor vehicles:	25%
Fixtures and Fittings:	10%

Land is not depreciated.

A full year's charge is made in the year in which the asset is brought into use but no charge is made in the year of disposal.

1.10 Investments

Security investments are valued in the balance sheet at their mid-market value at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction-based, while investment income management costs are charged as expenditure out of the relevant income funds.

Investment properties are valued as individual investments at their market values as at the balance sheet date which at the year end 31 August 2021 was determined by obtaining a professional valuation.

1.11 Stock

Stock is valued at the lower of cost and net realisable value.

1.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised costs using the effective interest method, less any impairment.

1.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.14 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments and cash at bank which are held at fair value. Financial assets held at amortised cost comprise trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

1.15 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are available for use only in accordance with the donor's wishes.

Investment income, gains and losses are allocated to the appropriate fund.

2. CHARITABLE ACTIVITIES : FEES RECEIVABLE

	Senior £	Junior £	2021 £	2020 £
The school's fee income comprised:				
Gross fees	**13,209,895**	**3,295,644**	**16,505,539**	15,239,518
Less: Total bursaries, grants and allowances from unrestricted funds			**(1,231,225)**	(1,329,243)
			15,271,314	13,910,275

After School Care fees included in the above amounted to £18,305 (2020: £44,961). Scholarships, bursaries and other awards were paid to 150 pupils (2020: 154). Within this means tested bursaries totalling £1,367,670 were paid to 112 pupils (2020: £1,309,442 to 117 pupils).

3. CHARITABLE ACTIVITIES : OTHER INCOME

	2021 £	2020 £
Other educational charitable activities		
Entrance and registration fees	**33,069**	30,580
Courses and sub-lettings	**43,311**	36,054
	76,380	66,634
Other ancillary activities		
Tuck shop	**-**	5,070
School meals	**574,824**	569,679
Morning club	**1,152**	3,340
School trips	**13,386**	308,274
Fee interest received	**-**	2,778
	589,362	889,141
Other incoming resources		
Government grant	**46,078**	174,796
Other	**24,014**	98,852
	70,092	273,648

4. INVESTMENT INCOME

	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Bank interest received	**5,687**	**110**	**5,797**	28,556
Dividends received	**54,216**	**56,860**	**111,076**	109,776
Investment property rental	**62,263**	**-**	**62,263**	37,915
	122,166	**56,970**	**179,136**	176,247

5. DONATIONS AND LEGACIES

	Unrestricted	Restricted	Total 2021	Total 2020
	£	£	£	£
General appeal donations	1,250	-	1,250	25,157
Bursary appeal donations	-	122,120	120,120	140,200
Prize fund donations	-	38	38	38
School donations	-	-	-	1,250
Stopfordians	-	-	-	1,884
Bursaries from Stockport Grammar School Educational Foundation	-	85,986	85,986	80,388
Baxendale Bursary	-	23,397	23,397	-
Stopfordian Trust Bursary	-	11,997	11,997	17,997
6th form quad building donation	-	-	-	103,125
Hallam Trust	-	4,200	4,200	-
	1,250	247,738	248,988	374,239

6. ANALYSIS OF TOTAL RESOURCES EXPENDED

a) Total expenditure

	Staff costs	Other costs	Depreciation	Total 2021	Total 2020
	£	£	£	£	£
Costs of generating funds:					
Financing costs (note 7)	-	3,467	-	3,467	7,134
Investment management	-	81,450	-	81,450	72,091
Fundraising for voluntary resources	-	84,459	-	84,459	10,364
Total costs of generating funds:	-	169,376	-	169,376	89,589
Charitable activities					
Teaching	9,772,323	991,536	-	10,763,859	10,189,347
Welfare	692,000	786,096	-	1,478,096	1,274,607
Premises	221,948	1,194,271	683,643	2,099,862	1,825,227
Support costs and governance	971,519	280,549	126,368	1,378,436	1,925,385
Grants, awards and prizes (note 6 (b))	-	404,157	-	404,157	367,050
Total charitable expenditure	11,657,790	3,656,609	810,011	16,124,410	15,581,616
Total resources expended	11,657,790	3,825,985	810,011	16,293,786	15,671,205

b) Grants, awards and prices

	2021	2020
	£	£
From Restricted Funds:		
Bursaries and other grants	346,542	311,847
From Unrestricted Funds:		
Bursaries and other awards	57,615	55,203
	404,157	367,050

c) **Governance included in support costs:**

	2021	2020
	£	£
Remuneration paid to auditor for audit services	15,300	15,000
Remuneration paid to auditor for assurance services	635	615
Remuneration paid to auditor for non-audit related services	1,625	2,100
Reimbursement of personal expenses to Governors	685	3,200
Other governance costs	54,463	47,335
	72,708	68,250

Course and travel expenses were claimed by 1 Governor (2020: 2).

7. FINANCE AND OTHER COSTS

	2021	2020
	£	£
Bank loan interest	3,467	7,134

8. STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2021	2020
	£	£
The aggregate payroll costs for the year were as follows:		
Wages and salaries	8,983,625	8,434,057
Social security costs	930,830	866,021
Other Pension costs	1,743,335	1,682,454
	11,657,790	10,982,532

Neither the Governors nor any persons connected with them received any remuneration or other benefits for their work on the Governing body.

During the year, one settlement agreement of £10,000 was paid.

	2021	2020
	£	£
Aggregate employee benefits of key management personnel	770,922	772,779

	2021	2020
The number of higher paid employees was	No.	No.
Taxable emoluments band:		
£60,001 - £70,000	5	4
£70,001 - £80,000	2	2
£80,001 - £90,000	-	2
£90,001 - £100,000	1	-
£100,001 - £110,000	-	1
£120,001 - £130,000	1	1

The average number of employees during the year was 307 (2020: 301), whilst the average number of employees calculated on a full time equivalent basis was:

	2021	2020
	No.	No.
Teaching	129	127
Welfare	26	28
Premises	7	7
Support	63	62
	225	224

9. TANGIBLE FIXED ASSETS

	Assets under construction	Freehold Land & Buildings	Fixtures & Fittings	Computer System & Cabling	Motor Vehicles	Total
	£	£	£	£	£	£
Cost						
1 September 2020	2,442,565	18,994,066	2,279,799	944,484	24,262	24,685,176
Additions	1,069,249	316,773	325,282	170,227	-	1,881,531
Disposals	(1,200)	-	-	(196,604)	-	(197,804)
Transfer	(3,510,614)	3,510,614	-	-	-	-
31 August 2021	-	22,821,453	2,605,081	918,107	24,262	26,368,903
Depreciation						
1 September 2020	-	4,525,951	1,330,744	853,138	24,262	6,734,095
Charge for Year	-	437,800	245,843	126,368	-	810,011
Eliminated on disposals	-	-	-	(196,604)	-	(196,604)
31 August 2021	-	4,963,751	1,576,587	782,902	24,262	7,347,502
Net book value 31 August 2021	-	17,857,702	1,028,494	135,205	-	19,021,401
31 August 2020	2,422,565	14,468,115	949,055	91,346	-	17,951,081

The primary use of all the tangible fixed assets is for direct charitable purposes.

On incorporation, two plots of land were presumed to be permanent endowment. These were a plot of land conveyed between Alfred Bell Esq and the Official Trustee of Charity Land in trust for the Stockport Grammar School and a plot of land conveyed between Peter Peirce and the Official Trustee of Charity Land in trust for the Stockport Grammar School. It is not possible to distinguish the value of these plots of land from the freehold land and buildings noted above.

10. SECURITIES INVESTMENTS

	Designated Funds	Restricted Funds	Endowment Funds	Total 2021	Total 2020
	£	£	£	£	£
Market value at 1 September	2,175,050	2,207,131	109,974	4,492,155	4,750,722
Additions	397,137	396,739	10,362	804,238	3,934,291
Disposals	(371,376)	(409,651)	(5,009)	(786,036)	(4,218,067)
Net investment gains/(losses)	475,838	476,986	22,965	975,789	25,209
Market value at 31 August	**2,676,649**	**2,671,205**	**138,292**	**5,486,146**	**4,492,155**

	2021	2020
	£	£
Investments comprise:		
Listed UK Equities	**5,486,146**	4,492,155

The investments are held as fixed assets which generate income to be applied for the purposes described in notes 22 - 24 and are all listed on the UK stock exchange.

11. PROPERTY INVESTMENTS

	Designated Funds	Total 2021	Total 2020
	£	£	£
Valuation at 1 September 2020	854,186	**854,186**	745,000
Addition	-	**-**	109,186
Revaluation gain	260,814	**260,814**	-
Valuation at 31 August 2021	1,115,000	**1,115,000**	854,186

The investment property consists of buildings held for investment purposes, which are not used in the School's own activities, primarily residential property in Stockport which are let out on the open markets.

A formal valuation of the properties was prepared by Michael Hart and Company Limited, Chartered Surveyors in 2021 which valued these properties at £1,115,000 in total.

12. STOCKS

	2021	2020
	£	£
Goods for resale and consumables	66,998	63,484

13. DEBTORS

Due within one year:

	2021	2020
	£	£
Trade debtors:		
Fees outstanding	**67,347**	304,225
Bad debt provision	**(28,886)**	(245,608)
School fees	**38,461**	58,617
Other debtors	**72,373**	87,474
Deferred payments for supplies for the following year	**53,995**	41,725
Prepayments	**301,833**	348,544
	466,662	536,360

14. CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Bank loan	**29,133**	84,754
Trade creditors	**642,664**	583,271
Taxation and social security	**213,135**	205,209
Other creditors	**18,363**	53,394
Fee deposits (see note 16)	**54,949**	48,160
Fees in advance (see note 17)	**287,738**	366,848
Accruals and deferred income	**372,047**	462,099
	1,618,029	1,803,735

15. CREDITORS: Amounts falling due after one year

	2021	2020
	£	£
Bank loans	-	28,713
Fee deposits (see note 16)	238,209	225,858
Fees in advance	11,847	24,382
	250,056	278,953

At the year end there was one (2020: one) bank loan from National Westminster Plc. This loan is secured over the investment property at 214-216 Buxton Road, Stockport. The interest rate at 31 August 2021 was 4.84%.

The bank loans fall due as follows:

	2021	2020
	£	£
Between one and two years	-	28,713

16. FEE DEPOSITS

Fee deposits are returned via the offset of future fees (or alternatively as a donation to the School) and are expected to be applied as follows:

	2021	2020
	£	£
In one year or less	54,949	48,160
Between one and two years	19,350	17,850
Between two and five years	76,134	76,598
Over five years	142,725	131,410
	293,158	274,018

Movements of fee deposits

	2021	2020
	£	£
Balance at 1 September	274,018	268,467
New deposits received	145,950	135,020
Deposits utilised	(126,810)	(129,469)
Balance at 31 August	293,158	274,018

17. FEES IN ADVANCE

Parents may enter into a contract to pay the School tuition fees in advance. The money may be returned, subject to specific conditions but, assuming the relevant pupils remain in the School, advance fees will be applied as follows:

	2021	2020
	£	£
In one year or less	287,738	342,466
Between one and two years	11,847	24,382
	299,585	366,848

Movements on advance fees:

	2021 £	2020 £
Balance at 1 September	**366,848**	222,691
New advance fees received	**263,356**	354,851
Amounts utilised in payments	**(342,466)**	(210,694)
Balance at 31 August	**287,738**	366,848

18. FINANCIAL INSTRUMENTS

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through income and expenditure	**6,601,146**	5,346,741

Financial assets measured at fair value comprise assets held as investments.

The School's income, expense, gains and losses in respect of financial instruments are summarised below:

	2021 £	2020 £
Total investment income for financial assets measured at fair value through income and expenditure	**179,136**	176,247
Net gains/(losses) on financial assets measured at fair value through income and expenditure	**1,236,603**	25,209
Impairment losses on financial assets measured at amortised cost	**143,684**	211,368

19. LEASES

At 31 August 2021 the total of the School's future minimum lease income receivable under non-cancellable operating leases was:

	2021 £	2020 £
Within 1 year	**23,700**	23,700
Within 1 – 5 years	**48,000**	48,000
Greater than 5 years	**11,000**	23,000
	82,700	94,700

20. CAPITAL COMMITMENTS

At the year end the School had a capital commitment of £nil (2020: £1,369,183).

21. NET ASSETS OF THE FUNDS OF THE CHARITY

The Charity's net assets belong to the various funds as follows:

	Fixed Assets	Investments	Net Current Assets/ (Liabilities)	Long term (Liabilities)	Fund Balances 2021
	£	£	£	£	£
Endowment funds	-	138,292	4,661	-	142,953
Restricted funds	-	2,671,205	451,100	-	3,122,305
Unrestricted funds	19,021,401	3,791,649	2,067,585	(250,056)	24,630,579
	19,021,401	**6,601,146**	**2,523,346**	**(250,056)**	**27,895,837**

Comparative net assets of the funds of the Charity – 2020:

	Fixed Assets	Investments	Net Current Assets/ (Liabilities)	Long term (Liabilities)	Fund Balances 2020
	£	£	£	£	£
Endowment funds	-	109,969	10,583	-	120,552
Restricted funds	-	2,207,131	497,056	-	2,704,187
Unrestricted funds	17,951,081	3,029,241	2,991,640	(278,953)	23,693,009
	17,951,081	**5,346,341**	**3,499,279**	**(278,953)**	**26,517,748**

22. ENDOWED FUNDS: MOVEMENTS IN THE YEAR

	At 1 Sept 2020	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2021
	£	£	£	£	£	£
Permanent endowments:						
Endowment	19,586	-	-	3,417	-	**23,003**
Prize Funds	26,747	-	-	4,667	-	**31,414**
Sykes Trust Fund	74,219	-	(564)	14,881	-	**88,536**
	120,552	-	(564)	22,965	-	**142,953**

Comparative endowed fund – 2020:

	At 1 Sept 2019	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2020
	£	£	£	£	£	£
Permanent endowments:						
Endowment	19,162	-	-	424	-	**19,586**
Prize Funds	26,167	-	-	580	-	**26,747**
Sykes Trust Fund	77,861	-	(668)	(2,974)	-	**74,219**
	123,190	-	(668)	(1,970)	-	**120,552**

The twenty-two Prize Funds consist of donations by individual donors. Income from the Funds is used to offset the cost of providing prizes at the annual Prize Day.

The Sykes Trust Fund is endowed funds to generate income for bursaries.

Each Trust Fund is allocated its proportion of investment income and gains and losses and bears its own expenses.

23. RESTRICTED FUNDS: MOVEMENTS IN THE YEAR

	At 1 Sept 2020	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2021
	£	£	£	£	£	£
Benjamin Smith Fund	100,230	2,912	-	16,637	-	119,779
Bursary Appeal	1,405,307	147,909	(122,208)	231,895	-	1,662,903
Prize funds	9,028	1,131	(1,130)	1,575	-	10,604
Sykes Trust Funds	350	1,386	(1,386)	-	-	350
Sports	868	-	-	-	-	868
Stockport Grammar School Educational Foundation Bursary	8,068	85,986	(82,782)	-	-	11,272
Roy Clough Fund	1,045,213	23,911	(79,628)	208,004	-	1,197,500
Nicholas Henshall	112,653	1,845	(36,798)	18,875	-	96,575
Stopfordian Trust Bursary	-	11,997	(11,997)	-	-	-
Old Stopfordians Fund	22,470	34	(50)	-	-	22,454
Baxendale Bursary	-	23,397	(23,397)	-	-	-
The Hallam Trust	-	4,200	(4,200)	-	-	-
	2,704,187	304,708	(363,576)	476,986	-	3,122,305

Comparative restricted funds – 2020:

	At 1 Sept 2019	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2020
	£	£	£	£	£	£
Benjamin Smith Fund	96,734	2,860	(1,430)	2,067	-	100,231
Bursary Appeal	1,321,574	167,167	(96,534)	13,100	-	1,405,307
Prize funds	8,832	1,108	(1,108)	196	-	9,028
Sykes Trust Funds	350	1,702	(1,702)	-	-	350
Sports	868	1,250	(1,250)	-	-	868
Stockport Grammar School Educational Foundation Bursary	8,068	80,388	(80,388)	-	-	8,068
Roy Clough Fund	1,095,592	25,441	(79,198)	3,378	-	1,045,213
Nicholas Henshall	155,850	3,742	(37,131)	(9,808)	-	112,653
Stopfordian Trust Bursary	-	17,997	(17,997)	-	-	-
Old Stopfordians Fund	23,848	2,065	(3,444)	-	-	22,469
6th Form quad building	-	103,125	-	-	(103,125)	-
The Hallam Trust	-	4,200	(4,200)	-	-	-
	2,711,716	411,045	(324,382)	8,933	(103,125)	2,704,187

The John Benjamin Smith Exhibition Fund was established in 1880 to commemorate a former Mayor of Stockport and benefactor to the School. Its original purpose was to provide leaving scholarships for boys going on to University. Since 1981 awards have been made available to boys and girls largely to provide Education Travel Exhibitions.

The Bursary Appeal fund was established following an appeal for funds in 2001 to raise funds for the provision of bursary assistance.

The Sykes Trust Funds are generated from the endowed Sykes Trust Fund to provide bursaries.

The Stockport Grammar School Educational Foundation funding is a donation to be used for bursaries.

The Roy Clough Fund has been established from the generous legacy of a former pupil to provide bursaries.

The Nicholas Henshall Fund has been established from the generous legacy of a former pupil,

member of staff and Governor to provide bursaries.

The Stopfordian Trust Bursary is a donation used for bursaries.

The Old Stopfordians Fund is held on behalf of the Old Stopfordian Association (OSA). The funds are to be used to continue to support their work in promoting the School to former pupils.

The Baxendale Bursary fund was established after the death of Alan Baxendale (OS 1942) and the establishment of the AS Baxendale Charitable Trust. The School receives assistance to provide bursaries for pupils at the School.

The Hallam Trust is a one-off support to provide assistance to a family experiencing financial difficulties.

24. UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR

	At 1 Sept 2020	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2021
Designated Funds:	£	£	£	£	£	£
Albert Johnston Fund	17,304	2	(1,000)	-	-	**16,306**
Investment Fund	3,082,998	114,468	(114,468)	728,971	-	**3,811,969**
General appeal	176,390	1,300	(61,089)	-	-	**116,601**
The Pilkington Fund	56,115	1,413	(5,999)	7,681	-	**59,210**
	3,332,807	117,183	(182,556)	736,652	-	**4,004,086**
General Reserve	20,360,202	16,013,381	(15,747,089)	-	-	**20,626,494**
	23,693,009	16,130,564	(15,929,645)	736,652	-	**24,630,580**

Comparative unrestricted funds – 2020:

	At 1 Sept 2019	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2020
Designated Funds:	£	£	£	£	£	£
Albert Johnston Fund	18,775	29	(1,500)	-	-	**17,304**
Investment Fund	3,089,772	84,190	(107,842)	16,878	-	**3,082,998**
General appeal	150,214	26,176	-	-	-	**176,390**
The Pilkington Fund	58,886	1,860	(5,999)	1,368	-	**56,115**
	3,317,647	112,255	(115,341)	18,246	-	**3,332,807**
General Reserve	20,321,007	15,166,884	(15,230,814)	-	103,125	**20,360,202**
	23,638,654	15,279,139	(15,346,155)	18,246	103,125	**23,693,009**

The Albert Johnston Fund was established by way of a collection following the death of Albert Johnston, a former teacher of the School, in 1981. The income from the Fund is used to provide small travel awards for the winners of a competition among current school pupils.

The Designated Investment Fund, established many years ago, was considerably enhanced in 1993 following a bequest from the sister of a former pupil and was enhanced by a further gift from the estate of that former pupil. The Governors decided to create a fund which would be used to provide financial assistance to parents of pupils who fell into financial difficulties. It is used to provide bursaries to needy pupils following the withdrawal of the Assisted Places Scheme from September 1998.

The School has received a generous donation from the family of Sara Pilkington (OS 2010). In memory of Sara, the Governors have designated the funds to provide support for pupils who wish to enter the sixth form.

The General Reserve fund is retained to cover the fixed assets and provide working capital.

25. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,487,982 (2020: £1,435,564) and at the year-end £Nil (2020 - £Nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' 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 employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The Charity also runs a group personal pension scheme for its non-teaching staff. The cost for the

year represents the Charity's contributions to this scheme of £255,353 (2020: £246,890) and at the year end £Nil (2020: £Nil) was accrued in respect of contributions to this scheme.

26. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the statement of financial activities)	**1,378,089**	44,188
Adjustments for:		
Depreciation charges	**810,011**	690,065
Assets under construction written off to expenditure	**1,200**	5,317
Gains on investments	**(1,236,603)**	(25,209)
Dividends, interest and rents from investments	**(179,136)**	(176,247)
Increase in stocks	**(3,514)**	(12,980)
Decrease in debtors	**69,698**	62,920
(Decrease)/Increase in creditors	**(130,270)**	91,229
Interest paid on borrowings	**3,467**	7,134
Net cash provided by operating activities	**712,942**	686,417

27. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash at bank	**3,607,715**	4,703,170
Total cash and cash equivalents	**3,607,715**	4,703,170

This includes funds for the next phase of the development of the facilities of the school.

28. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020	Cash flows	Non-cash changes	At 31 August 2021
Cash at bank	4,703,170	(1,095,455)	-	3,607,715
Debt due within 1 year	(84,754)	84,334	(28,713)	(29,133)
Debt due after 1 year	(28,713)	-	28,713	-
	4,589,703	(1,011,121)	-	3,578,582

29. RELATED PARTY

During the year there were no related party transactions other than those disclosed in note 8.

30. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds		Restricted Funds	Endowed Funds	Total Funds 2020	Total Funds 2019
		School £	Designated £	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Charitable Activities							
School fees	2	13,910,275	-	-	-	13,910,275	14,143,582
Other educational income	3	66,634	-	-	-	66,634	85,940
Other ancillary trading income	3	889,141	-	-	-	889,141	1,487,857
Other trading activities							
Other income	3	273,648	-	-	-	273,648	34,794
Investment income	4	27,186	87,098	61,963	-	176,247	189,707
Voluntary Sources							
Donations and legacies	5	-	25,157	349,082	-	374,239	260,032
Total income		15,166,884	112,255	411,045	-	15,690,184	16,201,912
EXPENDITURE ON:							
Raising funds							
Fundraising costs		10,364	-	-	-	10,364	13,408
Financing costs	7	7,134	-	-	-	7,134	11,495
Investment management		-	60,138	11,285	668	72,091	76,322
Charitable activities							
Education and grantmaking		15,213,316	55,203	313,097	-	15,581,616	16,013,847
Total expenditure	6	15,230,814	115,341	324,382	668	15,671,205	16,115,072
NET INCOMING FUNDS FROM OPERATION BEFORE TRANSFERS AND INVESTMENT GAINS/(LOSSES)		(63,930)	(3,086)	86,663	(668)	18,979	86,840
Gains/(losses) on investments	10	-	18,246	8,933	(1,970)	25,209	79,729
Transfers between funds	24	103,125	-	(103,125)	-	-	-
NET INCOME AND MOVEMENT IN FUNDS		39,195	15,160	(7,529)	(2,638)	44,188	166,569
Funds balances at 1 September		20,321,007	3,317,647	2,711,716	123,190	26,473,560	26,306,991
Funds balances at 31 August	21	20,360,202	3,332,807	2,704,187	120,552	26,517,748	26,473,560

STOCKPORT GRAMMAR SCHOOL

England & Wales - Charity number 1120199

Accounts

Schedule F

Charity number: 1120199
Company number: 6261525

STOCKPORT GRAMMAR SCHOOL

ANNUAL REPORT AND ACCOUNTS

For the year ended 31 August 2020

STOCKPORT GRAMMAR SCHOOL
ANNUAL REPORT AND ACCOUNTS 2020

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REFERENCE AND ADMINISTRATIVE DETAILS

The School is a company limited by guarantee, company number 6261525 and is registered with the Charity Commission under charity number 1120199. The registered address of the School (which comprises the Senior and Junior Schools) is Stockport Grammar School, Buxton Road, Stockport SK2 7AF.

The Governors of the School are also the Trustees, Directors and Members and are collectively referred to as Governors.

The names of the Governors at the date of signing the Report and/or those who served during the year are as set out below:

	Co-optative Governors		Nominative Governors
*	C F Dunn (Chairman)		J A Shackleton (The Old Stopfordians Association)
*	A P Carr (Vice Chairman)	*	Professor A J C Bloor (The University of Manchester)
*	P A Cuddy		Mrs C S Muscutt (The Teaching Staff of the School)
	Miss S E Carroll		
*	P Milner		
*	Mrs S Lansbury		
*	P L Giblin (to 31.08.2020		
	P J Britton (to 31.03.2020)		
	A C Simpson		
*	J M R Lee		
	N R Booth		
	J C P Mason		
	A J Gardiner		
	Dr L Gholkar (from 9.12.19)		
	Co-optative Governors are appointed by the Board of Governors for a period of five years, after which they can be appointed for further five year periods.		Nominative Governors are appointed by their respective nominating organisations for up to two consecutive three-year periods.

* Members of the Management Committee

OFFICERS

Headmasters	The School	Dr P M Owen
	The Junior School	T C Wheeler (to 31.08.2020)
		M J R Copping (from 1.09.2020)
Bursar and Clerk to the Governors		C J Watson
School Address		Stockport Grammar School Buxton Road Stockport SK2 7AF

The day to day running of the School is delegated to the Headmasters and Bursar.

ADVISERS

Bankers	National Westminster Bank plc PO Box 13 10 Great Underbank Stockport SK1 1LT
Solicitors	Veale Wasbrough Orchard Court Orchard Lane Bristol BS1 5WS SAS Daniels LLP 30 Greek Street Stockport SK3 8AD Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH
Auditors	Crowe U.K. LLP Chartered Accountants Registered Auditors Black Country House Rounds Green Road Oldbury B69 2DG
Architects	10architect Ltd 12 Hilton Street Manchester M1 1JF
Insurance Brokers	Towergate 7th Floor West One 114 Wellington Street Leeds LS1 1BA
Investment Advisers	Rathbone Investment Management Port of Liverpool Building Pier Head Liverpool L3 1NW

The Governors of the School, who are also the Directors of the Company, present their annual report for the year ended 31 August 2020, together with the audited accounts for the year, which have been prepared in accordance with company law and in compliance with the Charities SORP 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School was established in 1487 under the Will of the founder, Sir Edmund Shaa. It was subject to a Scheme approved by the Charity Commission on 14 February 1991, and amended by variations to the Scheme dated 15 September 1995, 9 January 1996 and 4 May 1999. A company limited by guarantee with charitable status called Stockport Grammar School was incorporated on 29 May 2007 with bespoke Memorandum and Articles of Association. The Governors were appointed as directors and members of the Company and are its charity trustees. The School undertaking and expendable assets of Stockport Grammar School, registered charity number 525936 were transferred to the Company at midnight on 31 August 2007 to form part of the corporate property of the Company. The Articles of Association were reviewed in 2015 and updated to be in line with current legislation.

Governing Body

There is a single governing body for the whole school which comprises the Senior and Junior Schools.

Recruitment and Training of Governors

A Governor search group reviews the composition and future membership of the Board. New Governors are inducted by way of interview with the Clerk to the Governors, who ensures that they are in possession of, and are aware of the implications of, a number of internal documents, Charity Commission guidance documents and the Scheme documents noted above. The Governors have continued a process of self-appraisal and are also encouraged to engage in continuing training during their period of office by attending appropriate external training courses and seminars organised by various external bodies.

The Governors have reviewed the Charity Governance Code for Trustees produced by the Charity Commission and were satisfied that they met the required standards in all areas but that the compliance would continue to be reviewed regularly.

Organisational Management

The School Governors, as Directors of the Company and the Trustees of the Charity, are legally responsible for the overall management and control of Stockport Grammar School, and meet four times a year. The work of implementing most of their policies is carried out by the members of the Management Committee who meet six times a year to consider the more detailed aspects of those matters which fall within the remit of the Governing body. The Management Committee is currently chaired by the Chairman of Governors.

The other principal Committees are Finance, Building, Education, ICT and External Relations. Each of these Committees meet as and when required. Governors review each year any potential conflicts of interest. Four Governors had children in the School during the year, and declare an interest when relevant decisions were taken.

The day to day running of the School is delegated to the Headmaster, Dr P M Owen supported by Mr T C Wheeler, Headmaster of the Junior School and their Senior Management Teams (SMTs), together with the Bursar. The Headmasters and School Bursar attend meetings of the Board and the above Committees. At the end of the Summer Term Mr T C Wheeler retired after six years dedicated service to the School and its pupils. The Governors have appointed Mr Matthew Copping as his successor.

Remuneration for all staff is set by the Board and is reviewed annually with reference where possible to other similar schools to ensure that the School is sensitive to the issues of pay and employment conditions elsewhere and that staff are fairly and reasonably rewarded for their contribution to the work of the school. The Governors recognise that delivery of the School's charitable vision and purpose is primarily dependent on the key management personnel and that staff costs are the single largest element of charitable expenditure.

Employment policy

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

Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to apprise staff of current issues.

Governors' Insurance

In accordance with normal commercial practice the School has purchased insurance to protect Governors' and officers from claims arising from negligent acts, errors or omissions occurring whilst on school business. The insurance provides cover up to £5M on any one claim and the cost for the year ended 31 August 2020 was £2,156.

Relationships

The School is connected to another Charity, Stockport Grammar School Educational Foundation, which operates from the same address as Stockport Grammar School. The object of the Foundation is to apply its income and so much of its capital as may be determined by its Trustees for the advancement of education at the School.

The School retains ownership of a company Stockport Grammar School (2007) Limited, established under the Companies Acts, which has not traded since incorporation. The School also has a close relationship with the Stopfordian Trust, a Registered Charity whose objectives include the provision of financial assistance to needy pupils in the School.

OBJECTIVES AND ACTIVITIES

Charitable Object

The School's Object, as set out in the 2007 Scheme, is to advance education by the provision and conduct, in or near Stockport, of a school for boys and girls and insofar as it is incidental or ancillary, such other purposes for the benefit of the local community as shall be exclusively charitable.

Objectives for the Year

These were:

- To ensure that every child achieved a satisfactory level of academic performance and had the opportunity to participate in an outstanding and wide ranging programme of co-curricular activities;
- To provide a complete education package from the age of 3 to 18 years;
- To keep the curriculum under frequent review to ensure that it remains appropriate to the needs of pupils in a changing education and examination environment;
- To improve further the quality of teaching through staff development and by ensuring that good practice is promulgated throughout the School;
- To ensure that pupils from the Junior School achieve success in the entrance examination for advancement to the Senior School;
- To develop further the use of ICT across the School to support both the teaching and learning in the School and to support the work of the administration and management of the School;
- The continuing development of an External Relations strategy, engagement in the wider community of Stockport; and
- The continuing development and improvement of facilities and resources across the site.

STRATEGIC REPORT

Strategies to achieve the year's objectives

Whilst the Coronavirus pandemic has dominated the latter part of the School year and had a significant impact both on the finances of the School and on the delivery of the curriculum, co-curricular activities and public examinations, the Autumn and early Spring term saw the consolidation and further development of the School's strategic plans across all areas.

Detailed planning and preparation has continued across all curriculum areas including the introduction of a new option of Drama at GCSE and modifications to MFL options, along with further enhancements of the existing reporting and review systems to support pupil development and learning.

There has been further work to develop the pastoral curriculum across the school continuing the focus on character education to articulate, promote and develop character strengths with updated regular reporting on personal development as well as academic progress. There has continued to be extensive training provided for all staff on safeguarding matters and there have been further improvements to the monitoring of pupil progress and participation in co-curricular activities.
Refinements to the form period and assembly programme, continued support for staff on positive behaviour management and development of mindfulness and mentoring programmes are all focussed on improving the quality of care and support across the school.

Developments of the School's parent portal and homework information system have enhanced effective communication with parents and allowed them access to details on their children's progress and curriculum whilst the School's online learning platform has continued to give extended opportunities for independent and collaborative teaching and learning across the School. These resources were used extensively during the lockdown period to support the continued delivery of teaching and learning across year groups

The Senior School and Junior School were inspected separately by the Independent Schools Inspectorate in October 2019. In assessing the educational quality of a school, the Inspectorate focus on two key outcomes, the achievement of the pupils including their academic development and the personal development of the pupils, and both schools were rated as "excellent" in both categories.

Pupils have continued to express their views through the School Councils in the Junior and Senior Schools. These included feedback on catering provision, communication across the school, and consultation over homework and uniform as well as their work in charitable fundraising. The School has progressed its application for the Artsmark award and established a creative hub to promote contact with local arts organisations and Schools, and has launched an Arts Award to allow pupils to gain a qualification and validate their artistic involvement.

Pupils in the school have continued to achieve significant successes in a range of sports at local, county and national level including the under 14 Netball team who again reached the final of the Smile Independent School's National Cup Final and the under 15 Rugby team and the under 15 Hockey team who reached the quarter finals of their respective National competitions. There have been individual pupil successes in regional and county and national appearances across a wide variety of sports. Other non-sporting successes include many pupil achievement awards in Olympiad competitions, success in Young Enterprise competitions, and recognition of many individual achievements in art and music with pupils performing in regional and national orchestras and exhibiting work in national galleries. The further investment in Drama produced outstanding pupil productions of "A Christmas Carol" and "Chicago".

As part of the continuing commitment to improve the facilities available across the whole school, two major capital investment projects to create new and enhanced facilities for the Sixth Form pupils and the construction of a new Pre-Reception building continued despite delays created as a result of the Coronavirus pandemic. Work to expand and develop the hall and changing rooms in the Junior School was completed. As usual there were a number of other projects undertaken over the summer period including the construction of an extension to a Junior School classroom, replacement roofs to the refectory and Hallam classrooms and an extensive programme of other maintenance and repair work.

The External Relations department has continued to focus on pupil recruitment with focussed marketing initiatives for entry at all ages and opportunities for prospective pupils and their parents to visit the School. Key messages are promoted via the School website and through an increased use of social media, whilst more conventional advertising of the school continues to promote its strengths in academic and co-curricular provision and the admissions team has continued to develop contact with prospective parents and support pupil recruitment across all age groups.

The External Relations Committee has continued to promote the School's public benefit initiatives, maintain and develop the School's reputation with key stakeholders and the wider community and to work with Old Stopfordians and others to raise funds particularly for the support of bursaries. The Committee

now includes representation from former pupils and has replaced the Old Stopfordians Association to coordinate the activities for former pupils and to improve engagement with them through the school website and social media.

Principal Activities of the Year
The School provides education in Stockport to boys and girls from the ages of 3 – 18.

In the academic year 2019/2020 the Senior School had an average of 1,036 pupils and the Junior School had an average of 374 pupils. The number of staff employed during the year, including part time staff, shown as FTE's was teaching Staff 126 (Senior 98, Junior 28) and non-teaching staff 96.

Public Benefit, Aims and Intended Impact
The School's public benefit aim is to provide an excellent independent education through a strong academic tradition and through developing wider social, moral and personal skills. These are encouraged through the development of a supportive community which places a strong emphasis on the individual development of boys and girls. Such an environment helps pupils to learn self-discipline, participate in and be enriched by the challenges of many extra-curricular activities which will contribute to their success in life beyond school and university by equipping them with high moral values, personal qualities and a thirst for knowledge to serve them all their lives and enable them to become worthwhile and responsible citizens.

In setting out policy and planning these activities the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular the requirement to demonstrate that public benefit for any charitable purpose where it had previously been presumed in the absence of evidence to the contrary.

Through the External Relations Department the School has continued with its policy to promote and expand the School's links and role within the wider community of Stockport.

The School continues to provide means tested bursaries to children whose parents would not otherwise be able to pay the fees. Assistance was provided to 11 of the 162 pupils joining the First Form in 2019 and 11% of pupils in the Senior School received means tested assistance during the year. There continues to be a wide programme of events and activities in place to raise funds in support of bursaries and bursary information is widely available in the School's publications, on the website and in advertising for Open Events. The 15 bursary holders who left the sixth form of the school in 2020, achieved excellent academic success and secured a total of 28 A* and A grades. All of those in receipt of a transformational bursary have gone on to study at university with ten bursary holders securing places at Russell Group universities.

The School has continued to develop extensive links with other local schools and colleges across a range of ages and activities although some of the more established and popular events had to be cancelled during the lockdown period. Opportunities for shared academic support continued in the early part of the year with work with local secondary schools in Classics, Drama and sciences and with Y5 pupils from eighteen local maintained primary schools participating in a project to support Art education. Pupils have also participated in co-curricular clubs and masterclass sessions across a range of subjects and have been supported in academic extension lessons and in their applications to top universities.

Staff support teaching in the maintained sector with participation in teacher training schemes, academic extension schemes for primary school teachers, NQT monitoring and work as examination moderators. Four staff act as Governors in maintained schools, others are trustees for other charities or actively volunteer to support other local community organisations. The school continues to provide high level coaching and management as well as the use of sports facilities to local sports organisations, county rugby teams and to national independent schools rugby.

Pupils take part in and gain much from a wide range of community service activities, particularly in the Sixth Form and as part of the Duke of Edinburgh Award. Despite the curtailment of a number of charity fundraising events through those that were able to take place pupils in the Senior School raised £10,753 supporting Educaid Sierra Leone and The Christie Hospital, Macmillan Cancer and a number of local charities. The Junior School raised over £1,000 supporting the local Wellspring charity, Children in Need and Macmillan Cancer.

The School continues to enjoy a national reputation for the quality of its delivery of the Duke of Edinburgh Award Scheme and is the largest independent provider in the North West. The scheme has extended the opportunities for participation at gold and silver level and there are now over three hundred and fifty pupils actively participating in the scheme. The scheme has a completion rate in excess of 80% with thirty nine pupils completing their Gold and Silver Awards this year despite the delays in some activities, and over one hundred securing success at Bronze level.

The School has continued to encourage coaching and sporting opportunities for young people in the area by making its sports and site facilities available for use by other organisations. The School's playing fields have been used for training by local junior rugby and athletics teams. Five outside swimming clubs for young people make regular weekly use of the swimming pool and the swimming facilities are used for no charge each week by Year 5 and Year 6 pupils of Great Moor Junior School.

The School continued to provide support for the children of key workers, both during the lockdown period and during the school holidays, but the normal extensive programme of activity weeks and specialist sports camps during the summer period were cancelled. During the lockdown period the School produced face masks and donated these and other PPE to local care homes. Plans for the use of other school facilities to be used by a number of other charities had to be postponed although the local Wellspring homeless charity was able to hold a fundraising event.

Grant-making Policy

The Governors' policy is to make bursary awards available to support an individual's educational potential and ensure that the opportunity for an education at the School is available to as wide a range of children as possible to join the School at 11+ or 16+.

The School endeavours to promote the availability of bursaries to the widest audience through its literature and information, together with the terms and conditions for awards, which are available to view on its website at www.stockportgrammar.co.uk.

This year, the value of bursaries, music scholarships, allowances and other awards made to the School's pupils out of unrestricted funds amounted to £1,362,431 of which £1,309,442 were means tested bursaries, which was close to the upper target figure of 8% set by the Governors to allocate from gross fee income. Of the bursaries awarded 74% were transformational awards with full fee remission.

Volunteers

The Stopfordian Parents' Association has continued to provide invaluable support to the School in terms of fundraising and support of a wide variety of activities.

ACHIEVEMENTS AND PERFORMANCE

Operational Performance

In the Senior School the objective is to ensure that all pupils maximise their academic potential and the target set by the Governors is that there will be at least an 85% pass rate at Grades A and B at Advanced Level. The confusion and late changes made to the awarding of examination grades was disappointing for our pupils but with the robust internal assessment process already in place and the centre assessed grade, our pupils achieved an Advanced Level pass rate of 100% with 86% achieving A*, A or B grades.

Two pupils accepted places at Cambridge and five recipients of transformational bursaries secured places at Russell Group universities to study medicine or dentistry. Over 90% of other pupils were successful in meeting the entry requirements of their chosen universities. The school value added according to CEM centre data was positive and is improving over time.

In 2020 the GCSE grades were also awarded on the basis of the centre assessed grades/ pass rate was 100% (grades, 9 to 4). 76% of grades awarded were at 9/8/7 with 27% of entries at the highest grade 9. The overall results were judged to be a fair reflection of pupil abilities. The majority of pupils took nine subjects at GCSE or IGCSE Level from a range of examining bodies. The school value added according to CEM centre data was positive and is continuing to improve over time.

Benchmarking
The School participates each year in the benchmarking survey conducted by Baines Cutler Solutions Ltd where its financial performance is measured against that of similar schools in the north of England. Comparing those results for the survey conducted in 2020 the Governors are encouraged by the performance of the school against those schools against which it is benchmarked.

Fundraising Performance
No specific financial target was set by the Governors, but during the year under review the amount raised was £268,520. This included a generous donation of £100,000 form the Zochonis Charitable Trust towards the costs of the new Sixth Form facility, plus a donation from them of £75,000 for the provision of bursaries. £15,000 was donated by parents from the discount given against the summer term fees. The direct cost incurred in money-raising was £10,236. The School's aim is to ensure that strong relations continue to be maintained with alumni and other potential benefactors and has appointed an additional member of staff to develop the opportunities for fundraising both for bursaries and capital projects. The School has continued to benefit from a number of generous legacies from former pupils which support the bursary funds that enable pupils to join the school. The Governors anticipate that significant future donations will arise from the legacy programme. The School has received further generous support for bursaries at 11+ from the Stockport Grammar School Education Foundation.

The School had no fundraising activities requiring disclosure under 5162A of the Charities Act 2011.

Investment Performance
Rathbones were appointed as Stockport Grammar School's investment managers in Q1 2019, with formal transfer, settlement and investment control starting from the end of November 2019. Since this date to the end of the Financial Year (31st August 2020) the portfolio has produced a total return of +1.5% compared to the MSCI PIMFA Balanced benchmark total return of -3.6%. CPI+3% over the period was 2.3%.

In a period that was heavily impacted by the Coronavirus pandemic the portfolios experienced some volatility but recovered from the initial market weakness and have performed well and materially ahead of the benchmark. Following the financial year end (and at the time of writing) the portfolios have increased further in value.

Factors outside the School's Control
While some of the factors which most influence the School are within its own control (for example the curriculum on offer and the quality of teaching staff), other factors are not. As well as fluctuations in the birth rate in its catchment area, the School recognises that factors of the strength of the local and national economy, location and travel options continue to have a major impact on the recruitment of pupils at all levels.
The economic impact of the Coronavirus pandemic, the uncertainty surrounding Brexit and the risks of new political policy initiatives present significant threats and limit the Governors' ability to produce robust medium and long term plans. The continued recruitment of high calibre pupils in future years from a smaller market will require that the School maintains the highest possible standards in all areas whilst potentially facing significant cost increases and the Governors and senior management teams recognise these factors in all their business planning.
The Governors continue to encourage all members of the School to play an active role in the community and promote the work of the School and they encourage pupils from all areas of the town to apply to the School. The Governors are mindful of recent inspections undertaken and guidance issued by the Charity Commission with regard to public benefit.

FINANCIAL REVIEW
The School's net incoming resources on unrestricted funds before transfers or gains showed a net loss for the year of £63,930 after charging depreciation of £690,065 and receipt of bank interest of £28,556. Whilst pupil numbers for the year were higher than anticipated, the lockdown of the School for the summer term and the shift to remote learning had a significant impact on the financial position of the School. Whilst the school was able to make some savings in operating costs and took advantage of the CJRS scheme, many families faced immediate financial difficulties. As well as refunding meal charges across the whole school and reducing fees for the younger pupils from the start, Governors decided to offer a reduction in the total charge for fees for the Summer Term of £529,299, as well as offering additional flexibility regarding the timing of fee payments. As a result the net incoming resources at £39,195 were lower than originally forecast.

Governors recognise that the continuing very significant economic pressures on parents will have an impact on future recruitment and retention. However they note that the level of fee debt to the School has increased significantly as a result of the Coronavirus pandemic but they are encouraged that many families have been able to continue to meet their financial commitments. The Governors were also pleased to note the continuing value of the external letting of the swimming pool and sports hall and the additional income it generated to support the work of the School.

Reserves and Reserves Policy

Notes 21 to 24 to the financial statements show the assets and liabilities attributable to the various types of fund and summarise the year's movements on each fund. The School's total reserves of £26,517,748 at year end comprised £120,552 endowed funds, restricted funds of £2,704,187 and unrestricted funds of £23,693,009. Unrestricted funds, not designated by the Governors, amounted to £20,360,202 at 31 August 2020. Designated funds amounted to £3,332,807 and a description of the purpose of the designations is shown in note 24 to the financial statements. Free reserves, after deducting the net book value of tangible fixed assets, were £2,409,121.

The Governors have examined the School's requirement for reserves and have established a policy of maximising unrestricted funds not proposed, committed or invested in tangible fixed assets held by the School and that they should be between 5% and 10% of turnover. This equates to holding reserves between £780K and £1.5M and therefore funds currently held are well in excess of this policy but this is reviewed regularly in light of the need to invest in development of the School's facilities.

The reserves are required to provide the funding for the building development and maintenance programmes and investment in resources to enable the School to provide the best possible facilities for the pupils commensurate with the School's standing in the community.

The School's policy is that its banking arrangements should be sufficient to support the continuing activities of the School in the short term given that parents are required to give one term's notice of their intention to withdraw a child from the School.

Funding Sources

The School relies almost entirely on its fee income received from parents to cover its expenditure and to pay for investment in buildings and resources. The only external sources of funds are normally by way of donations and these are shown as income to the School and in the Restricted Funds. In order to fund the construction of the Woodsmoor teaching facilities in 2012 the Governors negotiated a number of medium term loans with the NatWest Bank of which only one remains ongoing. In the current year the School applied for support from the Coronovirus Job Retention Scheme to cover the costs of staff who were furloughed and received a figure of £174,797 towards the costs of their employment.

Investment Policy and Objectives

The objective for investing the reserve funds is to grow the value of the portfolios over the long term to provide financial support and sustainability, with particular focus on the provision of bursary funding for pupils of the school.
The board aims to maximise the total return (a combination of income and capital growth) on the investment assets within an appropriate and agreed risk profile such that capital growth is achieved to at least keep pace with inflation and an income is generated to help support the school and its pupils. The board, on consultation with their investment manager (Rathbones), agreed to a Risk Level 4 on Rathbones scale of 1-6, where 6 is highest. Whilst some of the smaller funds have differing aspects, the board agreed that the investment strategy and risk profile should be consistent across the funds, although this is reviewed regularly.

Rathbones have been appointed with a discretionary investment mandate, carrying out the day to day portfolio management within the agreed framework. The board will monitor the manager and the fund performance with reference to the MSCI PIMFA Balanced index (an industry market relative benchmark) and the long term (absolute) return measure of CPI+3%.

Principal Risks and Uncertainties

The Board of Governors is responsible for the management of the risks faced by the School. The Governors view the most significant risk to the future of the School to be a possible future reduction in pupil

numbers as a result of changing economic circumstances. These may either be as a direct consequence of the current Coronavirus pandemic or as a result of government decisions which impact on the economic circumstances of families in this area. Whilst levels of recruitment interest have remained strong and in some year groups increased as a result of concerns about the recent provision in the maintained sector, continued economic uncertainty, the factors of travel and geography which influence many families' decisions, and current trends in post 16 education all contribute to the risks associated with pupil numbers in the future. Whilst fees were frozen for a year in response to the Coronavirus pandemic the intention remains to keep future increases as low as possible. The increase in the employers' contribution to the Teachers' Pension Scheme has already had a very significant impact on the costs of employing staff and there remains a very high risk of disproportionate future increases within the next three years.
Health and Safety risk management underpins many of the activities of the School, from daily management of infrastructure risks such as fire to personal risks, particularly when pupils are involved in offsite co-curricular activities. Careful planning and detailed risk assessment procedures are in place to minimise these and a full review of all operational matters to mitigate the risks of infection transmission was completed in preparation for the return to school for all pupils and staff in September

During the year the Governing Body reviewed and updated its strategic plan and the analysis of the risks to which the School could be exposed. A full risk assessment was completed prior both to the partial reopening of the School in June and the full re-opening in September. These risks are regularly reviewed by the Senior Management of the company and day to day management of those risks is delegated to the Senior Management Teams. Risks are identified, assessed and controls established throughout the year. The key controls used by the School include:

- Comprehensive strategic planning, budgeting and management accounting;
- Established organisation structure and lines of reporting;
- Formal written policies including clear authorisation and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable;
- Terms of reference for all Committees; and
- Formal agendas for all Committee and Board activity.

Through the risk management process established for the School, the Governors are satisfied that the major risks identified have been adequately managed. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

PLANS FOR FUTURE PERIODS

It remains the Governors' and Headmaster's intention to ensure that pupils continue to achieve excellent academic results that will enable them to gain entry to leading universities and prepare them for life beyond school whilst having the opportunity to participate in as wide a range of co-curricular activities as possible. In order to protect all members of the School community from the Coronavirus pandemic the School has introduced wide ranging changes to its daily operation with revised movement plans around the site, timetabling, hygiene, cleaning and catering arrangements. These will continue for as long as deemed necessary by government and medical advice despite the impact they have on the full range of opportunities the School seeks to provide.
With the growth in use of online learning resources the School is looking to refine and enhance its digital learning platforms and the mechanisms by which they are made available to pupils, staff and parents. Whilst the School remains committed to face to face teaching, it is recognised these can provide opportunities for further consolidation and extension of learning and will provide a robust platform in the event that at some point in the future some or all pupils will need to receive more tuition remotely. These resources will assist in developing pupils' capacity to demonstrate independence and initiative in academic study and provide challenge at all levels of ability,

The School will continue to promote a learning culture to engage and develop the curiosity of pupils and promote and value the acquisition of knowledge and provide opportunities to stretch and challenge pupil learning. Additional teaching days have been provided to support pupils' return to School learning and there are extensive plans for catch up and support sessions across all year groups. Departments will continue to focus on study skills and the careful and timely evaluation of progress across all year groups and develop strategies for the timely use of performance data. The review of curriculum options and subjects available to take at public examination level will continue. Strategies to assist in the early

identification of pupils at risk of underachievement will continue to be developed as will learning support provision at all levels. The new Junior School Headmaster will look to further develop the linkage of the curriculum structure and content between the Junior and Senior Schools.

The senior management team will continue to seek ways to ensure that the principles set out in the Every Child Matters framework are embedded across all areas of the School including the new Relationships and Sex Education curriculum introduced in Autumn 2020. Additional pastoral support has been put in place to support pupils' return to school and work will continue to support and develop the pastoral curriculum for all pupils. There will be further work to raise the profile of careers education and guidance in the middle and upper school and to develop the systems and structures in partnership with parents to provide for the emotional and well-being needs of all pupils, with focus on areas including resilience, self-respect, e-safety, digital dependency and drugs and alcohol education.

With the appointment of additional coaching staff in Sport there will be enhanced opportunities for pupils to participate in a wider range of co-curricular activities focussing not only on more traditional sports but a wider health and fitness programme. Additional staff will be recruited to support and expand the DofE and outdoor activities programme. The Teaching and Learning group will continue to promote and develop strategies to promote effective teaching and learning alongside a programme of character education which promotes curiosity and enthusiasm for learning.
The School will continue to participate in the Eco Schools programme, looking to progress rapidly to the silver and green flag levels. This will continue to provide leadership and development opportunities for pupils and to support the wider initiatives of the school in being aware of and caring for our environment.

Despite the long term financial pressures faced by the School the Governors are committed to completing the work that has already started to improve the buildings and facilities on the school site. Work on the completion of the new facilities for the Sixth Form was delayed until the end of September but it is anticipated that the new pre-Reception building will be completed and occupied by January 2021. An extensive redevelopment of the landscaping surrounding the building to create new and interesting play areas will also be completed.
Further large scale developments will continue through the detailed planning stages so that they can commence subject to the availability of resources. These projects include plans to make further improvements to the Main Hall to support and enhance the provision of facilities for Drama, the creation of a new Reception area and entrance and the development of a masterplan for the sports facilities on the site.

The External Relations Committee will continue to review the strategy for pupil recruitment at all ages, public benefit, (particularly links to the community and the provision of bursaries), marketing and alumni relations and also to increase the School's role in the wider community. This will involve developing a range of alternative engagement strategies with greater focus on targeted digital communication. A key objective remains to embrace the School's social responsibilities as an outward facing school by engagement with the local and wider communities. The School will continue to explore opportunities to participate in external initiatives to raise the quality of provision in the maintained sector in Stockport and South Manchester and prepare to respond if there are further national initiatives regarding collaborative partnerships. The plans to complement some of the curriculum and co-curricular developments within the School by working to secure the Arts Mark accreditation were delayed by the lockdown but we will continue to work with other schools and organisations in the area to secure this and widen our activities in these areas. The School will continue to make every effort to promote awareness of the School's Bursary Scheme to widen access to the School. An additional post has been created to bring a new impetus to fundraising activities both for potential capital projects but also to continue to raise funds to sustain and expand the provision of support for local pupils and to continue the School's tradition of servicing the local community of Stockport.

The events of the last year have further highlighted and reinforced the Governors' recognition of the economic pressures on parents caused by the current level of fees and the impact of external factors over which the School has no control which can add very significantly to the School's operating costs. The Governors will continue to ensure that the fees for tuition offer excellent value for money as well as seeking ways to reduce costs wherever possible without compromising the high standards of teaching, pastoral care, co-curricular opportunities, the provision of other services, and the long term investment in the site and the School's resources.

The Governors recognise what a very difficult period this has been for the whole school community and they want to record their thanks to all those who have continued to support the School throughout this period, with particular thanks to all the staff, teaching and non-teaching who have worked tirelessly over recent months to maintain the high standards of teaching and support for the pupils.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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

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

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

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

- there is no relevant audit information of which the School's auditor is unaware, and
- that Governor's have taken all the steps that ought to have been taken as a Governor In order to be aware of any information needed by the School's auditor in connection with preparing its report and to establish that the School's auditor is aware of that information.

This report, incorporating the Strategic report, was approved by the Governors, as the company directors, on 3/12/2020 and signed on the board's behalf by:

C F Dunn
Chairman

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

Opinion

We have audited the financial statements of Stockport Grammar School for the year ended 31 August 2020 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report.

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

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

Responsibilities of trustees

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

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

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

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.

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

Use of our report

This report is made solely to the charity's trustees, 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 charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Kerry Brown

Kerry Brown
Senior Statutory Auditor
for and on behalf of
Crowe U.K. LLP
Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 6 January 2021

STOCKPORT GRAMMAR SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds		Restricted Funds	Endowed Funds	Total Funds 2020	Total Funds 2019
		School £	Designated £	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Charitable Activities							
School fees	2	13,910,275	-	-	-	13,910,275	14,143,582
Other educational income	3	66,634	-	-	-	66,634	85,940
Other ancillary trading income	3	889,141	-	-	-	889,141	1,487,857
Other trading activities							
Other income	3	273,648	-	-	-	273,648	34,794
Investment income	4	27,186	87,098	61,963	-	176,247	189,707
Voluntary Sources							
Donations and legacies	5	-	25,157	349,082	-	374,239	260,052
Total income		15,166,884	112,255	411,045	-	15,690,184	16,201,912
EXPENDITURE ON:							
Raising funds		10,364	-	-	-	10,364	13,408
Fundraising costs		7,134	-	-	-	7,134	11,495
Financing costs	7	-	60,138	11,285	668	72,091	76,322
Investment management							
Charitable activities							
Education and grantmaking		15,213,316	55,203	313,097	-	15,581,616	16,013,847
Total expenditure	6	15,230,814	115,341	324,382	668	15,671,205	16,115,072
NET INCOMING FUNDS FROM OPERATION BEFORE TRANSFERS AND INVESTMENT GAINS/(LOSSES)		(63,930)	(3,086)	86,663	(668)	18,979	86,840
Gains/(losses) on investments	10	-	18,246	8,933	(1,970)	25,209	79,729
Transfers between funds	24	103,125	-	(103,125)	-	-	-
NET INCOME AND MOVEMENT IN FUNDS		39,195	15,160	(7,529)	(2,638)	44,188	166,569
Funds balances at 1 September		20,321,007	3,317,647	2,711,716	123,190	26,473,560	26,306,991
Funds balances at 31 August	21	20,360,202	3,332,807	2,704,187	120,552	26,517,748	26,473,560

The notes on pages 18 to 34 form part of these accounts.

STOCKPORT GRAMMAR SCHOOL
Company number 6261525
BALANCE SHEET
AS AT 31 AUGUST 2020

	Notes	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Tangible Fixed Assets	9		17,951,081		15,881,509
Securities Investments	10		4,492,155		4,750,722
Property Investments	11		854,186		745,000
			23,297,422		21,377,231
CURRENT ASSETS					
Stocks	12	63,484		50,504	
Debtors	13	536,360		599,280	
Cash		4,703,170		6,438,366	
		5,303,014		7,088,150	
CREDITORS: Amounts falling due within one year	14	(1,803,735)		(1,655,650)	
NET CURRENT ASSETS			3,499,279		5,432,500
Total Assets Less Current Liabilities			26,796,701		26,809,731
CREDITORS: Amounts falling due after one year	15		(278,953)		(336,171)
TOTAL NET ASSETS	21		26,517,748		26,473,560
ENDOWED FUNDS	22		120,552		123,190
RESTRICTED FUNDS	23		2,704,187		2,711,716
UNRESTRICTED FUNDS Designated and general funds	24		23,693,009		23,638,654
TOTAL FUNDS			26,517,748		26,473,560

The financial statements were approved and authorised for issue by the Board on 8/12/2020 and signed on its behalf by:

C F Dunn
Chairman

The notes on pages 18 to 34 form part of these accounts.

STOCKPORT GRAMMAR SCHOOL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by operating activities	26	686,417	1,066,767
Cash flows from investing activities:			
Dividends, interest and rents from investments		176,247	189,707
Proceeds from the sale of investments		4,218,067	525,511
Purchase of investments		(4,043,477)	(474,376)
Purchase of fixed assets		(2,684,575)	(550,479)
Net cash used in investing activities		(2,333,738)	(309,637)
Cash flows from financing activities			
Repayments of borrowing		(80,741)	(143,622)
Interest paid on borrowings		(7,134)	(11,495)
Net cash used in financing activities		(87,875)	(155,117)
Change in cash and cash entitlements in the reporting period		(1,735,196)	602,013
Cash and cash equivalents at the beginning of the reporting period	27	6,438,366	5,836,353
Cash and cash equivalents at the end of the reporting period	27	4,703,170	6,438,366

The notes on pages 18 to 34 form part of these accounts.

1. STATEMENT OF ACCOUNTING POLICIES

1.1 Charity information

Stockport Grammar School is a Company limited by guarantee (registered number 6261525), which is registered in England and Wales. It's charity registration number is 1120199. The registered office and principal place of business is Buxton Road, Stockport, SK2 7AF.

Its principal activity is the provision of day schooling.

The members of the company are the Governors named on page 1. In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per member of the School.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Stockport Grammar School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 11.

Critical accounting judgements and key sources of estimation uncertainty

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

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

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

In preparing the financial statements the trustees have considered the treatment of fee deposits. As per the standard terms and conditions fee deposits are offset against future fees or parents can elect to donate the deposit to the School. Therefore, the trustees have judged it appropriate to classify the fee deposits due as split between greater than one year and less than one year based on the expected repayment date.

1.3 **Fees and Similar Income**

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

1.4 **Investment income**

Investment income from dividends and bank balances is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates.

1.5 **Donations and legacies**

Donations receivable for the general purposes of the Charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on the Governors, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments – permanent or expendable according to the nature of the restriction.

Donations and legacies income is recognised when the conditions for entitlement, probability and measurement have been met.

1.6 **Government grants**

Government grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.7 **Resources expended**

Expenditure is accrued as soon as a liability is considered probable discounted to present value for longer term liabilities and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Liabilities are recognised where there is a legal or constructive obligation committing the entities to the expenditure. The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of charitable activity. Included in support costs of the school are budgeting and accounting, information technology, human resources and finance. School trip expenditure is included under support costs.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the Governors and all costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.8 **Pension schemes**

The Charity contributed to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme.

The Charity also contributes to a group personal pension scheme for non-teaching staff. Contributions to all schemes are charged in the SOFA as they become payable in accordance with

the rules of the schemes.

1.9 **Tangible fixed assets**

All fixed assets costing more than £5,000 are capitalised at historical cost.

Depreciation is provided to write off the cost less estimated residual value of tangible fixed assets over their estimated useful lives, on a straight line basis, at the following rates:

Buildings:	2%
Computer system and cabling:	33.33%
Motor vehicles:	25%
Fixtures and Fittings:	10%

Land is not depreciated.

A full year's charge is made in the year in which the asset is brought into use but no charge is made in the year of disposal.

1.10 **Investments**

Security investments are valued in the balance sheet at their mid-market value at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction-based, while investment income management costs are charged as expenditure out of the relevant income funds.

Investment properties are valued as individual investments at their market values as at the balance sheet date which at the year end 31 August 2016 was determined by obtaining a professional valuation.

1.11 **Stock**

Stock is valued at the lower of cost and net realisable value.

1.12 **Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised costs using the effective interest method, less any impairment.

1.13 **Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.14 **Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments and cash at bank which are held at fair value. Financial assets held at amortised cost comprise trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

1.15 **Fund Accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are available for use only in accordance with the donor's wishes.

Investment income, gains and losses are allocated to the appropriate fund.

2. CHARITABLE ACTIVITIES : FEES RECEIVABLE

	Senior £	Junior £	2020 £	2019 £
The school's fee income comprised:				
Gross fees	11,978,708	3,260,810	15,239,518	15,414,885
Less: Total bursaries, grants and allowances from unrestricted funds			(1,329,243)	(1,271,303)
			13,910,275	14,143,582

After School Care fees included in the above amounted to £44,961 (2019: £51,789). Scholarships, bursaries and other awards were paid to 154 pupils (2019: 149). Within this means tested bursaries totalling £1,309,442 were paid to 117 pupils (2019: £1,264,356 to 115 pupils).

3. CHARITABLE ACTIVITIES : OTHER INCOME

	2020 £	2019 £
Other educational charitable activities		
Entrance and registration fees	30,580	24,220
Courses and sub-lettings	36,054	61,720
	66,634	85,940
Other ancillary activities		
Tuck shop	5,070	6,696
School meals	569,679	878,730
Morning club	3,340	5,052
School trips	308,274	596,893
Fee interest received	2,778	486
	889,141	1,487,857
Other incoming resources		
Government grant	174,796	-
Other	98,852	34,794
	273,648	34,794

4. INVESTMENT INCOME

	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
Bank interest received	27,977	579	28,556	32,691
Dividends received	48,392	61,384	109,776	111,888
Investment property rental	37,915	-	37,915	45,128
	114,284	61,963	176,247	189,707

5. DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
General appeal donations	25,157	-	25,157	2,965
Bursary appeal donations	-	140,200	140,200	104,147
Prize fund donations	-	38	38	38
School donations	-	1,250	1,250	6,967
Stopfordians	-	1,884	1,884	28,915
Bursaries from Stockport Grammar School Educational Foundation	-	80,388	80,388	70,200
Baxendale Bursary	-	-	-	23,400
Stopfordian Trust Bursary	-	17,997	17,997	23,400
6th form quad building donation	-	103,125	103,125	-
Hallam Trust	-	4,200	4,200	-
	25,157	349,082	374,239	260,032

6. ANALYSIS OF TOTAL RESOURCES EXPENDED

a) Total expenditure

	Staff costs £	Other costs £	Depreciation £	Total 2020 £	Total 2019 £
Costs of generating funds:					
Financing costs (note 7)	-	7,134	-	7,134	11,495
Investment management	-	72,091	-	72,091	76,322
Fundraising for voluntary resources	-	10,364	-	10,364	13,408
Total costs of generating funds:	-	89,589	-	89,589	101,225
Charitable activities					
Teaching	9,273,010	916,337	-	10,189,347	9,762,010
Welfare	600,059	674,548	-	1,274,607	1,424,236
Premises	200,444	1,041,254	583,529	1,825,227	1,999,572
Loss on disposal of fixed asset	-	-	-	-	296,000
Support costs and governance	909,019	909,830	106,536	1,925,385	2,170,094
Grants, awards and prizes (note 6 (b))	-	367,050	-	367,050	361,935
Total charitable expenditure	10,982,532	3,909,019	690,065	15,581,616	16,013,847
Total resources expended	10,982,532	3,998,608	690,065	15,671,205	16,115,072

b) Grants, awards and prices

	2020 £	2019 £
From Restricted Funds:		
Bursaries and other grants	311,847	327,609
From Unrestricted Funds:		
Bursaries and other awards	55,203	34,326
	367,050	361,935

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Welfare	600,059	674,548	-	1,274,607	1,424,236
Premises	200,444	1,041,254	583,529	1,825,227	1,999,572
Loss on disposal of fixed asset	-	-	-	-	296,000
Support costs and governance	909,019	909,830	106,536	1,925,385	2,170,094
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	2020 £	2019 £
From Restricted Funds:		
Bursaries and other grants	311,847	327,609
From Unrestricted Funds:		
Bursaries and other awards	55,203	34,326
	367,050	361,935

c) **Governance included in support costs:**

	2020	2019
	£	£
Remuneration paid to auditor for audit services	15,000	15,000
Remuneration paid to auditor for assurance services	615	595
Remuneration paid to auditor for non-audit related services	2,100	1,600
Reimbursement of personal expenses to Governors	3,200	5,073
Other governance costs	47,335	47,618
	68,250	69,886

Course and travel expenses were claimed by 2 Governors (2019: 7).

7. FINANCE AND OTHER COSTS

	2020	2019
	£	£
Bank loan interest	7,134	11,495

8. STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2020	2019
	£	£
The aggregate payroll costs for the year were as follows:		
Wages and salaries	8,434,057	8,440,149
Social security costs	866,021	858,982
Other Pension costs	1,682,454	1,227,063
	10,982,532	10,526,194

Neither the Governors nor any persons connected with them received any remuneration or other benefits for their work on the Governing body.

During the year, one settlement agreement of £10,000 was paid.

	2020	2019
	£	£
Aggregate employee benefits of key management personnel	772,779	726,556

The number of higher paid employees was	2020 No.	2019 No.
Taxable emoluments band:		
£60,001 - £70,000	4	4
£70,001 - £80,000	2	2
£80,001 - £90,000	2	2
£100,001 - £110,000	1	-
£110,001 - £120,000	-	1
£120,001 - £130,000	1	1

The average number of employees during the year was 301 (2019: 304), whilst the average number of employees calculated on a full time equivalent basis was:

	2020	2019
	No.	No.
Teaching	127	131
Welfare	28	27
Premises	7	7
Support	62	60
	224	225

c) **Governance included in support costs:**

	2020	2019
	£	£
Remuneration paid to auditor for audit services	15,000	15,000
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£70,001 - £80,000	2	2
£80,001 - £90,000	2	2
£100,001 - £110,000	1	-
£110,001 - £120,000	-	1
£120,001 - £130,000	1	1

The average number of employees during the year was 301 (2019: 304), whilst the average number of employees calculated on a full time equivalent basis was:

	2020	2019
	No.	No.
Teaching	127	131
Welfare	28	27
Premises	7	7
Support	62	60
	224	225

9. TANGIBLE FIXED ASSETS

	Assets under construction	Freehold Land & Buildings	Fixtures & Fittings	Computer System & Cabling	Motor Vehicles	Total
	£	£	£	£	£	£
Cost						
1 September 2019	497,872	18,537,688	2,057,946	902,051	24,262	22,019,819
Additions	2,479,529	28,781	190,587	66,057	-	2,764,954
Disposals	(5,317)	-	(70,656)	(23,624)	-	(99,597)
Transfer	(529,519)	427,597	101,922	-	-	-
31 August 2020	2,442,565	18,994,066	2,279,799	944,484	24,262	24,685,176
Depreciation						
1 September 2019	-	4,164,716	1,179,106	770,226	24,262	6,138,310
Charge for Year	-	361,235	222,294	106,536	-	690,065
Eliminated on disposals	-	-	(70,656)	(23,624)	-	(94,280)
31 August 2020	-	4,525,951	1,330,744	853,138	24,262	6,734,095
Net book value						
31 August 2020	**2,422,565**	**14,468,115**	**949,055**	**91,346**	-	**17,951,081**
31 August 2019	497,872	14,372,972	878,840	131,825	-	15,881,509

The primary use of all the tangible fixed assets is for direct charitable purposes.

On incorporation, two plots of land were presumed to be permanent endowment. These were a plot of land conveyed between Alfred Bell Esq and the Official Trustee of Charity Land in trust for the Stockport Grammar School and a plot of land conveyed between Peter Peirce and the Official Trustee of Charity Land in trust for the Stockport Grammar School. It is not possible to distinguish the value of these plots of land from the freehold land and buildings noted above.

10. SECURITIES INVESTMENTS

	Designated Funds	Restricted Funds	Endowment Funds	Total 2020	Total 2019
	£	£	£	£	£
Market value at 1 September	2,295,438	2,333,284	122,000	4,750,722	4,722,128
Additions	2,012,714	1,872,625	48,952	3,934,291	474,376
Disposals	(2,151,348)	(2,007,711)	(59,008)	(4,218,067)	(525,511)
Net investment gains/(losses)	18,246	8,933	(1,970)	25,209	79,729
Market value at 31 August	**2,175,050**	**2,207,131**	**109,974**	**4,492,155**	**4,750,722**

	2020	2019
	£	£
Investments comprise:		
Listed UK Equities	**4,492,155**	4,750,722

The investments are held as fixed assets which generate income to be applied for the purposes described in notes 22 - 24 and are all listed on the UK stock exchange.

11. PROPERTY INVESTMENTS

	Designated Funds	Total 2020	Total 2019
	£	£	£
Valuation at 1 September 2019	745,000	**745,000**	745,000
Addition	109,186	**109,186**	-
Valuation at 31 August 2020	854,186	**854,186**	745,000

The investment property consists of buildings held for investment purposes, which are not used in the School's own activities, primarily residential property in Stockport which are let out on the open markets.

A formal valuation of the properties was prepared by Michael Hart and Company Limited, Chartered Surveyors in 2016 which valued these properties at £745,000 in total.

12. STOCKS

	2020	2019
	£	£
Goods for resale and consumables	63,484	50,504

13. DEBTORS

Due within one year:

	2020	2019
	£	£
Trade debtors:		
Fees outstanding	**304,225**	71,007
Bad debt provision	(245,608)	(43,670)
School fees	**58,617**	27,337
Other debtors	**87,474**	234,747
Deferred payments for supplies for the following year	**41,725**	70,459
Prepayments	348,544	266,737
	536,360	599,280

14. CREDITORS: Amounts falling due within one year

	2020	2019
	£	£
Bank loan	**84,754**	80,802
Trade creditors	**583,271**	573,387
Taxation and social security	**205,209**	208,273
Other creditors	**53,394**	96,575
Fee deposits (see note 16)	**48,160**	57,699
Fees in advance (see note 17)	**366,848**	210,694
Accruals and deferred income	462,099	428,220
	2,082,688	1,655,650

15. CREDITORS: Amounts falling due after one year

	2020	2019
	£	£
Bank loans	28,713	113,406
Fee deposits (see note 16)	225,858	210,768
Fees in advance	24,382	11,997
	278,953	336,171

At the year end there was one (2019: one) bank loan from National Westminster Plc. This loan is secured over the investment property at 214-216 Buxton Road, Stockport. The interest rate at 31 August 2020 was 4.84%.

The bank loans fall due as follows:

	2020	2019
	£	£
Between one and two years	28,713	113,406

16. FEE DEPOSITS

Fee deposits are returned via the offset of future fees (or alternatively as a donation to the School) and are expected to be applied as follows:

	2020	2019
	£	£
In one year or less	48,160	57,699
Between one and two years	17,850	15,750
Between two and five years	76,598	68,700
Over five years	131,410	126,318
	274,018	268,467

Movements of fee deposits

	2020	2019
	£	£
Balance at 1 September	268,467	253,500
New deposits received	135,020	128,409
Deposits utilised	(129,469)	(113,442)
Balance at 31 August	274,018	268,467

17. FEES IN ADVANCE

Parents may enter into a contract to pay the School tuition fees in advance. The money may be returned, subject to specific conditions but, assuming the relevant pupils remain in the School, advance fees will be applied as follows:

	2020	2019
	£	£
In one year or less	342,466	210,694
Between one and two years	24,382	11,997
	366,848	222,691

Movements on advance fees:

	2020	2019
	£	£
Balance at 1 September	222,691	233,601
New advance fees received	354,851	222,691
Amounts utilised in payments	(210,694)	(233,601)
Balance at 31 August	366,848	222,691

18. FINANCIAL INSTRUMENTS

	2020	2019
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	5,347,741	5,495,722

Financial assets measured at fair value comprise assets held as investments.

The School's income, expense, gains and losses in respect of financial instruments are summarised below:

	2020	2019
	£	£
Total investment income for financial assets measured at fair value through income and expenditure	176,247	189,707
Net gains/(losses) on financial assets measured at fair value through income and expenditure	25,209	79,729
Impairment losses on financial assets measured at amortised cost	211,368	31,625

19. LEASES

At 31 August 2020 the total of the School's future minimum lease income receivable under non-cancellable operating leases was:

	2020	2019
	£	£
Within 1 year	23,700	23,700
Within 1 – 5 years	48,000	48,000
Greater than 5 years	23,000	35,000
	94,700	106,700

20. CAPITAL COMMITMENTS

At the year end the School had a capital commitment of £1,369,183 (2019: £91,000).

21. NET ASSETS OF THE FUNDS OF THE CHARITY

The Charity's net assets belong to the various funds as follows:

	Fixed Assets	Investments	Net Current Assets/ (Liabilities)	Long term (Liabilities)	Fund Balances 2020
	£	£	£	£	£
Endowment funds	-	109,969	10,583	-	120,552
Restricted funds	-	2,207,131	497,056	-	2,704,187
Unrestricted funds	17,951,081	3,029,241	2,991,641	(278,953)	23,693,009
	17,951,081	5,346,341	3,499,279	(278,953)	26,517,748

Comparative net assets of the funds of the Charity – 2019:

	Fixed Assets	Investments	Net Current Assets/ (Liabilities)	Long term (Liabilities)	Fund Balances 2019
	£	£	£	£	£
Endowment funds	-	122,000	1,190	-	123,190
Restricted funds	-	2,333,284	378,432	-	2,711,716
Unrestricted funds	15,881,509	3,040,438	5,052,878	(336,171)	23,638,654
	15,881,509	5,495,722	5,432,500	(336,171)	26,473,560

22. ENDOWED FUNDS: MOVEMENTS IN THE YEAR

	At 1 Sept 2019	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2020
Permanent endowments:	£	£	£	£	£	£
Endowment	19,162	-	-	424	-	19,586
Prize Funds	26,167	-	-	580	-	26,747
Sykes Trust Fund	77,861	-	(668)	(2,974)	-	74,219
	123,190	-	(668)	(1,970)	-	120,552

Comparative endowed fund – 2019:

	At 1 Sept 2018	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2019
Permanent endowments:	£	£	£	£	£	£
Endowment	17,940	-	-	1,222	-	19,162
Prize Funds	24,499	-	-	1,668	-	26,167
Sykes Trust Fund	76,670	-	(485)	1,676	-	77,861
	119,109	-	(485)	4,566	-	123,190

The twenty-two Prize Funds consist of donations by individual donors. Income from the Funds is used to offset the cost of providing prizes at the annual Prize Day.

The Sykes Trust Fund is endowed funds to generate income for bursaries.

Each Trust Fund is allocated its proportion of investment income and gains and losses and bears its own expenses.

23. RESTRICTED FUNDS: MOVEMENTS IN THE YEAR

	At 1 Sept 2019	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2020
	£	£	£	£	£	£
Benjamin Smith Fund	96,734	2,860	(1,430)	2,067	-	100,231
Bursary Appeal	1,321,574	167,167	(96,534)	13,100	-	1,405,307
Prize funds	8,832	1,108	(1,108)	196	-	9,028
Sykes Trust Funds	350	1,702	(1,702)	-	-	350
Sports	868	1,250	(1,250)	-	-	868
Stockport Grammar School Educational Foundation Bursary	8,068	80,388	(80,388)	-	-	8,068
Roy Clough Fund	1,095,592	25,441	(79,198)	3,378	-	1,045,213
Nicholas Henshall	155,850	3,742	(37,131)	(9,808)	-	112,653
Stopfordian Trust Bursary	-	17,997	(17,997)	-	-	-
Old Stopfordians Fund	23,848	2,065	(3,444)	-	-	22,470
6th Form quad building	-	103,125	-	-	(103,125)	-
The Hallam Trust	-	4,200	(4,200)	-	-	-
	2,711,716	411,045	(324,382)	8,933	(103,125)	2,704,187

Comparative restricted funds – 2019:

	At 1 Sept 2018	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2019
	£	£	£	£	£	£
Benjamin Smith Fund	90,927	2,806	(2,948)	5,949	-	96,734
Bursary Appeal	1,286,335	130,606	(96,203)	836	-	1,321,574
Prize funds	8,269	1,087	(1,087)	563	-	8,832
Sykes Trust Funds	350	2,093	(2,093)	-	-	350
Sports	1,613	6,967	(7,712)	-	-	868
Stockport Grammar School Educational Foundation Bursary	4,558	70,200	(66,690)	-	-	8,068
Roy Clough Fund	1,117,199	26,240	(80,654)	32,807	-	1,095,592
Nicholas Henshall	186,975	4,004	(40,148)	5,019	-	155,850
Baxendale Bursary	-	23,400	(23,400)	-	-	-
Stopfordian Trust Bursary	-	23,400	(23,400)	-	-	-
Old Stopfordians Fund	-	29,013	(5,165)	-	-	23,848
	2,696,226	319,816	(349,500)	45,174	-	2,711,716

The John Benjamin Smith Exhibition Fund was established in 1880 to commemorate a former Mayor of Stockport and benefactor to the School. Its original purpose was to provide leaving scholarships for boys going on to University. Since 1981 awards have been made available to boys and girls largely to provide Education Travel Exhibitions.

The Bursary Appeal fund was established following an appeal for funds in 2001 to raise funds for the provision of bursary assistance.

The Sykes Trust Funds are generated from the endowed Sykes Trust Fund to provide bursaries.

The Stockport Grammar School Educational Foundation funding is a donation to be used for bursaries.

The Roy Clough Fund has been established from the generous legacy of a former pupil to provide bursaries.

The Nicholas Henshall Fund has been established from the generous legacy of a former pupil, member of staff and Governor to provide bursaries.

The Baxendale Bursary fund was established after the death of Alan Baxendale (OS 1942) and the establishment of the AS Baxendale Charitable Trust. The School receives assistance to provide bursaries for pupils at the School.

The Stopfordian Trust Bursary is a donation used for bursaries.

The Old Stopfordians Fund is held on behalf of the Old Stopfordian Association (OSA). The funds are to be used to continue to support their work in promoting the School to former pupils.

The Hallam Trust is a one-off support to provide assistance to a family experiencing financial difficulties.

24. UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR

	At 1 Sept 2019	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2020
Designated Funds:	£	£	£	£	£	£
Albert Johnston Fund	18,775	29	(1,500)	-	-	17,304
Investment Fund	3,089,772	84,190	(107,842)	16,878	-	3,082,998
General appeal	150,214	26,176	-	-	-	176,390
The Pilkington Fund	58,886	1,860	(5,999)	1,368	-	56,115
	3,317,647	112,255	(115,341)	18,246	-	3,332,807
General Reserve	20,321,007	15,166,884	(15,230,814)	-	103,125	20,360,202
	23,638,654	15,279,139	(15,346,155)	18,246	103,125	23,693,009

Comparative unrestricted funds – 2019:

	At 1 Sept 2018	Incoming Resources	Amounts Expended	Investment Gains / (Losses)	Transfers	At 31 August 2019
Designated Funds:	£	£	£	£	£	£
Albert Johnston Fund	19,942	436	(1,000)	(603)	-	18,775
Investment Fund	3,066,032	86,158	(89,134)	26,716	-	3,089,772
General appeal	146,139	4,075	-	-	-	150,214
The Pilkington Fund	58,555	2,305	(5,850)	3,876	-	58,886
	3,290,668	92,974	(95,984)	29,989	-	3,317,647
General Reserve	20,200,988	15,789,122	(15,669,103)	-	-	20,321,007
	23,491,656	15,882,096	(15,765,087)	29,989	-	23,638,654

The Albert Johnston Fund was established by way of a collection following the death of Albert Johnston, a former teacher of the School, in 1981. The income from the Fund is used to provide small travel awards for the winners of a competition among current school pupils.

The Designated Investment Fund, established many years ago, was considerably enhanced in 1993 following a bequest from the sister of a former pupil and was enhanced by a further gift from the estate of that former pupil. The Governors decided to create a fund which would be used to provide financial assistance to parents of pupils who fell into financial difficulties. It is used to provide bursaries to needy pupils following the withdrawal of the Assisted Places Scheme from September 1998.

The School has received a generous donation from the family of Sara Pilkington (OS 2010). In memory of Sara, the Governors have designated the funds to provide support for pupils who wish to enter the sixth form.

The General Reserve fund is retained to cover the fixed assets and provide working capital.

25. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,435,564 (2019: £993,971) and at the year-end £Nil (2019 - £Nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' 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 employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The Charity also runs a group personal pension scheme for its non-teaching staff. The cost for the year represents the Charity's contributions to this scheme of £246,890 (2019: £233,092) and at the year end £Nil (2019: £Nil) was accrued in respect of contributions to this scheme.

26. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income for the reporting period (as per the statement of financial activities)	44,188	166,569
Adjustments for:		
Depreciation charges	690,065	713,862
Loss on asset disposal	-	296,000
Assets under construction written off to expenditure	5,317	-
Gains on investments	(25,209)	(79,729)
Dividends, interest and rents from investments	(176,247)	(189,707)
Increase in stocks	(12,980)	(1,046)
Decrease/(Increase) in debtors	62,920	(55,587)
Increase in creditors	91,229	204,910
Interest paid on borrowings	7,134	11,495
Net cash provided by operating activities	686,417	1,066,767

27. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash at bank	4,703,170	6,438,366
Total cash and cash equivalents	4,703,170	6,438,366

This includes funds for the next phase of the development of the facilities of the school.

28. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019	Cash flows	Non-cash changes	At 31 August 2020
Cash at bank	6,438,366	(1,735,196)	-	4,703,170
Debt due within 1 year	(80,802)	80,741	(84,693)	(84,754)
Debt due after 1 year	(113,406)	-	84,693	(28,713)
	6,244,158	(1,654,455)	-	4,589,703

29. RELATED PARTY

During the year there were no related party transactions other than those disclosed in note 8.

30. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds		Restricted Funds	Endowed Funds	Total Funds 2019	Total Funds 2018
		School £	Designated £	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Charitable Activities							
School fees	2	14,143,582	-	-	-	14,143,582	14,094,604
Other educational income	3	85,940	-	-	-	85,940	91,743
Other ancillary trading income	3	1,487,857	-	-	-	1,487,857	1,294,786
Other trading activities							
Other income	3	34,794	-	-	-	34,794	66,248
Investment income	4	36,909	90,049	62,749	-	189,707	191,023
Voluntary Sources							
Donations and legacies	5	40	2,925	257,067	-	260,032	220,597
Total income		15,789,122	92,974	319,816	-	16,201,912	15,959,001
EXPENDITURE ON:							
Raising funds							
Fundraising costs		13,408	-	-	-	13,408	20,208
Financing costs	7	11,495	-	-	-	11,495	17,501
Investment management		-	61,658	14,179	485	76,322	48,137
Charitable activities							
Education and grantmaking		15,644,200	34,326	335,321	-	16,013,847	15,138,470
Total expenditure	6	15,669,103	95,984	349,500	485	16,115,072	15,224,316
NET INCOMING FUNDS FROM OPERATION BEFORE TRANSFERS AND INVESTMENT GAINS/(LOSSES)		120,019	(3,010)	(29,684)	(485)	86,840	734,685
Gains/(losses) on investments	10	-	29,989	45,174	4,566	79,729	107,019
Transfers between funds	24	-	-	-	-	-	-
NET INCOME AND MOVEMENT IN FUNDS		120,019	26,979	15,490	4,081	166,569	841,704
Funds balances at 1 September		20,200,988	3,290,668	2,696,226	119,109	26,306,991	25,465,287
Funds balances at 31 August	21	20,321,007	3,317,647	2,711,716	123,190	26,473,560	26,306,991