

Charity number: 1120199
Company number: 6261525

STOCKPORT GRAMMAR SCHOOL

ANNUAL REPORT AND ACCOUNTS

For the year ended 31 August 2022

**STOCKPORT GRAMMAR SCHOOL
ANNUAL REPORT AND ACCOUNTS 2022
REFERENCE AND ADMINISTRATIVE DETAILS**

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
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School Address	Stockport Grammar School Buxton Road Stockport SK2 7AF
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The day to day running of the School is delegated to the Head, the Head of the Junior School and the Bursar.

STOCKPORT GRAMMAR SCHOOL GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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

**STOCKPORT GRAMMAR SCHOOL
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

- 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.

STOCKPORT GRAMMAR SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

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

STOCKPORT GRAMMAR SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

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 (NSEAD) 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.

STOCKPORT GRAMMAR SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

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)
<u>Year 1</u>	<u>97.4% (34.2% above)</u>	<u>97.3% (68% above)</u>
<u>Year 2</u>	<u>94.4% (50% above)</u>	<u>91.7% (41.7% above)</u>
<u>Year 3</u>	<u>98% (62% above)</u>	<u>98% (66% above)</u>
<u>Year 4</u>	<u>95.4% (39.1% above)</u>	<u>98.4% (35.9%)</u>
<u>Year 5</u>	<u>100% (40% above)</u>	<u>93% (38% above)</u>
<u>Year 6</u>	<u>100% (65% above)</u>	<u>100% (54.2% above)</u>
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.

**STOCKPORT GRAMMAR SCHOOL
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

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

**STOCKPORT GRAMMAR SCHOOL
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

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.

**STOCKPORT GRAMMAR SCHOOL
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

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

STOCKPORT GRAMMAR SCHOOL

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 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	<u>1,000,000</u>	<u>1,201,223</u>	<u>339,568</u>	<u>-</u>	<u>2,540,791</u>	<u>248,988</u>
Total Income		<u>18,185,504</u>	<u>1,312,748</u>	<u>392,810</u>	<u>-</u>	<u>19,891,062</u>	<u>16,435,272</u>
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		<u>16,716,415</u>	<u>44,653</u>	<u>313,272</u>	<u>-</u>	<u>17,074,340</u>	<u>16,124,410</u>
Total expenditure	6	<u>16,746,224</u>	<u>114,073</u>	<u>329,202</u>	<u>545</u>	<u>17,190,044</u>	<u>16,293,786</u>
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		<u>1,439,280</u>	<u>911,825</u>	<u>(211,507)</u>	<u>(6,570)</u>	<u>2,133,028</u>	<u>1,378,089</u>
Funds balances at 1 September		<u>20,626,493</u>	<u>4,004,086</u>	<u>3,122,305</u>	<u>142,953</u>	<u>27,895,837</u>	<u>26,517,748</u>
Funds balances at 31 August	21	<u>22,065,773</u>	<u>4,915,911</u>	<u>2,910,798</u>	<u>136,383</u>	<u>30,028,865</u>	<u>27,895,837</u>

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	<u>1,417,348</u>	<u>712,942</u>
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		<u>(1,083,632)</u>	<u>(1,881,531)</u>
Net cash used in investing activities		<u>(744,549)</u>	<u>(1,720,597)</u>
Cash flows from financing activities			
Repayments of borrowing		(29,133)	(84,333)
Interest paid on borrowings		<u>(137)</u>	<u>(3,467)</u>
Net cash used in financing activities		<u>(29,270)</u>	<u>(87,800)</u>
Change in cash and cash entitlements in the reporting period		<u>643,529</u>	<u>(1,095,455)</u>
Cash and cash equivalents at the beginning of the reporting period	27	<u>3,607,715</u>	<u>4,703,170</u>
Cash and cash equivalents at the end of the reporting period	27	<u>4,251,244</u>	<u>3,607,715</u>

The notes on pages 24 to 39 form part of these accounts.

**STOCKPORT GRAMMAR SCHOOL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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

**STOCKPORT GRAMMAR SCHOOL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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			<u>(1,260,695)</u>	<u>(1,231,225)</u>
			<u>15,984,616</u>	<u>15,271,314</u>

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	<u>87,210</u>	<u>43,311</u>
	<u>118,160</u>	<u>76,380</u>
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	<u>928</u>	<u>-</u>
	<u>1,041,419</u>	<u>589,362</u>
Other incoming resources		
Government grant	-	46,078
Other	<u>39,613</u>	<u>24,014</u>
	<u>39,613</u>	<u>70,092</u>

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	<u>61,748</u>	<u>-</u>	<u>61,748</u>	<u>62,263</u>
	<u>113,221</u>	<u>53,242</u>	<u>166,463</u>	<u>179,136</u>

**STOCKPORT GRAMMAR SCHOOL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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	<u>21,361</u>	<u>54,463</u>
	<u>40,407</u>	<u>72,708</u>

Course and travel expenses were claimed by 2 Governors (2021: 1).

7. FINANCE AND OTHER COSTS

	2022	2021
	£	£
Bank loan interest	<u>137</u>	<u>3,467</u>

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	<u>1,776,089</u>	<u>1,743,335</u>
	<u>12,018,665</u>	<u>11,657,790</u>

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	<u>713,759</u>	<u>770,922</u>
The number of higher paid employees was	2022	2021
	No.	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	<u>43</u>	<u>63</u>
	<u>224</u>	<u>225</u>

**STOCKPORT GRAMMAR SCHOOL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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	<u>2,315,000</u>	<u>2,315,000</u>	<u>1,115,000</u>

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	<u>66,945</u>	<u>66,998</u>

13. DEBTORS

Due within one year:

	2022 £	2021 £
Trade debtors:		
Fees outstanding	60,754	67,347
Bad debt provision	<u>(39,300)</u>	<u>(28,886)</u>
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	<u>250,646</u>	<u>301,833</u>
	<u>1,801,244</u>	<u>466,662</u>

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	<u>1,033,790</u>	<u>372,047</u>
	<u>2,135,986</u>	<u>1,618,029</u>

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%.

**STOCKPORT GRAMMAR SCHOOL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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
	<u>547,900</u>	<u>82,700</u>

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	-	-
	<u>59,467</u>	<u>73,321</u>

20. CAPITAL COMMITMENTS

At the year end the School had a capital commitment of £Nil (2021: £Nil).

**STOCKPORT GRAMMAR SCHOOL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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	-	12,123	(12,123)	-	-	-
Bursary	-	1,689	(3,689)	-	-	20,454
Old Stopfordians Fund	22,454	-	-	-	-	-
The Hallam Trust	-	1,333	(1,333)	-	-	-
	<u>3,122,305</u>	<u>392,810</u>	<u>(329,202)</u>	<u>(275,115)</u>	<u>-</u>	<u>2,910,798</u>

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	-	11,997	(11,997)	-	-	-
Bursary	-	34	(50)	-	-	22,454
Old Stopfordians Fund	22,470	-	-	-	-	-
6 th Form quad building	-	23,397	(23,397)	-	-	-
The Hallam Trust	-	4,200	(4,200)	-	-	-
	<u>2,704,187</u>	<u>304,708</u>	<u>(363,576)</u>	<u>476,986</u>	<u>-</u>	<u>3,122,305</u>

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.

**STOCKPORT GRAMMAR SCHOOL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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

STOCKPORT GRAMMAR SCHOOL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

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