# WOLVERHAMPTON GRAMMAR SCHOOL LIMITED

England & Wales · Charity number 1125268

## Details

| | |
|---|---|
| **Status** | Registered |
| **Legal form** | Charitable company |
| **Company number** | 06610261 |
| **Registered** | 2008-07-30 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | Wolverhampton Grammar School<br>Compton Road<br>Wolverhampton<br>WV3 9RB |
| **Phone** | 01902421326 |
| **Email** | info@wgs-sch.net |
| **Website** | www.wgs.org.uk |

## Activities

**Objects:** THE PROVISION AND CONDUCT IN OR NEAR WOLVERHAMPTON OF A DAY SCHOOL FOR BOYS AND GIRLS WHICH SCHOOL SHALL BE CALLED WOLVERHAMPTON GRAMMAR SCHOOL AND WHICH SCHOOL SHALL PROVIDE RELIGIOUS INSTRUCTION IN THE PRINCIPLES OF THE CHRISTIAN FAITH.

**Activities:** The provision and conduct of a day school for boys and girls.

## Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training
- **Who:** Children/young People, The General Public/mankind

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## Geography

- **Area of benefit:** WOLVERHAMPTON
- Wolverhampton

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2025-08-31 | £11,598,000 | £11,320,000 | £14,913,000 | 183 |
| 2024-08-31 | £12,864,000 | £12,749,000 | £14,632,000 | 190 |
| 2023-08-31 | £10,767,000 | £10,993,000 | £20,311,000 | 195 |
| 2022-08-31 | £10,197,000 | £9,989,000 | £20,841,000 | 177 |
| 2021-08-31 | £9,636,000 | £8,942,000 | £19,544,000 | 131 |
| 2020-08-31 | £9,326,000 | £9,070,000 | £17,911,000 | 169 |

## Trustees

| Name | Role | Appointed |
|---|---|---|
| **Shaun Aldis** | Chair | 2021-03-10 |
| Andrew Hymer | | 2023-10-20 |
| Bruce Jones | | 2024-12-06 |
| Claire Gilbert | | 2025-12-10 |
| Dr Nina Johns | | 2024-12-06 |
| FAYE SUMMERS | | 2025-10-17 |
| Geoffrey Hopwood | | 2025-11-13 |
| Jaspal Sohal | | 2025-12-10 |
| Jasper Chandel | | 2025-12-10 |
| Stephen Burke | | 2025-10-17 |
| Sukhjot Dhami | | 2024-03-04 |

## Linked charities

- WOLVERHAMPTON GRAMMAR SCHOOL FOUNDATION (1125268-1)
- THE JOHN RYAN PRIZE FUND (1125268-2)

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**WOLVERHAMPTON GRAMMAR SCHOOL LIMITED**

England & Wales - Charity number 1125268

# Accounts

# Directors' Report and Financial Statements

for the year ended 31 August 2025

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**Registered number: 6610261**

**Charity number: 1125268**

# Reference and administrative details of the Company, its Directors and Advisers for the year ended 31 August 2025.

| | |
|---|---|
| Directors | |
| | Mr S Aldis, Chairman [2,3] |
| | Mr G Hopwood, Chairman of Finance and General Purposes Committee (appointed 25 October 2025) |
| | Mr J Sage (resigned 17 October 2025) [1,2,4,5] |
| | Mr C I Bill (resigned 17 October 2025) [2,4,5] |
| | Mrs E Bloch, Chairman of Education Committee (resigned 1 June 2025) [1] |
| | Mr B Jones, Chairman of Estates Committee (appointed 12 November 2024) [2,3] |
| | Dr M Gowan Gopal [1] (resigned 14 November 2024) |
| | Mr P A Hawthorne CBE (resigned 17 October 2025) [1,4] |
| | Mr J A Harper (resigned 17 October 2025) [2] |
| | Mr A Holles (resigned 17 October 2025) [2,5] |
| | Mr S Dhami [1] |
| | Mr A Hymer, Chairman of Education Committee (from 16 January 2025) [1] |
| | Dr N Johns (appointed 11 November 2024) [1] |
| | Mr S Burke (appointed 17 October 2025) |
| | Mr J Chandel (appointed 25 October 2025) |
| | Ms C Gilbert (appointed 11 November 2025) |
| | Mr J Sohal (appointed 25 October 2025) |
| | Ms F Summers (appointed 17 October 2025) |
| 1 | Members of The Education Committee |
| 2 | Members of The Finance and General Purposes Committee |
| 3 | Members of The Estates Committee |
| 4 | Members of The Remuneration Committee |
| 5 | Members of The Audit Committee |

Company registered number: 6610261
Charity registered number: 1125268

Registered office:
Compton Road, Wolverhampton, WV3 9RB

| | |
|---|---|
| Company Secretary | Mrs S Hemmings<br>(then Ms S Raper from 25 October 2024 for the remainder of the financial year) |
| The Head | Mr N J C Anderson |
| Independent Auditors | Crowe UK LLP<br>Fourth Floor<br>St James House<br>St James Square<br>Cheltenham<br>GL50 3PR |
| Bankers | Lloyds Bank Plc<br>28a High Street<br>Tettenhall<br>Wolverhampton<br>WV6 8QT |
| Solicitors | FBC Manby Bowdler (Midlands) Ltd<br>6-8 George Street<br>Snow Hill<br>Wolverhampton<br>WV2 4DN |
| Investment Managers | M&G Securities Limited<br>Laurence Pountney Hill<br>London<br>EC4R 0HH<br><br>CCLA Investment Management Limited<br>80 Cheapside<br>London<br>EC2 6DZ |

# Directors' Report

## for the year ended 31 August 2025

The Directors, who are also Trustees, present their annual report together with the audited financial statements of the Company for the year 1 September 2024 to 31 August 2025. The Annual report serves the purposes of both a Directors' Report and a Directors' Report under company law. The Directors confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

### a. Policies and objectives

The objects of the charity are "the provision and conduct in or near Wolverhampton of a day school for boys and girls", thereby providing the advancement of education within the meaning of English law.

At Wolverhampton Grammar School, our vision is to deliver an education that transforms lives as well as minds. We do this by providing an education that treats every child as an individual; inspiring them through excellent teaching and a curriculum that is tailored to securing the best outcomes for all. We can do this because of small class sizes, outstanding pastoral care, flexibility within our academic structures and an all-embracing range of extra-curricular activities. All our staff play a part in inspiring students to develop a love of learning.

Our School's community is built on an ethos of openness, trust and mutual respect. We know that a challenging education requires a supportive, caring environment as well as a blend of skills and a mind-set that embraces diversity and difference.

For us, education is not just about academic achievement, it's about helping our students to know they can make a difference during their time at our School and after they leave us. All our students are treated warmly as individuals and their opinions are valued.

The School's objectives for the year were to deliver against the first year of the School's 2024-27 Strategic Plan (as outlined below), whilst remaining true to the School's mission as stated above and taking into account new challenges and opportunities that may occur.

### b. Strategies for achieving objectives

The Strategic Plan is reviewed and updated annually leading to the production of annual whole School Development Plans detailing the annual School objectives for the year concerned. Departmental and individual objectives were linked through to the whole School Development Plan allowing a co-ordinated and well communicated approach to achieving objectives. This review and objective setting process involves staff, the senior management team, and the Directors.

### Our three core objectives were:

**Uphold the highest standards** in both academic and personal development, creating a vibrant and inclusive community where intellectual curiosity, emotional and physical wellbeing, and equity, diversity and inclusion are at its heart.

**Empower our community** by providing forward-thinking education and excellence-driven initiatives that enrich the minds of the individual and cultivate empathy through collaboration both in school and in the wider local community.

**Secure our future** by ensuring the financial stability of the school and widening access to maximise admissions so that all of our students can benefit from "a good, moral education" (Sir Stephen Jenyns, 1512).

## Activities undertaken to achieve objectives

Wolverhampton Grammar School (WGS) is a long-established, independent day school educating boys and girls from age 4 through to 18, offering a full educational journey from its Junior & Infants School through to the Senior School and Sixth Form. Alongside academically rigorous teaching and a broad, high-quality curriculum, WGS supports students with additional learning needs through its dedicated specialist department, OpAL (Opportunities through Assisted Learning).

544 students aged 11 – 18 were on roll as of September 2024 in the Senior School (September 2023: 583) and 199 students aged 4 – 11 in the Junior School (September 2023: 200). The School continues to attract strong interest from the Wolverhampton area as well as from Staffordshire, Shropshire, Walsall and Dudley.

The academic results achieved by students at Wolverhampton Grammar School continue to demonstrate the strength and consistency of teaching and learning across the School. At GCSE, the most recent cohort achieved exceptionally strong outcomes, with 79% of all entries awarded grades 9–6. An impressive 42% of grades achieved were at the very highest levels, 9 and 8. Over 10% of the cohort earned 10 or more GCSEs at grade 9 or 8. Subjects across the curriculum performed strongly, with notable successes in areas such as Art, Computer Science and Religious Studies, which saw particularly high proportions of top grades.

At A Level, the School sustained a 100% pass rate across all subjects and qualifications, including Cambridge Technical courses. The most recent A-Level results demonstrate continuing academic excellence, with 44% of grades awarded at A*/A and over 76% at A*–B. Students undertaking Cambridge Technical qualifications also excelled, with 100% of candidates in Information Technology and other technical pathways achieving at least a Distinction.

Wolverhampton Grammar School continues to secure strong outcomes in university destinations. Among the Class of 2025, 44% of students successfully secured their first-choice offer from one of the prestigious Russell Group universities, and 83% progressed to either their first-choice or insurance destination. Students went on to study a wide variety of subjects including Criminology, Law, Medicine, Geography, Economics, Dentistry, Architecture and Sport Business Management. A small number of students also pursued employment or apprenticeships.

The Junior School opened in 2011 and continues to flourish. From September 2021, children aged 4-6 were part of Wolverhampton Grammar School for the first time in its history. Reception, Year 1 and Year 2 remain popular and operate a waiting list for spaces. The year group size doubles from Year 3 where these spaces can be allocated amongst other new applications.

The Music and Drama Departments continue to offer a vibrant range of opportunities for students across the School. Our end-of-term music concerts made a welcome return and were very well attended, showcasing the talents of pupils from all year groups. Over the year, 54 instrumental examinations were taken, with an impressive 12 students achieving Distinction with five a Grade 8. In Drama, the Senior School staged two major productions: an Upper School performance of Pride & Prejudice and a Lower School production of Matilda the Musical Jr., both of which played to sold-out audiences. In the Junior School, the Autumn Term concluded with the Infants' Nativity, followed by lively performances of The Snow Queen from Years 3 and 4, and Treasure Island from Years 5 and 6. The annual Dance Show was another highlight of the year, featuring over 50 Junior and Senior School performers in two fully sold-out performances.

Achievement and well-rounded education at WGS are evident both inside and outside the classroom. The School continues to provide quality sporting opportunities for students and participation levels are high. Interschool fixtures were prevalent during the academic year with over 102 Football fixtures, 87 Hockey fixtures and 46 Cricket fixtures 118 Netball fixtures, and 30 Rounders fixtures.

The School enjoyed a remarkable season across various sports, with strong performances from multiple teams. The Year 8 football team triumphed in the City Cup, winning 5–3 in the final against, while Year 7, 9, and 10 teams claimed City Division titles in their leagues. The Year 6 girls' football team also became City Champions. In netball, the U11 team were crowned City Champions with an undefeated record, and the Year 8, Year 9, and Under 15 teams also secured City titles, with the Under 15 team advancing to the 2025 County rounds. Additionally, the Under 15 netball captain was selected for the Nottingham Forest U15 team. Cricket saw the Year 9 team win the County Cup, and Year 7 finished as runners-up in the County Cup. Finally, in tennis, the Year 9/10 boys' team became champions in the U15 South Staffordshire Division 2.

The School also supports students who compete at city, county, regional and international level with supported learning and/or adapted curricula to ensure they do not fall behind and, in some cases, a tailored fitness programme to support their sporting discipline.

School trips that support and enrich the curriculum have continued to enhance the educational and spiritual growth of students. There were 22 trips in the Junior School and 76 in the Senior School throughout the year.

Notable trips included outdoor educational residential's for Years 2-7, a Reception trip to the Gruffalo trail at Cannock Chase, A Level and GCSE Geography Field Trips and Duke of Edinburgh Bronze, Silver and Gold expeditions. A full programme of overseas trips during the year to Iceland, and sports trips to Spain, Germany, and the annual ski trip to Austria.

At Wolverhampton Grammar School, our commitment to student wellbeing, inclusion and community engagement has deepened significantly over the past year, building on our established academic and pastoral foundations

Our Wellbeing Curriculum, encompassing Personal, Social, and Health Education (PSHE) and Relationships and Sex Education (RSE), is delivered by specialist teachers from Years 7 to 13. We have created a proactive and inclusive culture by training 32 Student Mental Health Champions, aged 11-18. These champions play a pivotal role in raising awareness, reducing stigma, and providing support. In addition to our Mental Health Champions our Diversity Champions, also aged between 11-18 years old, were shortlisted for the National Diversity Awards. Their role is to plan ways to mark different events that acknowledge the nine protected characteristics they all learn about in their Wellbeing lessons. Some of the notable events that the Diversity Champions have co-ordinated include raising awareness of Black History Month, Eid, World Mental Health Day, LGBTQ+ History Month and South Asian Heritage Month. Their work, alongside staff and wider wellbeing initiatives, was recognised nationally when WGS was shortlisted at the TES Awards for the Pupil Mental Health Initiative of the Year, a significant endorsement of the School's progressive and student-centred approach.

Events like the Wellbeing Evening for parents and students has strengthened the partnership between the School and families, enhancing support for students' mental health. One of the major successes this year was the return of We Are WGS Day, an all-School community celebration where students and staff came together to express their identities, cultures and hobbies.

Several capital projects were undertaken throughout the year: the Junior School roof was re-laid, the cricket nets, track system and mats were upgraded, the Infant School play area was resurfaced, the first phase of a window replacement programme was completed, three boilers were replaced and toilets were refurbished.

**Main activities undertaken to further the Company's purposes for the public benefit**

The Directors have given due regard to the Charity Commission guidance on public benefit and have continued to demonstrate the School's commitment to delivering public benefit to both its own students and the wider community of Wolverhampton. In the furtherance of the aims of the School, the Directors have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published and relevant sub sector guidance concerning the operation of the Public Benefit requirement under that Act.

Means-tested bursaries are primarily offered at entrance in Year 7 and in Year 12, and in addition, a bursary continuity fund is used to support students through critical exam years where their parents have experienced significant financial difficulty.

The School sees itself very much as part of a wider community, and where we can assist the community without detriment to advancing the education of our students, we are delighted to do so. We provide public benefit to the community through a number of lettings at subsidised rates to local children's sports and holiday clubs, including junior cricket, hockey clubs, Soccer 2000 and Pauline Quirke Academy.

Our long-standing community initiative, "Growing Young Minds, Lifelong Readers and Big Dreams," continues to flourish under the expert leadership of our Head Librarian, Zoe Rowley. Over more than a decade, this programme has inspired tens of thousands of children to read for pleasure, connect with nature via the Bennett Story Garden and enjoy life-shaping experiences. The initiative has ensured that more than 120,000 children from over 50 state schools have worked alongside 250+ inspirational authors, received free books, and enjoyed workshops designed to boost literacy and a lifelong love of reading.

In 2025, WGS was shortlisted and later a finalist for the prestigious Independent School of the Year Award in the category of *Outstanding Educational Partnerships*.

In October 2024, the School hosted bestselling author A.F. Steadman to launch her new children's book. The event brought together 330 9-13-year-olds from local schools. Hundreds of copies of the book were signed and distributed to everyone in attendance. It was an incredible opportunity for children across our city to connect with a high-profile author and deepen their enthusiasm for reading.

In November 2024, Wolverhampton Grammar School hosted a special event with comedian, presenter and author Russell Kane to launch his new children's book Pet Selector!. Pupils from across local schools came together to hear Russell read excerpts, enjoy a fun interactive animal-matching game, ask questions, take photos and receive signed copies of the book.

On 28 January 2025, WGS welcomed author and TV personality Tom Read Wilson, together with award-winning illustrator Ian Morris, for the launch of their illustrated book Wonderful Words That Tell a Tale. More than 300 children (Years 3–7) from local schools attended. The event featured live drawing, an interactive draw-along session inviting the children to request illustrations, and an opportunity to purchase signed, personalised books.

The School's annual Wolverhampton Young Authors' Prize continued to grow. Over 1,000 children from Years 5–13 across Wolverhampton submitted original short stories themed around "Nature." The final was held on 13 February with around 100 finalists from numerous local schools, and award-winning author Serena Patel led the event, reading the winning stories aloud.

We further expanded our creative-writing opportunities by launching the Bennett Story Garden Competition. This initiative invites children in Years 1–3 from schools across Wolverhampton to write an original story about a common garden animal set in the unique setting of the Bennett Story Garden. The winning stories and children's artwork were displayed on custom-made plaques within the Garden with recordings accessible via QR code. The winners celebrated at a special picnic with their families in March 2025.

WGS, with the help of Sixth Form students regularly supports local children and parents in building a love for reading through the Discover Reading Project, providing themed events such as' The Tiger Who Came to Tea', story time and activities to help families foster reading habits at home.

These initiatives have had a truly transformative effect, engaging a broad and diverse audience across Wolverhampton and beyond, while helping to foster a lasting culture of reading, creativity, and community involvement. With strong participation from pupils across many schools, success in national competitions, and recognition from external award panels, these impactful activities are making a lasting and positive difference.

Over the past year, WGS has continued to deepen its commitment to charitable giving. Across all years and Houses, WGS encourages a culture of volunteering and social contribution. A major new initiative this year was the 150th Bursary Appeal, an important anniversary marking 150 years on the Compton Road site. Activities included a charity ball, garden party, donation tree and stained-glass window competition. In the next academic year, the inaugural WGS Giving Day will take place to raise further funds for the 150th Appeal. The total funds raised to date are over £450,000. In addition, the long-established Coast 2 Coast Challenge, now in its 25th year, once again demonstrated the commitment of our students. In May 2025 a team of Year 10 students undertook the 170-mile relay from St Bees to Robin Hood's Bay over 24 hours, after 16 weeks of intensive training supported by staff and parents. This year the team raised over £9,000 for the Neonatal Unit at New Cross Hospital.

Throughout the year, the charity club has organized a series of successful fundraising events for local, national, and international causes. Key highlights include the Macmillan Bake-off (£264.53), Movember charity events for men's mental health (£1,348.81 total), and the WGS Jumper Day for The Haven (£292.15). In the spring, a non-uniform day raised £3,050.49 for Comic Relief, while the summer saw Moreton's market event raise £421.86 for Birmingham Children's Hospital and Year 7's ice cream sale collected £434.32 for the British Heart Foundation. A summer non-uniform day raised £682.54 for The Mariposa Trust, supporting those who have suffered pregnancy loss. These efforts demonstrate the School's commitment to philanthropy and community involvement.

The School actively supports the attainment of the highest standards in the Independent Schools sector through networking with other schools and membership of the appropriate bodies concerned with such standards. The Head is an elected member of HMC – The Heads' Conference. The Warwick Group of HMC schools provides a forum for the Head, the Deputy Heads and Heads of all academic departments to meet and consider matters of mutual interest and importance. The School is a member of the Independent Schools' Bursars Association which provides relevant advice for the effective administration of the School. Several of the School's leaders and management serve the wider educational community by acting as School governors in regional state schools.

The School continues to promote the Independence Appeals Fund for the collection of donations and legacies for augmenting bursary funds.

Many parents, friends of the School and Old Wulfrunians help with fundraising, cultural and sporting activities and careers events providing many hours of voluntary service during the year. The Directors very much appreciate their continuing and valuable support.

## Strategic report

## Achievements and performance

a. Key performance indicators

The Directors consider that the key financial performance indicators are pupil numbers; full-fee equivalent pupil numbers; teaching staff:pupil ratios; investment surplus (profit before depreciation as a percentage of net fee income); salary costs as a percentage of net fee income; bursary and scholarship concessions as a percentage of gross fee income; percentage fee rises; level of annual capital expenditure and reserves levels.

The key performance indicators are set during the budget process and reviewed at least once a term by the Finance and General Purposes Committee through monthly management accounts and the annual SORP accounts.

b. Review of activities

The gains for the year (before transfers between funds, movements on pension scheme valuation and movements on investment assets) amounted to £278k (2024: £44k). Total funds amounted to £14,913k (2024: £14,632k).

During the year, fee income after bursaries and discounts decreased by £118k; equivalent to a 1.1% decrease (2024: £918k; equivalent to a 9.6% increase). Fees were increased by 7.5% in September 2024 and by a further 3.75% in the summer term. No Government Grants were received during the year (2024: none). In addition, the School continues to maintain a good level of means-tested bursary assistance and non-means tested Scholarship concessions. The donations and legacies received during the year were £3k, (2024: £Nil) for bursary support. The School has continued to work to increase awareness of the benefits that a child obtains through the award of a bursary and is very grateful to its alumni body both in the UK and abroad for their continued bursary donations to the Independence Appeal Fund.

Total resources expended decreased to £11,320k (2024: £12,499k). The teaching staff: pupil ratio of 1:10.1 is consistent with previous years (2024: 1:10.1) due principally to the staff ratios required in the new Infant classes. Salary costs were 74.4% of net fee income (2024: 82.3%). Costs continue to be tightly controlled but some increases are unavoidable in view of the economic environment in which the School is operating.

There is a strong expectation that operating costs will continue to be driven down in order to optimise the incoming resources for the main aim of the charity: the education of its students. A key ongoing objective of the School is to increase cash surpluses to enable the School to invest in an ongoing capital expenditure plan to allow buildings to

be updated, to maintain an appropriate level of reserves to provide security for the School in the current uncertain political and economic climate and to support parents facing challenging financial circumstances.

## Reserves Policy

The School aims to build up and maintain its unrestricted free reserves in order to accommodate longer term plans for capital investment and other strategic objectives as well as provide an emergency fund to manage the risks and uncertainty for an educational charity in the current political and economic climate. Total capital expenditure in the year was £62k (2024: £308k) with the main expenditure being re-laying the Junior School roof, cricket nets, track system and mats upgrades, Infant School play area resurfacing, the first phase of a window replacement programme and the replacement of three boilers.

Reserves at 31 August 2025 amounted to £14,913k (2024: £14,632k). At 31 August 2025 the free reserves including unrestricted investments but excluding the pension scheme reserve were £2,504k (2024: £1,956k). Details of the specific reserves held are provided in note 19 to the accounts.

Total unrestricted funds as shown in the financial statements include a notional funding deficit of £nil (2024: £nil) calculated under the FRS102 Charity SORP in respect of the School's defined benefit scheme for support staff.

The Directors are satisfied that they have sufficient resources available to meet liabilities and any unscheduled future costs and review their policy on an annual basis.

## Financial review

a. Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Principal risks and uncertainties

## The Directors believe that the principal risks and uncertainties to the business are:

- Operational – attracting and maintaining pupil numbers in today's difficult economic environment;
- Environmental – potential complexity of expanding on the current School site due to planning and logistical considerations;
- Technological – keeping up to date in a world of fast-moving digital technology advances and in particular the impact of social media and artificial intelligence;
- Political – the threat to charitable status and charitable tax reliefs;
- Economic – the emerging impact of VAT on fee levels and continued cost of living pressures.

Whilst these risks and uncertainties are considered and regularly reviewed, the Directors manage these at an acceptable level through their robust risk management policy and associated reserves position.

The Directors have taken strategic action to mitigate the risk in relation to uncertainties concerning future funding requirements for the School's three defined benefit pension schemes:

- The School exited the Teachers' Pension Scheme on 1st May 2024 after consultation with the teaching staff;
- The School served notice on the West Midlands Pension Fund and the Independent Schools' Pension Scheme on 31st August 2024 after consultation with the School's non-teaching staff

Defined Contribution arrangements are now in place for staff.

## Structure, governance and management

a. Constitution

The School is a charity and company limited by guarantee, and is governed by its Memorandum and Articles of Association by its Board of Directors.

The accounts comprise Wolverhampton Grammar School Ltd (registered charity number 1125268) which was set up to run the operational and trading activities, the Foundation was set up to manage the specie endowed land and buildings and the two Appeal Funds were set up to support the School in its aims and to provide financial help wherever possible to students who would not otherwise have been able to attend Wolverhampton Grammar School.

b. Methods of appointment or election of Directors

The Board of Directors is appointed at the AGM under the terms of the Memorandum and Articles of Association. A small working group, made up of a committee of Directors appointed by the Chairman, carries out reviews of possible new members, in readiness for vacancies arising through retirements of Directors. They also carefully consider the range of skills which are needed on the Board, and names of potential Directors are recommended to the Board, when appropriate.

The Trustees of the Trust Funds are appointed by Deed of Appointment by the current/outgoing Trustees, who carefully consider the range of skills required on the boards.

c. Organisational structure and decision-making policies

The Directors are responsible for the overall management of the School and meet as a board at least three times a year. The Finance and General Purposes, Education and Estates Committees meet on a termly basis as a minimum and these committees are empowered on behalf of the Board to ensure that the policies as agreed by them are carried out. A copy of the minutes of these meetings and accounts is sent to all Directors.

The day-to-day management of the School is delegated to the Head, supported by the Senior Management Team. The Head, Senior Deputy Head, and Finance Director attend all meetings of the Directors and the full Board, Education Committee, Finance and General Purposes Committees, and the Estates Committee. The Senior School Deputy Heads and Head of the Junior School attend meetings of the full Board and the Education Committee, with the Assistant Heads and the Director of Marketing & Communications attending the Education Committee only. The Annual General Meeting of the School (held in October) is attended by all members of the School (the Council of Members) and includes staff, parents and other stakeholder representatives.

d. Policies adopted for the induction and training of Directors

New Directors are provided with an induction pack, which contains details of the Memorandum and Articles of Association of the School and other relevant documents, together with the Association of Governing Bodies induction resources. Before taking up post, they meet with the Chairman of the Board and the Head. Once appointed, a meeting with the Clerk of Directors is arranged, to provide more detailed information and to identify appropriate training courses for individuals to attend.

All Directors take part in annual training which provides relevant and up to date information on governance and school inspections with outside speakers being brought in as and when appropriate. Directors are also encouraged to attend training events run for the not for profit and school sector by external bodies.

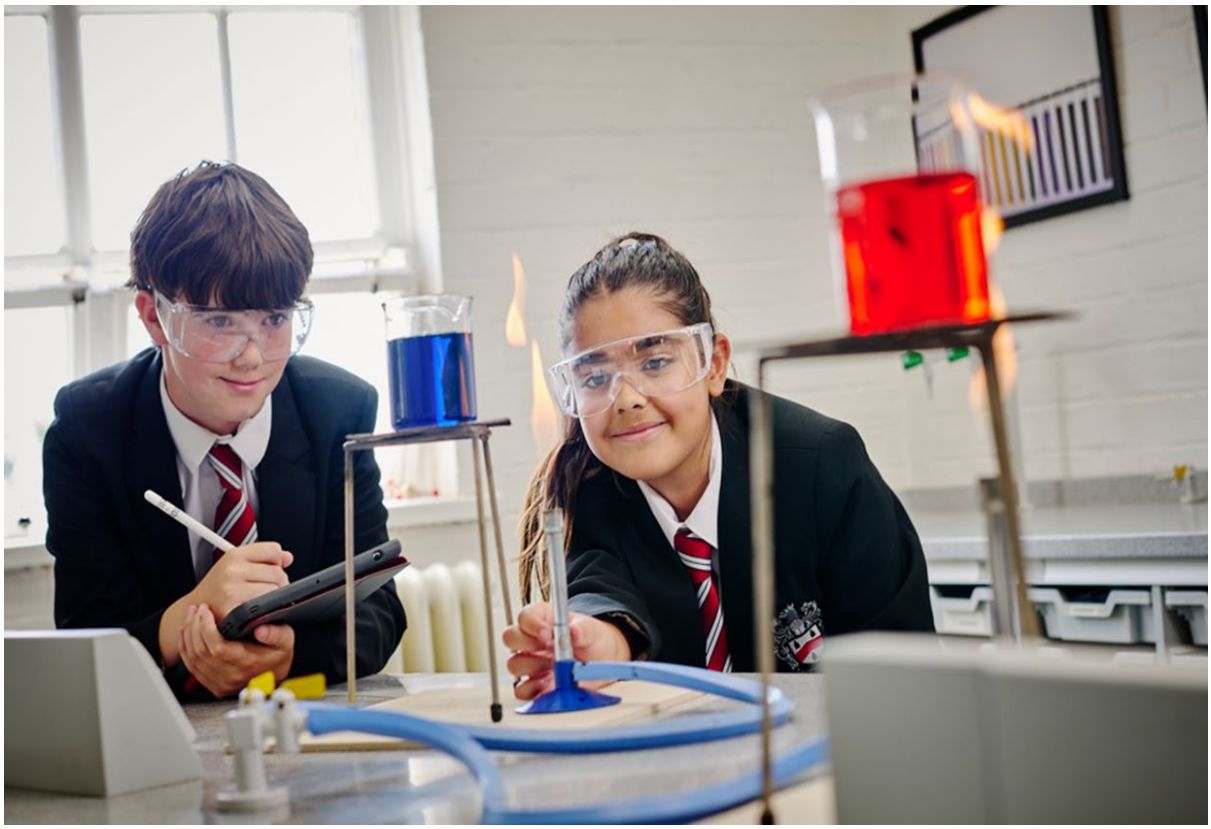
e. Pay policy for key management personnel

The Directors' Remuneration Committee meets annually to review the pay and remuneration of the Head, with the Head also reviewing the pay of other members of the senior management team on an annual basis. Any proposed adjustments to the pay of the senior management team are confirmed by the Remuneration Committee. The review of all senior staff pay is with reference to their agreed annual objectives and performance.

f. Financial risk management

During the year, the Directors have examined the principal areas of the School's operations and considered the major risks in each of these areas. In the opinion of the Directors, the School has established systems which, under normal circumstances, should allow these risks to be managed at an acceptable level in its day-to-day operations. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed. A risk register is held and updated on a regular basis. Much of the operational work in this area is managed by the Risk Management Group, which comprises the Head and the senior management team.

The Directors continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. They monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate, by which those risks already identified by the Directors can best be managed.



## The key controls used by the School include:

- Formal agendas for all Committee and Board activity
- Detailed terms of reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of the students

## Plans for future periods

The School continues to regard teaching and learning to be of the highest importance and will continue to make further progress and improvements in this area. Core objectives for the 2024-27 Strategic Plan include:

- Upholding the highest standards in both academic and personal development;
- Empowering our community by providing forward-thinking education and excellence-driven initiatives;
- Securing the School's future by ensuring the financial stability of the School and widening access to maximise admissions.

## Statement of Directors' responsibilities

The Directors (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP (FRS 102);
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

- So far as that Director is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- That Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

Crowe U.K. LLP has indicated its willingness to be reappointed as the School's statutory auditor.

Approved by order of the members of the Board of Directors and signed on their behalf by:

Mr S Aldis, Chairman
Date: 20.05.26

## Opinion

We have audited the financial statements of Wolverhampton Grammar School Limited 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 the Company's incoming resources and application of resources, including its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Directors' 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 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 Directors with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors 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.

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

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

- The information given in the Directors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

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

In the light of our 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 Directors' Report including the Strategic Report.

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

- The company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- The company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

## Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, the Directors (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 Directors 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 Directors are responsible for assessing the 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 Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Auditors' 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 Auditors' 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 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.

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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Use of our report**

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

**Guy Biggin**
for and on behalf of
**Crowe U.K. LLP**
Statutory Auditor
Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR

Date:

**WOLVERHAMPTON 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 £000 | Restricted funds 2025 £000 | Endowment funds 2025 £000 | Total funds 2025 £000 | *Total funds 2024 £000* |
|---|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | | |
| Donations and legacies | 4 | **3** | **-** | **-** | **3** | *-* |
| Charitable activities | 5 | **11,380** | **-** | **-** | **11,380** | *11,563* |
| Other trading activities | 6 | **75** | **-** | **-** | **75** | *78* |
| Investments | 7 | **64** | **12** | **-** | **76** | *92* |
| Other income | 8 | **64** | **-** | **-** | **64** | *810* |
| **Total income and endowments** | | **11,586** | **12** | **-** | **11,598** | *12,543* |
| **Expenditure on:** | | | | | | |
| Charitable activities | 9 | **11,286** | **34** | **-** | **11,320** | *12,499* |
| **Total expenditure** | | **11,286** | **34** | **-** | **11,320** | *12,499* |
| **Net income/(expenditure) before net gains on investments** | | **300** | **(22)** | **-** | **278** | *44* |
| Net gains on investments | | **2** | **1** | **-** | **3** | *33* |
| **Net movement in funds** | | **302** | **(21)** | **-** | **281** | *77* |
| **Reconciliation of funds:** | | | | | | |
| Total funds brought forward | | **13,903** | **517** | **212** | **14,632** | *14,555* |
| Net movement in funds | | **302** | **(21)** | **-** | **281** | *77* |
| **Total funds carried forward** | | **14,205** | **496** | **212** | **14,913** | *14,632* |

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

The notes on pages 20 to 41 form part of these financial statements.

**WOLVERHAMPTON GRAMMAR SCHOOL**

**(A company limited by guarantee)**
**REGISTERED NUMBER: 06610261**

## BALANCE SHEET
## AS AT 31 AUGUST 2025

| | Note | | 2025 £000 | | *2024 £000* |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 13 | | **11,913** | | *12,159* |
| Investments | 14 | | **369** | | *366* |
| | | | **12,282** | | *12,525* |
| **Current assets** | | | | | |
| Stocks | 15 | **5** | | *8* | |
| Debtors | 16 | **5,124** | | *1,383* | |
| Investments | 17 | **500** | | *1,500* | |
| Cash at bank and in hand | | **4,594** | | *3,942* | |
| | | **10,223** | | *6,833* | |
| **Current liabilities** | | | | | |
| Creditors: amounts falling due within one year | 18 | **(7,592)** | | *(4,726)* | |
| **Net current assets** | | | **2,631** | | *2,107* |
| **Total net assets** | | | **14,913** | | *14,632* |
| **Charity funds** | | | | | |
| Endowment funds | 19 | | **212** | | *212* |
| Restricted funds | 19 | | **496** | | *517* |
| Unrestricted funds | 19 | | **14,205** | | *13,903* |
| **Total funds** | | | **14,913** | | *14,632* |

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

**Mr S Aldis**
Chairman
Date: 20.05.26

**Mr G Hopwood**
Chair of Finance Committee

The notes on pages 20 to 41 form part of these financial statements.

## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 AUGUST 2025

| | Note | 2025 £000 | *2024 £000* |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net cash used in operating activities | 22 | **(371)** | *852* |
| **Cash flows from investing activities** | | | |
| Dividends, interests and rents from investments | | **76** | *92* |
| Proceeds from the sale of tangible fixed assets | | **9** | *8* |
| Purchase of tangible fixed assets | | **(62)** | *(309)* |
| **Net cash provided by/(used in) investing activities** | | **23** | **(209)** |
| **Change in cash and cash equivalents in the year** | | **(348)** | **643** |
| Cash and cash equivalents at the beginning of the year | | **5,442** | *4,799* |
| **Cash and cash equivalents at the end of the year** | 23 | **5,094** | *5,442* |

The notes on pages 20 to 41 form part of these financial statements

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

### 1. General information

Wolverhampton Grammar School Limited is a charity and company limited by guarantee and registered in England. The members of the Company are the Directors named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £10 per member of the Company.

The registered office of Wolverhampton Grammar School Limited is Wolverhampton Grammar School, Compton Road, Wolverhampton, WV3 9RB.

The nature of the School's operations and principal activities are that of an educational establishment.

### 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.

Wolverhampton 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.

Under a uniting direction issued by the Charities Commission, Wolverhampton Grammar School Foundation is treated as forming part of Wolverhampton Grammar School Limited which is to be the reporting charity for the purposes of part 4 (registration) and part 8 (accounting) of the Charities Act 2011.

#### 2.2 Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

## 2. Accounting policies (continued)

### 2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

### 2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset’s use.

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

All expenditure is inclusive of irrecoverable VAT.

### 2.5 Tangible fixed assets and depreciation

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)

### 2.5 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.

Depreciation is provided on the following bases:

| | |
|---|---|
| Freehold property | - 0-10% straight line |
| Plant and machinery | - 10-25% straight line |
| Motor vehicles | - 20% straight line |

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

### 2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

### 2.7 Stocks

Wolverhampton Grammar School holds stocks of cleaning products, food and clothing to which are all valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stock.

### 2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### 2.9 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.

### 2.10 Creditors

Creditors are recognised at the amount due to settle the obligation and can be measured or readily estimated.

### 2.11 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

## 2. Accounting policies (continued)

### 2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

### 2.13 Pensions

The School exited the Teacher's Pension Scheme England and Wales (TPS) for most teachers and Local Government Pension Scheme (LGPS) and Independent Schools Pension Scheme ("the ISPS") for all support staff in May 2024.

This year academic and related staff either remain part of the Teacher's Pension Scheme England and Wales (TPS) which is a defined benefit scheme or the Royal London workplace pension scheme which is a defined contribution scheme.

Support staff are part of the Peoples Pension or Royal London workplace schemes.

The Teachers' Pension Scheme ("TPS"), a defined benefit schemes and the assets are held separately from those of the School. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is a multiemployer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The Local Government Pension Scheme (LGPS) is defined benefits pension scheme where the pension charge is based on a full actuarial valuation dated 31 August 2024.

The ISPS is a defined benefit scheme, however it is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

### 2.14 Fund accounting

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

Endowment funds comprise of investments established by a foundation that makes consistent withdrawals from invested capital.

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 estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation has been used by the actuary in valuing the pensions liability at 31 August 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

## 4. Income from donations and legacies

| | **Unrestricted funds 2025 £000** | **Total funds 2025 £000** | *Total funds 2024 £000* |
|---|---|---|---|
| Donations | 3 | **3** | - |

## 5. Income from charitable activities

| | Unrestricted funds 2025 £000 | Total funds 2025 £000 | *Total funds 2024 £000* |
|---|---|---|---|
| School fees - see breakdown below | 10,338 | **10,338** | *10,456* |
| Catering, music & travel income | 761 | **761** | *688* |
| Other educational income | 69 | **69** | *107* |
| Trip income | 212 | **212** | *312* |
| **Total 2025** | 11,380 | **11,380** | *11,563* |
| *Total 2024* | *11,563* | *11,563* | |

| | 2025 £000 | *2024 £000* |
|---|---|---|
| **School fees** | | |
| Gross fees | **11,182** | *11,310* |
| Bursaries, scholarships & other awards | **(844)** | *(854)* |
| | **10,338** | *10,456* |

## 6. Income from other trading activities

### Income from fundraising events

| | Unrestricted funds 2025 £000 | Total funds 2025 £000 | *Total funds 2024 £000* |
|---|---|---|---|
| Lettings | 75 | **75** | *78* |
| *Total 2024* | *78* | *78* | |

## 7. Investment income

| | Unrestricted funds 2025 £000 | Restricted funds 2025 £000 | Total funds 2025 £000 | *Total funds 2024 £000* |
|---|---|---|---|---|
| Income from investments | 64 | 12 | **76** | *92* |
| *Total 2024* | *84* | *8* | *92* | |

## 8. Other incoming resources

| | Unrestricted funds 2025 £000 | Total funds 2025 £000 | *Total funds 2024 £000* |
|---|---|---|---|
| Miscellaneous income | 64 | **64** | *47* |
| Other income | - | **-** | *763* |
| **Total 2025** | 64 | **64** | *810* |
| *Total 2024* | *810* | *810* | |

Other income in 2024 relates to the surplus realised upon cessation of the LGPS. See note 25 for more details.

## 9. Analysis of expenditure on charitable activities

### Summary by fund type

| | Unrestricted funds 2025 £000 | Restricted funds 2025 £000 | Total 2025 £000 | *Total 2024 £000* |
|---|---|---|---|---|
| Teaching and scholastic resources | 7,397 | 34 | **7,431** | *7,326* |
| Estates | 1,514 | - | **1,514** | *1,591* |
| Welfare and catering | 776 | - | **776** | *780* |
| Support cost and governance | 1,599 | - | **1,599** | *2,802* |
| **Total 2025** | 11,286 | 34 | **11,320** | *12,499* |
| *Total 2024* | *12,468* | *31* | *12,499* | |

### Summary by expenditure type

| | Staff costs 2025 £000 | Depreciation 2025 £000 | Other costs 2025 £000 | Total 2025 £000 | *Total 2024 £000* |
|---|---|---|---|---|---|
| Teaching and scholastic resources | 6,011 | 241 | 1,179 | **7,431** | *7,326* |
| Estates | 631 | 51 | 832 | **1,514** | *1,591* |
| Welfare and catering | - | - | 776 | **776** | *780* |
| Support cost and governance | 1,045 | 7 | 547 | **1,599** | *2,802* |
| **Total 2025** | 7,687 | 299 | 3,334 | **11,320** | *12,499* |
| *Total 2024* | *8,605* | *352* | *3,542* | *12,499* | |

In 2024, Support costs and governance costs included £1,226k in relation to the liability accrued upon exiting the Independent Schools Pension Scheme. See note 25 for more details.

## 10. Auditor's remuneration

| | 2025 £000 | *2024 £000* |
|---|---|---|
| Fees payable to the Company's auditor for the audit of the Company's annual accounts | **24** | *23* |
| Fees payable to the Company's auditor in respect of: | | |
| All non-audit services not included above | **2** | *2* |

## 11. Staff costs

| | 2025 £000 | *2024 £000* |
|---|---|---|
| Wages and salaries | **6,065** | *5,701* |
| Social security costs | **629** | *544* |
| Contribution to defined contribution pension schemes | **993** | *2,360* |
| | **7,687** | *8,605* |

During the year, the Company made redundancy and settlement payments totalling £75,000 *(2024 - £Nil)* in relation to 1 *(2024 - no)* employees.

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

| | 2025 No. | *2024 No.* |
|---|---|---|
| Teaching | **130** | *132* |
| Estates | **29** | *31* |
| Administration | **24** | *27* |
| | **183** | *190* |

The average headcount expressed as full-time equivalents was:

| | 2025 No. | *2024 No.* |
|---|---|---|
| Teaching | **99** | *100* |
| Estates | **22** | *21* |
| Administration | **20** | *21* |
| | **141** | *142* |

## 11. Staff costs (continued)

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 | **4** | *2* |
| In the band £70,001 - £80,000 | **1** | *1* |
| In the band £80,001 - £90,000 | **1** | *1* |
| In the band £90,001 - £100,000 | **1** | *2* |
| In the band £120,001 - £130,000 | **1** | *1* |

The total remuneration received by key management personnel, including wages, pension and benefits in kind amounted to £873k *(2024 - £895k).*

## 12. Directors' remuneration and expenses

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

During the year ended 31 August 2025, no Director expenses have been incurred *(2024 - £NIL)*.

## 13. Tangible fixed assets

| | Freehold property £000 | Plant and machinery £000 | Motor vehicles £000 | Total £000 |
|---|---|---|---|---|
| **Cost or valuation** | | | | |
| At 1 September 2024 | **15,971** | **1,825** | **87** | **17,883** |
| Additions | **36** | **26** | **-** | **62** |
| Disposals | **(1,682)** | **(1,191)** | **(42)** | **(2,915)** |
| At 31 August 2025 | **14,325** | **660** | **45** | **15,030** |
| **Depreciation** | | | | |
| At 1 September 2024 | **4,091** | **1,586** | **47** | **5,724** |
| Charge for the year | **225** | **67** | **7** | **299** |
| On disposals | **(1,682)** | **(1,191)** | **(33)** | **(2,906)** |
| At 31 August 2025 | **2,634** | **462** | **21** | **3,117** |
| **Net book value** | | | | |
| At 31 August 2025 | **11,691** | **198** | **24** | **11,913** |
| *At 31 August 2024* | *11,880* | *239* | *40* | *12,159* |

## 14. Fixed asset investments

| | Listed investments £000 |
|---|---|
| **Cost or valuation** | |
| At 1 September 2024 | **366** |
| Revaluations | **3** |
| At 31 August 2025 | **369** |
| **Net book value** | |
| At 31 August 2025 | **369** |
| *At 31 August 2024* | *366* |

## 15. Stocks

| | 2025 £000 | *2024 £000* |
|---|---|---|
| Finished goods and goods for resale | **5** | *8* |

## 16. Debtors

| | 2025 £000 | *2024 £000* |
|---|---|---|
| Trade debtors | **3,879** | *122* |
| Other debtors | **24** | *46* |
| Prepayments and accrued income | **1,221** | *1,215* |
| | **5,124** | *1,383* |

## 16. Debtors (continued)

The increase in trade debtors during the year is primarily due to a change in the accounting treatment of school fee income following the introduction of VAT on fees.

In the current year, amounts invoiced to parents in respect of school fees, including the related VAT element, are recognised as trade debtors at the point the invoices are raised. In the prior year, under the previous fee arrangements, equivalent balances were not recognised in the same way at the year end.

Accordingly, the year-on-year increase in trade debtors largely reflects the revised invoicing and recognition approach arising from the VAT changes, rather than a deterioration in the collectability of debts or changes in payment behaviour.

## 17. Current asset investments

| | 2025<br>£000 | *2024*<br>*£000* |
|---|---|---|
| Short term investments | **500** | *1,500* |

## 18. Creditors: Amounts falling due within one year

| | 2025<br>£000 | *2024*<br>*£000* |
|---|---|---|
| Fees in advance | **5,389** | *2,235* |
| Trade creditors | **503** | *217* |
| Other taxation and social security | **1,032** | *127* |
| Other creditors | **323** | *1,885* |
| Accruals and deferred income | **345** | *262* |
| | **7,592** | *4,726* |

| | 2025<br>£000 | *2024*<br>*£000* |
|---|---|---|
| **Deferred income** | | |
| Deferred income at 1 September 2024 | **36** | *19* |
| Resources deferred during the year | **82** | *32* |
| Amounts released from previous periods | **(12)** | *(15)* |
| **Deferred income at 31 August 2025** | **106** | *36* |

Deferred income relates to income received in advance for future trips £73k *(2024 - £6k)*, Charity collections totalling £27k *(2024 - £19k)*, future income related to Bennett Garden £1k *(2024 - £5k)*, Middle School deposits £1k *(2024 - £1k)* and WGS relief fund £4k *(2024 - £4k)*.

## 19. Statement of funds

### Statement of funds - current year

| | Balance at 1 September 2024 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 August 2025 £000 |
|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | |
| General | **13,903** | **11,586** | **(11,286)** | **2** | **14,205** |
| **Endowment funds** | | | | | |
| Specie Funds | **212** | **-** | **-** | **-** | **212** |
| **Restricted funds** | | | | | |
| General Prize Fund | **154** | **2** | **-** | **(4)** | **152** |
| Wolfson Fund | **208** | **10** | **(34)** | **5** | **189** |
| Gym Refurb Donation | **2** | **-** | **-** | **-** | **2** |
| IAF Bursary | **1** | **-** | **-** | **-** | **1** |
| WGS Lab Donation | **152** | **-** | **-** | **-** | **152** |
| | **517** | **12** | **(34)** | **1** | **496** |
| **Total of funds** | **14,632** | **11,598** | **(11,320)** | **3** | **14,913** |

## 19. Statement of funds (continued)

### Statement of funds - prior year

| | *Balance at 1 September 2023 £000* | *Income £000* | *Expenditure £000* | *Gains/ (Losses) £000* | *Balance at 31 August 2024 £000* |
|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | |
| General Funds - all funds | *13,832* | *12,535* | *(12,468)* | *4* | *13,903* |
| **Endowment funds** | | | | | |
| Specie Funds | *212* | *-* | *-* | *-* | *212* |
| **Restricted funds** | | | | | |
| General Prize Fund | *145* | *1* | *-* | *8* | *154* |
| Wolfson Fund | *211* | *7* | *(31)* | *21* | *208* |
| Gym Refurb Donation | *2* | *-* | *-* | *-* | *2* |
| IAF Bursary | *1* | *-* | *-* | *-* | *1* |
| WGS Lab Donation | *152* | *-* | *-* | *-* | *152* |
| | *511* | *8* | *(31)* | *29* | *517* |
| **Total of funds** | *14,555* | *12,543* | *(12,499)* | *33* | *14,632* |

## 19. Statement of funds (continued)

**Endowment Funds**
The Specie Endowment Fund - relates to the historical costs of land and buildings held by the Foundation as specified in the 1979 Scheme of Government.

**Restricted Funds**

General Prize Funds - These represent a large number of individual donations given for the purpose of awarding prizes for achievement.

The Wolfson Fund - This fund is for the purpose of the award of bursaries to sixth form pupils.

The Gym Refurb Donation - This fund is donations received in respect of the gym refurbishment.

Independence Appeals Fund (IAF): (Bursary) - These monies were raised by appeal when the school was given notice by local government of their intention to cease to maintain the school. The purposes of the appeal were to raise £180,000 for new buildings and the balance of sums raised to provide financial assistance for children who otherwise would be unable to attend Wolverhampton Grammar School.

WGS Lab Refurbishment Fund - Donations have been received from the Old Wulfrunians in America specifically for the refurbishment of the Chemistry Laboratories, which were completed at the end of August 2018. Depreciation is being charged against the donation fund from over the expected life of the refurbishment in accordance with the deprecation policy.

## 20. Summary of funds

**Summary of funds - current year**

| | Balance at 1 September 2024 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 August 2025 £000 |
|---|---|---|---|---|---|
| General funds | **13,903** | **11,586** | **(11,286)** | **2** | **14,205** |
| Endowment funds | **212** | **-** | **-** | **-** | **212** |
| Restricted funds | **517** | **12** | **(34)** | **1** | **496** |
| | **14,632** | **11,598** | **(11,320)** | **3** | **14,913** |

## 20. Summary of funds (continued)

### Summary of funds - prior year

| | *Balance at 1 September 2023 £000* | *Income £000* | *Expenditure £000* | *Gains/ (Losses) £000* | *Balance at 31 August 2024 £000* |
|---|---|---|---|---|---|
| General funds | *13,832* | *12,535* | *(12,468)* | *4* | *13,903* |
| Endowment funds | *212* | *-* | *-* | *-* | *212* |
| Restricted funds | *511* | *8* | *(31)* | *29* | *517* |
| | *14,555* | *12,543* | *(12,499)* | *33* | *14,632* |

## 21. Analysis of net assets between funds

### Analysis of net assets between funds - current year

| | **Unrestricted funds 2025 £000** | **Restricted funds 2025 £000** | **Endowment funds 2025 £000** | **Total funds 2025 £000** |
|---|---|---|---|---|
| Tangible fixed assets | 11,913 | - | - | **11,913** |
| Fixed asset investments | - | 157 | 212 | **369** |
| Current assets | 9,884 | 339 | - | **10,223** |
| Creditors due within one year | (7,592) | - | - | **(7,592)** |
| **Total** | 14,205 | 496 | 212 | **14,913** |

### Analysis of net assets between funds - prior year

| | *Unrestricted funds 2024 £000* | *Restricted funds 2024 £000* | *Endowment funds 2024 £000* | *Total funds 2024 £000* |
|---|---|---|---|---|
| Tangible fixed assets | *11,947* | *-* | *212* | *12,159* |
| Fixed asset investments | *-* | *366* | *-* | *366* |
| Current assets | *6,682* | *151* | *-* | *6,833* |
| Creditors due within one year | *(4,726)* | *-* | *-* | *(4,726)* |
| **Total** | *13,903* | *517* | *212* | *14,632* |

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

| | 2025 £000 | *2024 £000* |
|---|---|---|
| Net income for the year (as per Statement of Financial Activities) | **281** | *77* |
| **Adjustments for:** | | |
| Depreciation charges | **299** | *352* |
| Gains on investments | **(3)** | *(33)* |
| Dividends, interests and rents from investments | **(76)** | *(92)* |
| Decrease in stocks | **3** | *1* |
| Increase in debtors | **(3,741)** | *(1,061)* |
| Increase in creditors | **2,866** | *1,608* |
| **Net cash provided by/(used in) operating activities** | **(371)** | *852* |

## 23. Analysis of cash and cash equivalents

| | 2025 £000 | *2024 £000* |
|---|---|---|
| Cash in hand | **4,594** | *3,942* |
| Cash held in investments | **500** | *1,500* |
| **Total cash and cash equivalents** | **5,094** | *5,442* |

## 24. Analysis of changes in net debt

| | At 1 September 2024 £000 | Cash flows £000 | At 31 August 2025 £000 |
|---|---|---|---|
| Cash at bank and in hand | **3,942** | **652** | **4,594** |
| Cash held in investments | **1,500** | **(1,000)** | **500** |
| | **5,442** | **(348)** | **5,094** |

## 25. Contingent liabilities

The School previously participated in the Independent Schools Pension Scheme, a defined benefit pension scheme.

Following the Virgin Media court judgments regarding historical amendments to contracted-out defined benefit pension schemes, there remains uncertainty as to whether the Scheme's technical provisions, and therefore any employer exit debt, could be affected.

Although legislation has since been enacted intended to address this issue, the potential financial impact on the School remains uncertain pending completion of any review by the Scheme trustees and advisers. Accordingly, no provision has been recognised in these financial statements.

## 26. Pension commitments

The School exited the Teacher's Pension Scheme England and Wales (TPS) for most teachers and Local Government Pension Scheme (LGPS) and Independent Schools Pension Scheme ("the ISPS") for all support staff in May 2024.

This year academic and related staff either remain part of the Teacher's Pension Scheme England and Wales (TPS) which is a defined benefit scheme or the Royal London workplace pension scheme which is a defined contribution scheme.

Support staff are part of the Peoples Pension or Royal London workplace schemes.

**Teachers' Pension Scheme England and Wales ("the TPS")**

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. The Valuation Report shows notional assets of £222.2bn and liabilities of £262bn, resulting in a scheme deficit of £39.8bn.

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%.

The employer's pension costs paid to TPS in the year amounted to £993,000 *(2024 - £739,000)*.

**Independent Schools Pension Scheme ("the ISPS")**

During the prior year, the School participated in the TPT Retirement Solutions - Independent Schools' Pension Scheme, a multi-employer scheme which provides benefits to associated employers. The scheme was a defined benefit scheme in the UK. It was not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounted for the scheme as a defined contribution scheme.

**26. Pension commitments (continued)**

In the prior year the Charity exited this pension scheme resulting in the recognition of net expenditure of £1,226k. The amount was shown in expenditure in the Statement of Financial Activities and included within Other Creditors in the Balance Sheet.

The total contribution made for the year ended 31 August 2025 was £Nil *(2024 - £85,723)*, of which the total employer's contributions totalled £Nil *(2024 - £76,624)*, the employees' contributions totalled £Nil *(2024 - £9,009)* and past service costs of £Nil *(2024 - £55,452)*.

**Local Government Pension Scheme (LGPS)**

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee- administered funds. At 31 August 2024, the School opted to exit the pensions scheme, and the Fund's actuary carried out an exit valuation in respect of the School's admission to the Fund, which revealed that a surplus existed. The surplus was calculated as £763k, this amount was physically received during 2025 but was recognised in the 2024 Statement of Financial Activities in Other income and included in Accrued income in the Balance sheet.

The total contribution made for the year ended 31 August 2025 was £Nil *(2024 - £125,541)* of which employer's contributions totalled £Nil *(2024 - £93,585)* and employees' contributions totalled £Nil *(2024 - £31,956).*

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the LGPS was 31 August 2024.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

| | **At 31 August 2025 %** | *At 31 August 2024 %* |
|---|---|---|
| Discount rate | **N/A** | *5.00* |
| Future salary increases | **N/A** | *3.65* |
| Future pension increases | **N/A** | *2.60* |

| | **At 31 August 2025 Years** | *At 31 August 2024 Years* |
|---|---|---|
| Mortality rates (in years) | | |
| - for a male aged 65 now | **N/A** | *21.8* |
| - at 65 for a male aged 45 now | **N/A** | *22.3* |
| - for a female aged 65 now | **N/A** | *24.4* |
| - at 65 for a female aged 45 now | **N/A** | *26.0* |

The actual return on scheme assets was £Nil *(2024 - £153,000)*.

## 27. 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 £000 | *2024 £000* |
|---|---|---|
| Not later than 1 year | **38** | *41* |
| Later than 1 year and not later than 5 years | **40** | *77* |
| Later than 5 years | **-** | *1* |
| | **78** | *119* |

The following lease payments have been recognised as an expense in the Statement of financial activities:

| | 2025 £000 | *2024 £000* |
|---|---|---|
| Operating lease rentals | **1** | *1* |

## 28. Related party transactions

The Wolverhampton Grammar School Independence Appeals Fund, formally registered as a charity in 1978, exists to provide financial support to Wolverhampton Grammar School. Its principal focus is the provision of means tested bursaries and scholarships to pupils. Although it operates as an independent charity with its own governance, it exists solely to benefit and fund Wolverhampton Grammar School Limited. During the year, the Independence Appeals Fund awarded a total of £195k in means tested bursarial, scholarship, and hardship support to students at Wolverhampton Grammar School *(2024: £173k)*.

The Wolverhampton Grammar School 1958 Appeal Fund was originally established in 1958 and formally registered as a charity in 2002. Its purpose is to support the school's aims, with a particular emphasis on providing financial assistance for capital projects. Like the Independence Appeals Fund, it is an independent charity whose sole beneficiary is Wolverhampton Grammar School. During the year, the 1958 Appeal Fund contributed £Nil towards capital projects at Wolverhampton Grammar School *(2024: £Nil)*.

During the year, the School provided tuition to 4 pupils related to the Directors and 7 pupils related to key management personnel (*2024 - 6 related to the Directors, 4 related to key management personnel)*.

Fees receivable from Directors and key management personnel were £53k *(2024 - £104k)*. The amount outstanding to Wolverhampton Grammar School at the year end was £Nil *(2024 - £Nil)*. Fees for Director's are charged at market rate, without reduction.

**WOLVERHAMPTON GRAMMAR SCHOOL LIMITED**

England & Wales - Charity number 1125268

# Accounts

# Directors' Report and Financial Statements

**for the year ended 31 August 2024**

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**Registered number: 6610261**

**Charity number: 1125268**

# Reference and administrative details of the Company, its Directors and Advisers for the year ended 31 August 2024.

**Directors**

Mr J Sage, Chairman 1,2,4,5

Mr C I Bill, Chairman of Finance and General Purposes Committee 2,4,5

Mrs E Bloch, Chairman of Education Committee 1

Mr S Aldis, Chairman of Estates Committee 2,3

Mr N C Berriman 2,3 (resigned 29 April 2024)

Ms E Forde MBE 1 (resigned 18 September 2023)

Dr M Gowan Gopal 1 (resigned 14 November 2024)

Mr P A Hawthorne CBE 1,4

Mr J A Harper 2

Mr A Holles 2,5

Mr Y J Malik 1,3 (resigned 20 October 2023)

Mr S Dhami 1 (appointed 6 May 2024)

Mr A Hymer 1 (appointed 6 May 2024)

1 Members of The Education Committee
2 Members of The Finance and General Purposes Committee
3 Members of The Estates Committee
4 Members of The Remuneration Committee
5 Members of The Audit Committee

**Company registered number: 6610261**
**Charity registered number: 1125268**

**Registered office:**
**Compton Road, Wolverhampton, WV3 9RB**

| | |
|---|---|
| **Company Secretary** | Mrs S Hemmings |
| **The Head** | Mr N J C Anderson |
| **Independent Auditors** | Crowe UK LLP<br>Fourth Floor<br>St James House<br>St James Square<br>Cheltenham<br>GL50 3PR |
| **Bankers** | Lloyds Bank Plc<br>28a High Street<br>Tettenhall<br>Wolverhampton<br>WV6 8QT |
| **Solicitors** | FBC Manby Bowdler LLP<br>6-8 George Street<br>Snow Hill<br>Wolverhampton<br>WV2 4DN |
| **Investment Managers** | M&G Securities Limited<br>Laurence Pountney Hill<br>London<br>EC4R 0HH<br><br>Evelyn Partners<br>3rd Floor,<br>9 Colmore Row<br>Birmingham<br>B3 2BJ<br><br>CCLA Investment Management Limited<br>80 Cheapside<br>London<br>EC2 6DZ |

# Directors' Report

## for the year ended 31 August 2024

The Directors, who are also Trustees, present their annual report together with the audited financial statements of the Company and the consolidated Group for the 1 September 2023 to 31 August 2024. The Annual report serves the purposes of both a Directors' Report and a Directors' Report under company law. The Directors confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

### a. Policies and objectives

The objects of the charity are "the provision and conduct in or near Wolverhampton of a day school for boys and girls", thereby providing the advancement of education within the meaning of English law.

At Wolverhampton Grammar School, our vision is to deliver an education that transforms lives as well as minds. We do this by providing an education that treats every child as an individual; inspiring them through excellent teaching and a curriculum that is tailored to securing the best outcomes for all. We can do this because of small class sizes, outstanding pastoral care, flexibility within our academic structures and an all-embracing range of extra-curricular activities. All our staff play a part in inspiring students to develop a love of learning.

Our school community is built on an ethos of openness, trust and mutual respect. We know that a challenging education requires a supportive, caring environment as well as a blend of skills and a mind-set that embraces diversity and difference.

For us, education is not just about academic achievement, it's about helping our students to know they can make a difference during their time at school and after they leave us. All our students are treated warmly as individuals and their opinions are valued.

### Objectives for the Year

The School's objectives for the year were to deliver against the final year of the School's 2022-24 Strategic Plan (as outlined below), whilst remaining true to the School's mission as stated above and taking into account new challenges and opportunities that may occur.

### b. Strategies for achieving objectives

The Strategic Plan was reviewed and updated annually leading to the production of annual whole School Development Plans detailing the annual School objectives for the year concerned. Departmental and individual objectives were linked through to the whole School Development Plan allowing a co-ordinated and well communicated approach to achieving objectives. This review and objective setting process involves staff, the senior management team, and the Directors.

### Our three core objectives were:

| | |
|---|---|
| To improve and grow our School, by | • Maximising academic achievement<br>• Optimising our Sixth Form offer<br>• Building on the success of our Junior School<br>• Extending a WGS education to a wider audience<br>• Increasing our provision of bursary places |
| To look after and develop our people, by | • Embedding a community that embodies Equity, Diversity and Inclusion for all students and staff<br>• Being a centre of excellence for student wellbeing and personal development<br>• Being a centre of excellence for staff professional development and wellbeing |
| To have a positive impact on our surroundings, by | • Contributing more to the City of Wolverhampton and nearby areas<br>• Working towards a Carbon Zero school |

## Activities undertaken to achieve objectives

Wolverhampton Grammar School (WGS) provides education to boys and girls from the ages of 4 to 18 in the Junior and Infants setting and the Senior School. Whilst maintaining high academic standards, the school also provides specialist support for students with special educational needs through its Opportunities for Assisted Learning (OpAL) Department.

579 students aged 11 – 18 were on roll as of September 2023 in the Senior School (September 2022: 581) and 200 students aged 4 – 11 in the Junior School (September 2022: 190). The school continues to attract strong interest from the Wolverhampton area as well as from Staffordshire, Shropshire, Walsall and Dudley.

The results achieved in public examinations continue to highlight the academic power of the school. At GCSE the 2023/24 cohort achieved a 96% pass rate at grades 4 and above with 77% passes at 9-6. 10 students achieved a remarkable 10 or more GCSEs at grade 9 or 8 and 41% of entries were rewarded with the top two grades, 9 and 8.

At A Level there was a 100% pass rate, a 70% pass rate at A*-B and 42% at grade A*/A. 20% of our cohort were awarded straight A*s. All students who pursued Cambridge Technical qualifications in Sport and Physical Education or

Information Technology excelled, with 100% of students in the latter gaining at least a distinction 52% of students gained their first choice offer from one of the prestigious Russell Group universities. 83% successfully gained places at their first choice or insurance destinations. Our students will be studying a vast spectrum of subjects including Criminology, Law, Liberal Arts, Medicine (four students), Geography, Economics, Dentistry and Architecture and Sport Business Management. A small number have entered employment or an apprenticeship.

The Junior School, opened in 2011, continues to flourish and from September 2021, children aged 4-6 were part of Wolverhampton Grammar School for the first time in its history. The first year of Infant classes was incredibly successful with 47 children joining the school across the three new year groups. This increased to 56 children in the second year. Links with the Senior School are enhanced by sharing facilities and, in some cases, teachers (Sciences, Languages and Humanities are taught by Senior School staff) and there is strong support in place for both students and their parents in terms of transition to Senior School, including immersion days and parent information evenings.

The Music and Drama Departments continue to provide exciting opportunities for our students. The end of term Music concerts returned and were well attended. 63 instrumental exams were sat with 22 Distinctions awarded. The Senior School plays this year were an Upper School performance of 'The Twelfth Night' and a Lower School performance of 'The Chrysalids, both performed to sell-out audiences. In the Junior School, The Autumn Term ended with the Infants' Nativity. Years 3 & 4 performed 'Hansel & Gretel, and Years 5 & 6 performed 'Dick Whittington'. The annual Dance Show saw 75 Junior and Senior School girls perform in two sold-out performances.

Achievement and well-rounded education at WGS are evident both inside and outside the classroom. The School continues to provide quality sporting opportunities for students and participation levels are high. Interschool fixtures returned during the 2023/24 academic year with over 79 Football fixtures, 88 Hockey fixtures and 60 Cricket fixtures 97 Netball fixtures, 6 Tennis fixtures and 34 Rounders fixtures. Notable achievements were in Football where the U18 boys, U15 girls and U13 girls were City Cup runners-up. Our Junior School pupils entered several competitions run by the Wolverhampton Association for Sport in Primary Schools (WASPS), claiming victory in, KS1 City Sportshall Athletics KS1 Black Country Games Sports Hall, Athletics, U9 City Cricket, U11 City Hockey, U11 City Rounders. Meanwhile, our Senior sportspeople collected their own haul of awards at the ConnectEd Partnership's Wolverhampton Sports Presentation Evening including, Cross Country: U12 boys, U14 boys, U15 girls. Netball: U13 girls, U18 girls. Sportshall Athletics: U12 girls, U13 boys and girls. Football: U12 boys, U12 girls, U13 boys. The School also supports students who compete at city, county, regional and international level with supported learning and/or adapted curricula to ensure they do not fall behind and, in some cases, a tailored fitness programme to support their sporting discipline.

School trips that support and enrich the curriculum have continued to enhance the educational and spiritual growth of students. There were 21 trips in the Junior School and 79 in the Senior School throughout the year.

Notable trips included outdoor educational residential's for Years 2-7, a Reception trip to the Gruffalo trail at Cannock Chase, seven trips run by the Careers department, A Level and GCSE Geography Field Trips and Duke of Edinburgh Bronze, Silver and Gold expeditions. A full programme of overseas trips during the year with trips to Iceland, Berlin and sports trips to Spain, Germany, and South Africa and the annual ski trip to Austria.

Our Wellbeing Curriculum, encompassing Personal, Social, and Health Education (PSHE) and Relationships and Sex Education (RSE), is delivered by specialist teachers from Years 7 to 13. We have created a proactive and inclusive culture by training 32 Student Mental Health Champions, aged 11-18. These champions play a pivotal role in raising awareness, reducing stigma, and providing support. In addition to our Mental Health Champions our Diversity Champions, also aged between 11-18 years old, were shortlisted for the National Diversity Awards. Their role is to plan ways to mark different events that acknowledge the nine protected characteristics they all learn about in their Wellbeing lessons. Some of the notable events that the Diversity Champions have coordinated include raising awareness of Black History Month, Eid, World Mental Health Day, LGBTQ+ History Month and South Asian Heritage Month.

Our Diversity Champions and initiatives like the WGS Big Conversation have fostered a more inclusive and connected school culture. Events like the Wellbeing Evening for parents and students has strengthened the partnership between the school and families, enhancing support for students' mental health. An annual 'We are WGS Day' was a true celebration of the progress WGS has made so far to build a cohesive and happy school.

Significant capital projects during the year were upgraded lighting to the sports hall, refencing of the netball courts, new electric security gates and fencing.

We have reviewed August exam data (and end of year exams in Years 7, 8, 10 and L6) in departments to identify trends and adaptations to future planning and resources. Timetabled/calendared deadlines for departments to review/ implement actions from data with clear instructions for process.

AI working party with all departments to review ways in which AI can be used to assist with staff efficiencies and benefit students. To ensure support and stretch is in place for students to achieve their potential observations have taken place across lessons with feedback send to Heads of Department and the departmental meetings have been restructured to improve efficiencies. To ensure consistent behaviour expectation, we have updated the Behaviour Management Policy and the Attendance Policy, as well as rewritten the school rules. Work has is underway with our Student Voice group to update uniform expectations and we've introduced new mobile phone guidance for use of phones during the school day.

Main activities undertaken to further the Company's purposes for the public benefit

The Directors have given due regard to the Charity Commission guidance on public benefit and have continued to demonstrate the school's commitment to delivering public benefit to both its own students and the wider community of Wolverhampton. Means tested bursaries amounted to over half of all concessions awarded, with the total number of students in September 2023 receiving means tested bursaries amounting to 51 (September 2022: 54). The proportion of students receiving support with 90% or more of fees and additional extras is 66% (September 2022: 60%). All students receiving means tested financial support come from households where the gross annual income is less than £60,000. Two students on such an award are Previously Looked After Children.

A Ukrainian student joined the school on a free place during the summer term of 2021 as her host family had links to the school. Any additional costs related to her education are being met by the generosity of an Old Wulfrunian (alumnus).

Means tested bursaries are primarily offered at entrance in Year 7 and in Year 12, and in addition, a bursary continuity fund is used to support students through critical exam years where their parents have experienced significant financial difficulty.

The school sees itself very much as part of a wider community, and where we can assist the community without detriment to advancing the education of our students, we are delighted to do so. We provide public benefit to the community through a number of lettings at subsidised rates to local children's sports and holiday clubs, including junior cricket, and hockey clubs, Soccer 2000 and Pauline Quirke Academy.

Growing Young Minds, Lifelong Readers and Big Dreams is our community initiative which is expertly designed and led by Head Librarian at the School. Throughout the past 11 years the initiative has to inspired children to read for pleasure, connect with nature in the Bennett Story Garden and have life shaping experiences. This initiative has ensured that more than 120,000 children from over 50 state schools have worked alongside more than 250 inspirational authors, received free books and taken part in innovative workshops designed to boost literacy skills and develop lifelong readers.

The largest event to take place was on World Book Day when Dame Jacqueline Wilson spoke to over 450 children from 12 local schools. In September 2023, the Bennett Story Garden, was installed in an aim to make our library more environmentally friendly, encourage children to spend time outdoors and bring a range of nature themed books to life in an authentic setting. The Story Garden was custom designed with sensory features to support children with specific learning needs who often struggle to engage with literacy in a classroom setting. So far, over 200 children from several local state schools have attended workshops in the garden.

WGS again hosted the Wolverhampton Children's Book Award Ceremony, with shortlisted authors delivering presentations to over 200 children from 10 local schools. Other library events included Wolverhampton Children's Book Award Quiz and Wolverhampton Young Authors' Prize and Event. The Discover Reading Project, in partnership with Southern Connecticut State University in the USA, supported 12 children and their parents in gaining a love of reading

Both Senior and Junior Schools raise funds which are divided amongst local and national charities. The 26th annual Coast2Coast Challenge took place in May 2024 with 11 Year 10 students running a 170-mile relay from St Bees to Robin Hood's Bay. The team raised a record-breaking £8,540 for the eating disorder charity, Beat.

During 2023/24 academic year, we raised over £11,500 for good causes. Following the Morocco earthquake, students raised £852 for the Earthquake Appeal, other outstanding efforts include £2,951 for Comic Relief, £1494.30 during a non- uniform day which was split between Children In Need and British Red Cross. The Junior and Infants raised £3,519 for their chosen charities Birmingham's Children's Hospice, Ronald McDonald House and Tigers 4 Ever. £172 was also raised by Jenyns House following the 'WGS does X Factor' event for Eyecan, while Moreton house raised £418.75 for Compton Care with their Christmas Market.

The school actively supports the attainment of the highest standards in the Independent Schools sector through networking with other schools and membership of the appropriate bodies concerned with such standards. The Head is an elected member of HMC – The Heads' Conference and represents the West Division of Heads on HMC's Academic Policy Sub-Committee. The Warwick Group of HMC schools provides a forum for the Head, the Deputy Heads and Heads of all academic departments to meet and consider matters of mutual interest and importance. The school is a member of the Independent Schools' Bursars Association which provides relevant advice for the effective administration of the School. Four of the School's leaders and management serve the wider educational community by acting as School governors in regional state schools.

In the furtherance of the aims of the School, the Directors have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published and relevant sub sector guidance concerning the operation of the Public Benefit requirement under that Act.

## Fundraising and Volunteering Activities

The School continues to promote the Independence Appeals Fund for the collection of donations and legacies for augmenting bursary funds. The Directors are grateful for donations of c.£132,000 received during the year.

Work is underway on the '150th Appeal', a new fundraising campaign to mark the forthcoming 150th anniversary of WGS being located on the Compton Road site in October 2025. This new fundraising campaign was launched during the 2023-24 academic year; ahead of planned activities from September 2024 onwards. These include a charity ball, garden party, donation tree and stained-glass window competition.

Many parents, friends of the school and Old Wulfrunians help with fundraising, cultural and sporting activities and careers events providing many hours of voluntary service during the year. The Directors very much appreciate their continuing and valuable support.

## Strategic report

## Achievements and performance

a. Key performance indicators

The Directors consider that the key financial performance indicators are pupil numbers; full fee equivalent pupil numbers; teaching staff:pupil ratios; investment surplus (profit before depreciation as a percentage of net fee income); salary costs as a percentage of net fee income; bursary and scholarship concessions as a percentage of gross fee income; percentage fee rises; level of annual capital expenditure and reserves levels.

The key performance indicators are set during the budget process and reviewed at least once a term by the Finance and General Purposes Committee through the production of monthly management accounts and the annual SORP accounts.

b. Review of activities

The gains for the year (before transfers between funds, movements on pension scheme valuation and movements on investment assets) amounted to £115k (2023: deficit of £226k). The gains for the year after transfers between funds, movement on pension scheme valuation and gains on investment assets amounted to £595k (2023: deficit of £81k) and has been transferred to reserves. Total funds amounted to £20,906k (2023: £20,311k). The overall cash surplus for the year amounted to £601k (2023: £400k).

During the year, fee income after bursaries and discounts increased by £918k; equivalent to a 9.6% increase (2023: £420k; equivalent to a 4.6% increase). Fees were increased by between 6% and 7.5% in September 2023. No Government Grants were received during the year (2023: none). In addition, whilst the school continues to maintain a good level of means tested bursary assistance, the level of non-means tested Scholarship concessions have been reduced. The donations and legacies received during the year were £190k, (2023: £209k) for bursary support. The school has continued to work to increase awareness of the benefits that a child obtains through the award of a bursary and is very grateful to its alumni body both in the UK and abroad for their continued bursary donations to the Independence Appeal Fund.

Total resources expended, post exceptional items, increased to £12,724k (2023: £10,899). Spend in all areas has increased year on year after 2 years of reduced expenditure due to the pandemic. The teaching staff: pupil ratio of 1:10.1 is consistent with previous years (2023: 1:10.1) due principally to the staff ratios required in the new Infant classes. Salary costs were 70.8% of net fee income (2023: 74.5%). Costs continue to be tightly controlled but some increases are unavoidable in view of the economic environment in which the school is operating.

The value of the investments held have increased, with realised and unrealised gains amounting to £480k (2023: £114k loss). Whilst the latter is largely beyond the control of Directors, there is a strong expectation that operating costs will continue to be driven down in order to optimise the incoming resources for the main aim of the charity: the education of its students. The ongoing aim of the school is to increase cash surpluses to enable the School to invest in an ongoing capital expenditure plan to allow buildings to be updated and to increase the level of reserves to provide security for the School in the current uncertain political and economic climate.

## Reserves Policy

The school aims to build up and maintain its unrestricted free reserves in order to accommodate longer term plans for capital investment and other strategic objectives as well as provide an emergency fund to manage the risks and uncertainty for an educational charity in the current political and economic climate. In addition, the Directors recognise the need to increase the restricted and endowment reserves held, in particular the Independence Appeals Fund, to help fund future transformational bursaries. As a result, capital expenditure has been carefully controlled since the pandemic to ensure that cash and reserves levels are maintained at an appropriate level. Total capital expenditure in the year was £308k (2023: £334k) with the main expenditure being new security in/out gates on the main site, roofing refurbishments, air conditioning upgrades and LED lighting upgrades.

Consolidated reserves at 31 August 2024 amounted to £20,906k (2023: £20,311k). At 31 August 2024 the consolidated free reserves including unrestricted investments but excluding unrestricted fixed assets were £5,565k (2023: £5,169k). Details of the specific reserves held are provided in note 24 to the accounts.

The Directors are satisfied that they have sufficient resources available to meet liabilities and any unscheduled future costs and review their policy on an annual basis.

c. Investment policy and performance

The Trustees of the Appeals Funds have appointed Investment Managers to manage the investment portfolio on a discretionary basis in accordance with the agreed strategy. The Trustees monitor the returns on a regular basis. The main investment objectives are:

- The creation of a sufficient financial return to enable the Charity to carry out its purposes effectively and without interruption;
- The maintenance and enhancement of the investment funds over the long term;
- To obtain a reasonable balance between capital growth and income so that the Charity can meet future as well as current needs;
- To avoid investments that are unduly risky.

The 1958 Investments achieved a gain of 17.1% during the year to 31 August 2024 and the other funds all returned positive gains. The Independence Appeals Fund gained 9.7%, the Restricted Fund increased by 7.3% and the Ivy Jones Endowed Fund gained by 9.0%.

The general policy is to maintain and grow investment capital levels, generating returns to provide the hardship bursary support to students who would otherwise be unable to attend the School. In addition, the returns are used to fund specific means tested awards through donations received for these purposes such as the Sports Scholarship and Ivy Jones Award, and the Foundation Bursaries.

## Financial review

a. Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Company and the consolidated Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Principal risks and uncertainties

### The Directors believe that the principal risks and uncertainties to the business are:

- Operational – attracting and maintaining pupil numbers in today's difficult economic environment;
- Environmental – ability to expand on the current School site due to planning considerations;
- Technological – keeping up to date in a world of fast-moving digital technology advances and in particular the impact of social media;
- Political – the threat to charitable status and charitable tax reliefs;
- Economic – the continued threat of VAT on fee levels.

Whilst these risks and uncertainties are considered and regularly reviewed, the Directors manage these at an acceptable level through their robust risk management policy and associated reserves position.

The Directors have taken strategic action to mitigate the risk in relation to uncertainties concerning future funding requirements for the school's three defined benefit pension schemes:

- The School exited the Teachers' Pension Scheme on 1st May 2024 after consultation with the teaching staff;
- The School served notice on the West Midlands Pension Fund and the Independent Schools' Pension Scheme on 31st August 2024 after consultation with the school's non-teaching staff

Defined Contribution arrangements are now in place for most staff as detailed in note 29 to the accounts.

## Structure, governance and management

a. Constitution

The School is a charity and company limited by guarantee, and is governed by its Memorandum and Articles of Association by its Board of Directors. The associated Trusts, The Independence Appeals Fund and The 1958 Appeal Fund are administered in conformity with their Trust Deeds by their Boards of Trustees. Wolverhampton Grammar School Foundation is administered in conformity with its revised Scheme of Government dated 16 February 2018 by Wolverhampton Grammar School Limited, who has been appointed the Corporate Trustee of the Foundation.

The consolidated accounts comprise Wolverhampton Grammar School Ltd (registered charity number 1125268), Wolverhampton Grammar School Foundation (registered charity number 529006), Wolverhampton Grammar School Independence Appeal Fund (registered charity number 507487) and Wolverhampton Grammar School 1958 Appeal Fund (registered charity number 1090885). The School was set up to run the operational and trading activities, the Foundation was set up to manage the specie endowed land and buildings and the two Appeal Funds were set up to support the School in its aims and to provide financial help wherever possible to students who would not otherwise have been able to attend Wolverhampton Grammar School.

b. Methods of appointment or election of Directors

The Board of Directors is appointed at the AGM under the terms of the Memorandum and Articles of Association. A small working group, made up of a committee of Directors appointed by the Chairman, carries out reviews of possible new members, in readiness for vacancies arising through retirements of Directors. They also carefully consider the range of skills which are needed on the Board, and names of potential Directors are recommended to the Board, when appropriate.

The Trustees of the Trust Funds are appointed by Deed of Appointment by the current/outgoing Trustees, who carefully consider the range of skills required on the boards.

c. Organisational structure and decision-making policies

The Directors are responsible for the overall management of the School and meet as a board at least three times a year. The Finance and General Purposes, Education and Estates Committees meet on a termly basis as a minimum and these committees are empowered on behalf of the Board to ensure that the policies as agreed by them are carried out. A copy of the minutes of these meetings and accounts are sent to all Directors.

The day-to-day management of the School is delegated to the Head, supported by the Senior Management Team. The Head and Finance Director attend all meetings of the Directors and the full Board, Education and Finance and General Purposes Committees, in addition the Finance Director attends the Estates Committee meetings. The Senior School Deputy Heads and Head of the Junior School attend meetings of the full Board and the Education Committee, with the Assistant Heads and the Director of Marketing & Communications attending the Education Committee only. The Annual General Meeting of the School (held in October) is attended by all members of the School (the Council of Members) and includes staff, parents and other stakeholder representatives.

After a period as Acting Head, the Directors are delighted that Nic Anderson has accepted the role as the permanent Head of Wolverhampton Grammar School. Nic has already begun working with his Senior Management Team and the Directors to form a new Strategic Plan to take the School forwards over the next three years. Core objectives will include upholding the highest standards, empowering our community and securing the School's future.

d. Policies adopted for the induction and training of Directors

New Directors are provided with an induction pack, which contains details of the Memorandum and Articles of Association of the School and other relevant documents, together with the Association of Governing Bodies induction resources. Before taking up post, they meet with the Chairman of the Board and the Head. Once appointed, a meeting with the Company Secretary is arranged, to provide more detailed information and to identify appropriate training courses for individuals to attend.

All Directors take part in annual training which provides relevant and up to date information on governance and school inspections with outside speakers being brought in as and when appropriate. Directors are also encouraged to attend training events run for the not for profit and school sector by external bodies.

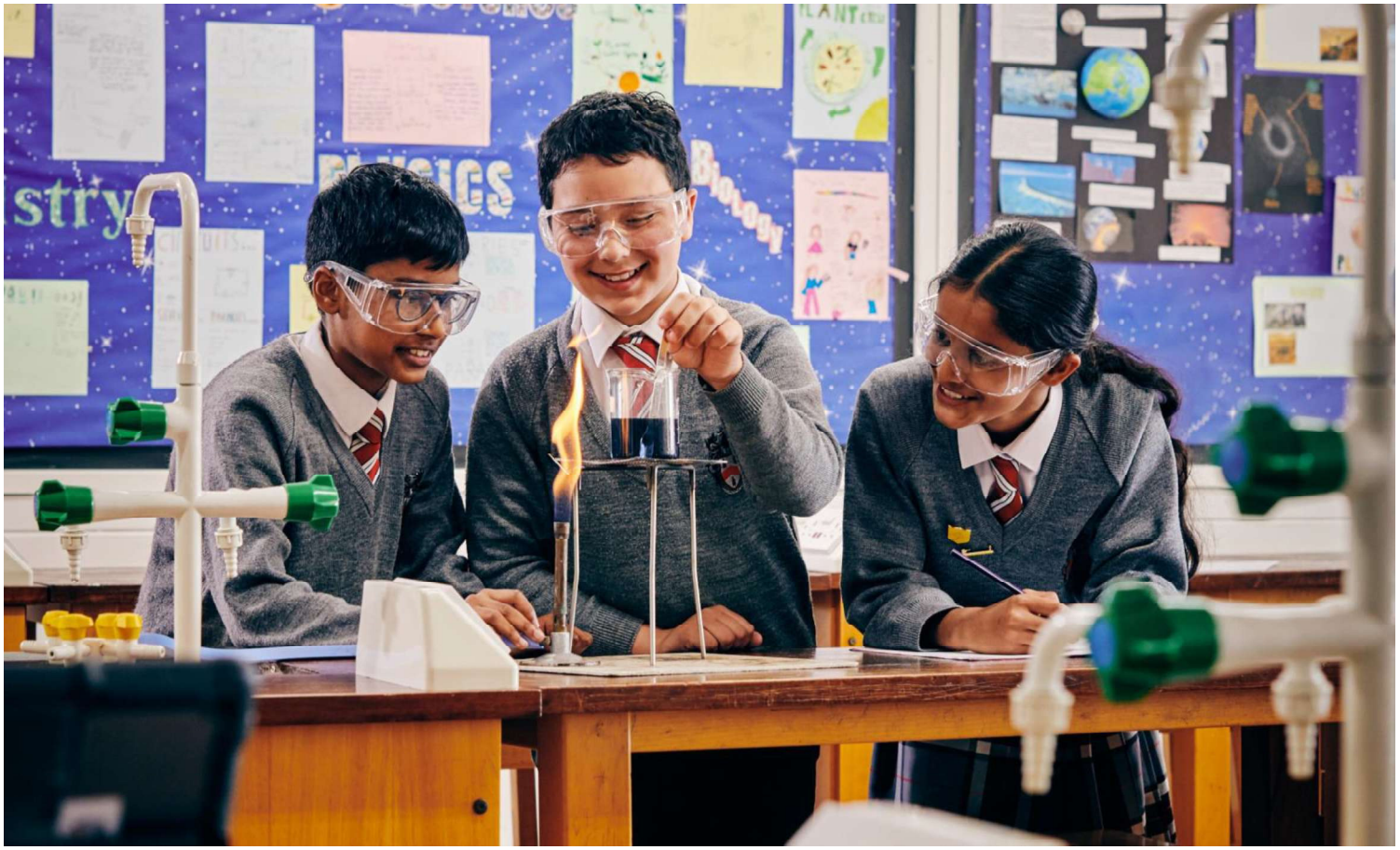
e. Pay policy for key management personnel

The Directors' Remuneration Committee meets annually to review the pay and remuneration of the Head and the Finance Director, with the Head also reviewing the pay of other members of the senior management team on an annual basis. Any proposed adjustments to the pay of the senior management team are confirmed by the Remuneration Committee. The review of all senior staff pay is with reference to their agreed annual objectives and performance.

f. Financial risk management

During the year, the Directors have examined the principal areas of the School's operations and considered the major risks in each of these areas. In the opinion of the Directors, the School has established systems which, under normal circumstances, should allow these risks to be managed at an acceptable level in its day-to-day operations. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed. A risk register is held and updated on a regular basis. Much of the operational work in this area is managed by the Risk Management Group, which comprises the Head and the senior management team.

The Directors continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. They monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate, by which those risks already identified by the Directors can best be managed.



## The key controls used by the School include:

- Formal agendas for all Committee and Board activity
- Detailed terms of reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of the students

## Plans for future periods

The School continues to regard teaching and learning to be of the highest importance and will continue to make further progress and improvements in this area. Core objectives for the new Strategic Plan will include:

- Upholding the highest standards in both academic and personal development;
- Empowering our community by providing forward-thinking education and excellence-driven initiatives;
- Securing the School's future by ensuring the financial stability of the school and widening access to maximise admissions.

## Statement of Directors' responsibilities

The Directors (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP (FRS 102);
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

- So far as that Director is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- That Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

After a rigorous process, the Directors have appointed Crowe U.K. LLP as the school's new auditors. Directors have also formed a new Audit Committee at WGS, which is attended by a representative from Crowe U.K. LLP.

Approved by order of the members of the Board of Directors and signed on their behalf by:

Mr J Sage
Chairman

Date: 16th May 2025

**Opinion**

We have audited the financial statements of Wolverhampton Grammar School Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated 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 Group's and of the parent charitable company's affairs as at 31 August 2024 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors 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.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- The information given in the Directors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

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

In the light of our 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 Directors' Report including the Strategic Report.

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

- The parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

**Responsibilities of Directors**

As explained more fully in the Directors' Responsibilities Statement, the Directors (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 Directors 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 Directors are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditors' 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 Auditors' 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 Auditors' 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 and group 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 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.

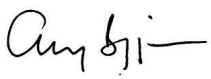
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit & Risk 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

**Use of our report**

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



**Guy Biggin (Senior statutory auditor)**
for and on behalf of

Crowe U.K. LLP
Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR

Date: 20 May 2025

# Consolidated Statement of Financial Activities (Incorporating income and expenditure accounts)

## for the year ended 31 August 2024

| | Note | Unrestricted funds 2024 £000 | Restricted funds 2024 £000 | Endowment funds 2024 £000 | Total funds 2024 £000 | *Total funds 2023 £000* |
|---|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | | |
| Donations and legacies | 4 | **4** | **186** | **-** | **190** | *209* |
| Charitable activities | 5 | **11,563** | **-** | **-** | **11,563** | *10,487* |
| Other trading activities | 6 | **78** | **-** | **-** | **78** | *73* |
| Investments | 7 | **164** | **59** | **-** | **223** | *139* |
| Other income | 8 | **810** | **-** | **-** | **810** | *65* |
| **Total income and endowments** | | **12,619** | **245** | **-** | **12,864** | *10,973* |
| **Expenditure on:** | | | | | | |
| Raising funds | 9 | **14** | **9** | **2** | **25** | *25* |
| Charitable activities | 10 | **12,525** | **199** | **-** | **12,724** | *10,899* |
| Exceptional items | 11 | **-** | **-** | **-** | **-** | *275* |
| **Total expenditure** | | **12,539** | **208** | **2** | **12,749** | *11,199* |
| **Net income/(expenditure) before net gains/(losses) on investments** | | **80** | **37** | **(2)** | **115** | *(226)* |
| Net gains/(losses) on investments | 17 | **265** | **186** | **29** | **480** | *(114)* |
| **Net movement in funds before other recognised gains/(losses) carried forward** | | **345** | **223** | **27** | **595** | *(340)* |

| | Note | Unrestricted funds 2024 £000 | Restricted funds 2024 £000 | Endowment funds 2024 £000 | Total funds 2024 £000 | *Total funds 2023 £000* |
|---|---|---|---|---|---|---|
| **Net movement in funds before other recognised gains/(losses) brought forward** | | **345** | **223** | **27** | **595** | *(340)* |
| **Other recognised gains/(losses):** | | | | | | |
| Other remeasurements | | **-** | **-** | **-** | **-** | *(580)* |
| Actuarial gains on defined benefit pension schemes | 29 | **-** | **-** | **-** | **-** | *839* |
| **Net movement in funds** | | **345** | **223** | **27** | **595** | *(81)* |
| **Reconciliation of funds:** | | | | | | |
| Total funds brought forward | | **17,375** | **2,440** | **496** | **20,311** | *20,392* |
| Net movement in funds | | **345** | **223** | **27** | **595** | *(81)* |
| **Total funds carried forward** | | **17,720** | **2,663** | **523** | **20,906** | *20,311* |

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

The notes on pages 24 to 47 form part of these financial statements.

# Consolidated Balance Sheet
## for the year ended 31 August 2024

| | Note | | 2024 £000 | | 2023 £000 |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 15 | | 12,366 | | 12,417 |
| Investments | 17 | | 4,995 | | 4,533 |
| Investment property | 16 | | 745 | | 745 |
| | | | 18,106 | | 17,695 |
| **Current assets** | | | | | |
| Stocks | 18 | 8 | | 9 | |
| Debtors | 19 | 1,396 | | 291 | |
| Investments | 20 | 1,500 | | - | |
| Cash at bank and in hand | | 4,539 | | 5,438 | |
| | | 7,443 | | 5,738 | |
| Creditors: amounts falling due within one year | 21 | (4,643) | | (2,748) | |
| **Net current assets** | | | 2,800 | | 2,990 |
| **Total assets less current liabilities** | | | 20,906 | | 20,685 |
| Creditors: amounts falling due after more than one year | 22 | | - | | (374) |
| **Total net assets** | | | 20,906 | | 20,311 |

| | Note | 2024 £000 | 2023 £000 |
|---|---|---|---|
| **Charity funds** | | | |
| Endowment funds | 23 | 523 | 496 |
| Restricted funds | 23 | 2,663 | 2,440 |
| Unrestricted funds | 23 | 17,720 | 17,375 |
| **Total funds** | | 20,906 | 20,311 |

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

**Mr J Sage**
Chairman
Date: 16th May 2025

**Mr C I Bill**
Chair of Finance Committee

The notes on pages 24 to 47 form part of these financial statements.

# Company Balance Sheet
## for the year ended 31 August 2024

| | Note | | 2024 £000 | | *2023 £000* |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 15 | | **12,159** | | *12,210* |
| Investments | 17 | | **366** | | *332* |
| | | | **12,525** | | *12,542* |
| **Current assets** | | | | | |
| Stocks | 18 | **8** | | *9* | |
| Debtors | 19 | **1,383** | | *322* | |
| Investments | 20 | **1,500** | | - | |
| Cash at bank and in hand | | **3,942** | | *4,799* | |
| | | **6,833** | | *5,130* | |
| Creditors: amounts falling due within one year | 21 | **(4,726)** | | *(2,743)* | |
| **Net current assets** | | | **2,107** | | *2,387* |
| **Total assets less current liabilities** | | | **14,632** | | *14,929* |
| Creditors: amounts falling due after more than one year | 22 | | **-** | | *(374)* |
| **Total net assets** | | | **14,632** | | *14,555* |

| | Note | | 2024 £000 | | 2023 £000 |
|---|---|---|---|---|---|
| **Charity funds** | | | | | |
| Endowment funds | 23 | | 212 | | 212 |
| Restricted funds | 23 | | 511 | | 511 |
| Unrestricted funds | | | | | |
| Unrestricted funds including pension asset | 23 | 14,360 | | 13,832 | |
| Total unrestricted funds | 23 | | 13,909 | | 13,832 |
| **Total funds** | | | 14,632 | | 14,555 |

The Company's net movement in funds for the year was £77k *(2023 - £(244k))*.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

**Mr J Sage**
Chairman
Date: 16th May 2024

**Mr C I Bill**
Chair of Finance Committee

The notes on pages 24 to 47 form part of these financial statements.

# Consolidated Statement of Cash Flows

## for the year ended 31 August 2024

| | Note | 2024 £000 | 2023 £000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net cash used in operating activities | 26 | **661** | *582* |
| **Cash flows from investing activities** | | | |
| Dividends, interests and rents from investments | | **223** | *139* |
| Proceeds from the sale of tangible fixed assets | | **8** | *-* |
| Purchase of tangible fixed assets | | **(309)** | *(334)* |
| Proceeds from sale of investments | | **406** | *869* |
| Purchase of investments | | **(388)** | *(856)* |
| **Net cash used in investing activities** | | **(60)** | ***(182)*** |
| **Change in cash and cash equivalents in the year** | | **601** | ***400*** |
| Cash and cash equivalents at the beginning of the year | | **5,438** | *5,038* |
| **Cash and cash equivalents at the end of the year** | 27 | **6,039** | *5,438* |

The notes on pages 24 to 47 form part of these financial statements

# Notes to the Financial Statements
## for the year ended 31 August 2024

### 1. General information

Wolverhampton Grammar School Limited is a charity and company limited by guarantee and registered in England. The members of the Company are the Directors named on page 1. In the event of the Company being wound up, the liability in respect of the guarentee is limited to £10 per member of the Company.

The registered office of Wolverhampton Grammar School Limited is Wolverhampton Grammar School, Compton Road, Wolverhampton, WV3 9RB.

The nature of the School's operations and principal activities are that of an educational establishment.

### 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.

Wolverhampton 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.

Under a uniting direction issued by the Charities Commission, Wolverhampton Grammar School Foundation is treated as forming part of Wolverhampton Grammar School Limited which is to be the reporting charity for the purposes of part 4 (registration) and part 8 (accounting) of the Charities Act 2011.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

#### 2.2 Basis of consolidation

The financial statements consolidate the accounts of Wolverhampton Grammar School and all of its subsidiary undertakings ('subsidiaries').

#### 2.3 Going concern

After making enquiries, the Directors have a reasonable expectation that the Company and the consolidated Group has adequate resources to continue in operational existence for the foreseeable future. The Company and consolidated Group therefore continues to adopt the going concern basis in preparing its financial statements.

## 2. Accounting policies (continued)

### .Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

### 2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group 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 Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

### 2.5 Tangible fixed assets and depreciation

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.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

| | |
|---|---|
| Freehold property | - 0-10% straight line |
| Plant and machinery | - 10-25% straight line |
| Motor vehicles | - 20% straight line |

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

## 2. Accounting policies (continued)

### 2.6 Investment Property

Investment property is carried at fair value determined annually by an appropriately qualified valuer and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided.

Revaluation gains and losses are recognised in the Statement of Financial Activities and accumulated in equity.

The 2024 valuations were made by the Directors, on an open market value for existing use basis.

### 2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

### 2.8 Stocks

Wolverhampton Grammar School holds stocks of cleaning products, food and clothing to which are all valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stock.

### 2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### 2.10 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.

### 2.11 Creditors

Creditors are recognised at the amount due to settle the obligation and can be measured or readily estimated.

### 2.12 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

### 2.13 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight-line basis over the lease term.

## 2. Accounting policies (continued)

### 2.14 Pensions

The School operates three pension schemes for its support staff; a defined contribution pension scheme, provided by Peoples' Pension where the pension charge represents the amounts payable by the School to the fund in respect of the year; a defined benefits pension scheme provided by the Local Government Pension Scheme (LGPS) where the pension charge is based on a full actuarial valuation dated 31 August 2024; and a pension scheme provided by The Independent Schools' Pension Scheme (ISPS). The ISPS is a defined benefit scheme, however it is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The School also contributes to a defined benefit pension scheme (final salary scheme) for the academic staff, which is a national scheme operated for the Department for Children, Schools and Families. The pension charge represents amounts payable by the School to the fund in respect of the year.

Retirement benefits to teaching employees of the School are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the School. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 30, the TPS is a multiemployer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the School in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

### 2.15 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 Group and which have not been designated for other purposes.

Endowment funds comprise of investments established by a foundation that makes consistent withdrawals from invested capital.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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 estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement: Property

Valuations

The value of the properties are based on an open market value, for existing use basis.

## 4. Income from donations and legacies

| | Unrestricted funds 2024 £000 | Restricted funds 2024 £000 | Total funds 2024 £000 | *Total funds 2023 £000* |
|---|---|---|---|---|
| Donations | 4 | 186 | **190** | *209* |
| *Total 2023* | *11* | *198* | *209* | |

## 5. Income from charitable activities

| | Unrestricted funds 2024 £000 | Total funds 2024 £000 | *Total funds 2023 £000* |
|---|---|---|---|
| School fees - see breakdown below | 10,456 | **10,456** | *9,538* |
| Catering, music & travel income | 688 | **688** | *623* |
| Other educational income | 107 | **107** | *120* |
| Trip income | 312 | **312** | *206* |
| | 11,563 | **11,563** | *10,487* |
| *Total 2023* | *10,487* | *10,487* | |

| | 2024 £000 | *2023 £000* |
|---|---|---|
| **School Fees** | | |
| Gross fees | **11,310** | *10,313* |
| Bursaries, scholarships & other awards | **(854)** | *(775)* |
| | **10,456** | *9,538* |

## 6. Income from other trading activities

### Income from fundraising events

| | Unrestricted funds 2024 £000 | Total funds 2024 £000 | *Total funds 2023 £000* |
|---|---|---|---|
| Lettings | 78 | **78** | *73* |
| *Total 2023* | *73* | *73* | |

## 7. Investment income

| | Unrestricted funds 2024 £000 | Restricted funds 2024 £000 | Total funds 2024 £000 | *Total funds 2023 £000* |
|---|---|---|---|---|
| Rental income from investment properties | 21 | - | **21** | *24* |
| Income from investments | 143 | 59 | **202** | *115* |
| | 164 | 59 | **223** | *139* |
| *Total 2023* | *90* | *49* | *139* | |

## 8. Other incoming resources

| | Unrestricted funds 2024 £000 | Total funds 2024 £000 | *Total funds 2023 £000* |
|---|---|---|---|
| Miscellaneous income | 47 | **47** | *65* |
| Other income | 763 | **763** | - |
| | 810 | **810** | *65* |
| *Total 2023* | *65* | *65* | |

Other income relates to the surplus realised upon cessation of the LGPS. See note 29 for more details.

## 9. Investment management costs

| | Unrestricted funds 2024 £000 | Restricted funds 2024 £000 | Endowment funds 2024 £000 | **Total funds 2024 £000** | *Total funds 2023 £000* |
|---|---|---|---|---|---|
| Expenditure on investment management | 14 | 9 | 2 | **25** | *25* |
| | 14 | 9 | 2 | **25** | *25* |
| *Total 2023* | *22* | *1* | *2* | *25* | |

## 10. Analysis of expenditure on charitable activities

### Summary by fund type

| | Unrestricted funds 2024 £000 | Restricted funds 2024 £000 | **Total 2024 £000** | *Total 2023 £000* |
|---|---|---|---|---|
| Teaching and scholastic resources | 7,299 | 31 | **7,330** | *7,168* |
| Estates | 1,644 | 164 | **1,808** | *1,536* |
| Welfare and Catering | 780 | 4 | **784** | *755* |
| Support costs and governance | 2,802 | - | **2,802** | *1,439* |
| Other | - | - | **-** | *1* |
| | 12,525 | 199 | **12,724** | *10,899* |
| *Total 2023* | *10,700* | *199* | *10,899* | |

## 10. Analysis of expenditure on charitable activities (continued)

**Summary by expenditure type**

| | Staff costs 2024 £000 | Depreciation 2024 £000 | Other costs 2024 £000 | Total 2024 £000 | *Total 2023 £000* |
|---|---|---|---|---|---|
| Teaching and scholastic resources | 5,789 | 254 | 1,287 | **7,330** | *7,168* |
| Estates | 604 | 88 | 1,116 | **1,808** | *1,536* |
| Welfare and Catering | - | - | 784 | **784** | *755* |
| Support costs and governance | 2,212 | 10 | 580 | **2,802** | *1,439* |
| Other | - | - | - | **-** | *1* |
| | 8,605 | 352 | 3,767 | **12,724** | *10,899* |
| *Total 2023* | *7,171* | *363* | *3,365* | *10,899* | |

Support and governance costs includes £1,226k in relation to the liability accrued upon exiting the Independent Schools Pension Scheme. See note 29 for more details.

## 11. Exceptional expenditure

| | Unrestricted funds 2024 £000 | Total funds 2024 £000 | *Total funds 2023 £000* |
|---|---|---|---|
| Restructuring costs | - | **-** | *275* |
| *Total 2023* | *275* | *275* | |

The exceptional expenditure in the prior year related to the costs incurred in appointing a new head teacher.

## 12. Auditor's remuneration

| | 2024 £000 | *2023 £000* |
|---|---|---|
| Fees payable to the Company's auditor for the audit of the Company's annual accounts | **23** | *15* |
| Fees payable to the Company's auditor in respect of: | | |
| All non-audit services not included above | **2** | - |

## 13. Staff costs

| | Group 2024 £000 | *Group 2023 £000* | Company 2024 £000 | *Company 2023 £000* |
|---|---|---|---|---|
| Wages and salaries | **5,701** | *5,517* | **5,701** | *5,517* |
| Social security costs | **544** | *550* | **544** | *550* |
| Contribution to defined contribution pension schemes | **2,360** | *1,104* | **2,360** | *1,104* |
| | **8,605** | *7,171* | **8,605** | *7,171* |

During the year, the Company made redundancy and settlement payments totaling £Nil *(2023 - £194k)* in relation to no employees *(2023 - three)*.

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

| | Group 2024 No. | *Group 2023 No.* |
|---|---|---|
| Teaching | **132** | *134* |
| Estates | **31** | *31* |
| Administration | **27** | *30* |
| | **190** | *195* |

The average headcount expressed as full-time equivalents was:

| | Group 2024 No. | *Group 2023 No.* |
|---|---|---|
| Teaching | **100** | *102* |
| Estates | **21** | *22* |
| Administration | **21** | *23* |
| | **142** | *147* |

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

| | Group 2024 No. | *Group 2023 No.* |
|---|---|---|
| In the band £60,001 - £70,000 | **2** | *1* |
| In the band £70,001 - £80,000 | **1** | *1* |
| In the band £80,001 - £90,000 | **1** | *3* |
| In the band £90,001 - £100,000 | **2** | - |
| In the band £120,001 - £130,000 | **1** | *1* |

The total remuneration received by key management personnel, including wages, pension and benefits in kind amounted to £895k *(2023 - £1,025k)*.

## 14. Directors' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2023 - £NIL)*.

During the year ended 31 August 2024, no Trustee expenses have been incurred *(2023 - £NIL)*.

## 15. Tangible fixed assets

**Group**

| | Freehold property £000 | Plant and machinery £000 | Motor vehicles £000 | Total £000 |
|---|---|---|---|---|
| **Cost or valuation** | | | | |
| At 1 September 2023 | **16,013** | **1,727** | **49** | **17,789** |
| Additions | **165** | **98** | **46** | **309** |
| Disposals | **-** | **-** | **(8)** | **(8)** |
| At 31 August 2024 | **16,178** | **1,825** | **87** | **18,090** |
| **Depreciation** | | | | |
| At 1 September 2023 | **3,878** | **1,457** | **37** | **5,372** |
| Charge for the year | **213** | **129** | **10** | **352** |
| At 31 August 2024 | **4,091** | **1,586** | **47** | **5,724** |
| **Net book value** | | | | |
| At 31 August 2024 | **12,087** | **239** | **40** | **12,366** |
| *At 31 August 2023* | *12,135* | *270* | *12* | *12,417* |

## 15. Tangible fixed assets (continued)

**Company**

| | Freehold property £000 | Plant and machinery £000 | Motor vehicles £000 | Total £000 |
|---|---|---|---|---|
| **Cost or valuation** | | | | |
| At 1 September 2023 | **15,806** | **1,727** | **49** | **17,582** |
| Additions | **165** | **98** | **46** | **309** |
| Disposals | **-** | **-** | **(8)** | **(8)** |
| At 31 August 2024 | **15,971** | **1,825** | **87** | **17,883** |
| **Depreciation** | | | | |
| At 1 September 2023 | **3,878** | **1,457** | **37** | **5,372** |
| Charge for the year | **213** | **129** | **10** | **352** |
| At 31 August 2024 | **4,091** | **1,586** | **47** | **5,724** |
| **Net book value** | | | | |
| At 31 August 2024 | **11,880** | **239** | **40** | **12,159** |
| *At 31 August 2023* | *11,928* | *270* | *12* | *12,210* |

## 16. Investment property

**Group**

| | Freehold investment property £000 |
|---|---|
| **Valuation** | |
| At 1 September 2023 | **745** |
| At 31 August 2024 | **745** |

Investment properties in Wolverhampton Grammar School 1958 Appeal Fund were valued by the Directors at open market value as at 31 August 2023. The historic costs of revalued investment properties is £393k *(2023 - £393k)*.

## 17. Fixed asset investments

| Group | Listed investments £000 | Other fixed asset investments £000 | Total £000 |
|---|---|---|---|
| **Cost or valuation** | | | |
| At 1 September 2023 | **4,518** | **15** | **4,533** |
| Additions | **388** | **-** | **388** |
| Disposals | **(406)** | **-** | **(406)** |
| Revaluations | **459** | **21** | **480** |
| At 31 August 2024 | **4,959** | **36** | **4,995** |
| **Net book value** | | | |
| At 31 August 2024 | **4,959** | **36** | **4,995** |
| *At 31 August 2023* | *4,518* | *15* | *4,533* |

| Company | Listed investments £000 |
|---|---|
| **Cost or valuation** | |
| At 1 September 2023 | **332** |
| Revaluations | **34** |
| At 31 August 2024 | **366** |
| **Net book value** | |
| At 31 August 2024 | **366** |
| At 31 August 2023 | *332* |

## 18. Stocks

| | Group 2024 £000 | Group 2023 £000 | Company 2024 £000 | Company 2023 £000 |
|---|---|---|---|---|
| Finished goods and goods for resale | **8** | *9* | **8** | *9* |

## 19. Debtors

| | Group 2024 £000 | Group 2023 £000 | Company 2024 £000 | Company 2023 £000 |
|---|---|---|---|---|
| **Due within one year** | | | | |
| Trade debtors | **134** | *24* | **122** | *18* |
| Other debtors | **47** | *15* | **46** | *15* |
| Prepayments and accrued income | **1,215** | *252* | **1,215** | *289* |
| | **1,396** | *291* | **1,383** | *322* |

## 20. Current asset investments

| | Group 2024 £000 | Group 2023 £000 | Company 2024 £000 | Company 2023 £000 |
|---|---|---|---|---|
| Short term investments | **1,500** | - | **1,500** | - |

## 21. Creditors: Amounts falling due within one year

| | Group 2024 £000 | Group 2023 £000 | Company 2024 £000 | Company 2023 £000 |
|---|---|---|---|---|
| Fees in advance | **2,235** | *1,605* | **2,235** | *1,605* |
| Trade creditors | **217** | *410* | **217** | *405* |
| Amounts owed to group undertakings | **-** | - | **86** | - |
| Other taxation and social security | **127** | *133* | **127** | *133* |
| Other creditors | **1,800** | *232* | **1,799** | *232* |
| Accruals and deferred income | **264** | *368* | **262** | *368* |
| | **4,643** | *2,748* | **4,726** | *2,743* |

## 22. Creditors: Amounts falling due after more than one year

| | Group 2024 £000 | Group 2023 £000 | Company 2024 £000 | Company 2023 £000 |
|---|---|---|---|---|
| Other creditors | **-** | *374* | **-** | *374* |

## 23. Statement of funds

### Statement of funds - current year

| | Balance at 1 September 2023 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2024 £000 |
|---|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | | |
| General | **14,468** | **12,558** | **(12,472)** | **-** | **43** | **14,597** |
| IAF General | **2,183** | **59** | **(65)** | **-** | **217** | **2,394** |
| Revaluation Reserve | **559** | **-** | **-** | **-** | **-** | **559** |
| Wilson Fund | **91** | **2** | **(2)** | **-** | **5** | **96** |
| Designated - Foundation Bursary | **74** | **-** | **-** | **-** | **-** | **74** |
| | **17,375** | **12,619** | **(12,539)** | **-** | **265** | **17,720** |
| **Endowment funds** | | | | | | |
| Specie Funds | **212** | **-** | **-** | **-** | **-** | **212** |
| IAF Ivy Jones Endowed Fund | **284** | **-** | **(2)** | **-** | **29** | **311** |
| | **496** | **-** | **(2)** | **-** | **29** | **523** |
| **Restricted funds** | | | | | | |
| General Prize Fund | **145** | **1** | **-** | **-** | **8** | **154** |
| Wolfson Fund | **211** | **7** | **(31)** | **-** | **21** | **208** |
| Gym Refurb Donation | **2** | **-** | **-** | **-** | **-** | **2** |
| IAF Bursary | **1** | **-** | **-** | **-** | **-** | **1** |
| WGS Lab Donation | **152** | **-** | **-** | **-** | **-** | **152** |
| Martin Bequest | **547** | **5** | **(1)** | **(42)** | **17** | **526** |
| OW Sports Scholarship | **931** | **24** | **(29)** | **-** | **95** | **1,021** |

**23. Statement of funds (continued)**

**Statement of funds - current year (continued)**

| | Balance at 1 September 2023 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2024 £000 |
|---|---|---|---|---|---|---|
| Ivy Jones Award Fund | 24 | 10 | (16) | - | - | 18 |
| Foundation Bursary Fund | 302 | 8 | (70) | - | 32 | 272 |
| 150 Years on Compton Road | 125 | 110 | (1) | - | 13 | 247 |
| Bursarial Funds | - | 44 | (32) | - | - | 12 |
| Robin Cooper Science Fund | - | 36 | (28) | 42 | - | 50 |
| | 2,440 | 245 | (208) | - | 186 | 2,663 |
| **Total of funds** | 20,311 | 12,864 | (12,749) | - | 480 | 20,906 |

**23. Statement of funds (continued)**

**Statement of funds - prior year**

| | *Balance at 1 September 2022 £000* | *Income £000* | *Expenditure £000* | *Transfers in/out £000* | *Gains/ (Losses) £000* | *Balance at 31 August 2023 £000* |
|---|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | | |
| General | *14,709* | *10,446* | *(10,718)* | - | *31* | *14,468* |
| IAF General | *2,295* | *72* | *(72)* | *(59)* | *(53)* | *2,183* |
| Revaluation Reserve | *324* | - | - | - | *235* | *559* |
| Wilson Fund | *92* | *2* | *(1)* | - | *(2)* | *91* |
| Designated - Foundation Bursary | *74* | - | - | - | - | *74* |
| | *17,494* | *10,520* | *(10,791)* | *(59)* | *211* | *17,375* |
| **Endowment funds** | | | | | | |
| Specie Funds | *212* | - | - | - | - | *212* |
| IAF Ivy Jones Endowed Fund | *301* | - | *(2)* | - | *(15)* | *284* |
| | *513* | - | *(2)* | - | *(15)* | *496* |
| **Restricted funds** | | | | | | |
| General Prize Fund | *145* | *2* | - | - | *(2)* | *145* |
| Wolfson Fund | *226* | *5* | *(15)* | - | *(5)* | *211* |
| Gym Refurb Donation | *2* | - | - | - | - | *2* |
| IAF Bursary | *2* | - | *(59)* | *59* | *(1)* | *1* |
| WGS Lab Donation | *152* | - | - | - | - | *152* |
| Martin Bequest | *483* | *76* | *(1)* | - | *(11)* | *547* |
| OW Sports Scholarship | *942* | *27* | *(15)* | - | *(23)* | *931* |
| Ivy Jones Award Fund | *38* | *12* | *(26)* | - | - | *24* |
| Foundation Bursary Fund | *395* | - | *(84)* | - | *(9)* | *302* |
| 150 Years on Compton Road | - | *125* | - | - | - | *125* |
| | *2,385* | *247* | *(200)* | *59* | *(51)* | *2,440* |
| **Total of funds** | *20,392* | *10,767* | *(10,993)* | - | *145* | *20,311* |

## 23. Statement of funds (continued)

### Unrestricted Funds

Unrestricted Funds are held with the intention that they fund ongoing general purpose expenditure. The Wilson Fund - a designated fund for the benefit of students at the discretion of the Head.

Independence Appeals Fund (IAF): (General) - These monies were raised by appeal when the school was given notice by local government of their intention to cease to maintain the school. The purposes of the appeal were to raise £180,000 for new buildings and the balance of sums raised to provide financial assistance for children who otherwise would be unable to attend Wolverhampton Grammar School.

### Endowment Funds

IAF Ivy Jones Endowed Fund - an endowed fund under the terms of Professor Douglas Jones' (Old Wulfrunian) will. A legacy has been left to the Appeals Funds for the express purpose of providing bursary assistance for able pupils whose parents could not otherwise afford to send their children to the School. Any bursary awarded is to be designated as an 'Ivy Jones Award' in honour of Prof Jones' late wife. Under the terms of the will, the capital of the legacy is required to be maintained unless certain circumstances are reached whereby some or all of the capital may be spent.

The Specie Endowment Fund - relates to the historical costs of land and buildings held by the Foundation as specified in the 1979 Scheme of Government.

### Restricted Funds

General Prize Funds - These represent a large number of individual donations given for the purpose of awarding prizes for achievement.

The Wolfson Fund - This fund is for the purpose of the award of bursaries to sixth form pupils.

Independence Appeals Fund (IAF): (Bursary) - These monies were raised by appeal when the school was given notice by local government of their intention to cease to maintain the school. The purposes of the appeal were to raise £180,000 for new buildings and the balance of sums raised to provide financial assistance for children who otherwise would be unable to attend Wolverhampton Grammar School.

The Sharing The Vision Appeal was launched in 1998 in response to the government's decision to phase out the Assisted Places Scheme. The purpose of this appeal was to provide financial assistance with fees to those children who would previously have benefited from the Assisted Places Scheme and who without such help would be unable to attend Wolverhampton Grammar School. This appeal forms part of the Independence Appeals Fund.

Independence Appeals Fund: (The Martin Bequest):
The Martin Bequest is a restricted fund which has been set up to provide a bursary prize or prizes for students studying for or proceeding to Allied Medical Sciences or such other subjects as the governing body of the school shall at its discretion think fit.

Independence Appeals Fund: (The Old Wulfrunian Sports Scholarship Fund):
The Old Wulfrunian Sports Scholarship Fund is a restricted fund which has been donated to provide a means tested Sports Scholarship to a student (or students) living in the Wolverhampton postcode area who joins the school into the Sixth Form and who is able to demonstrate considerable sporting achievement.

## 23. Statement of funds (continued)

Catering Capital Donation Fund:
The School's catering contractors provided a donation towards the refurbishment of the dining areas at the commencement a five year contract with them in September 2015. Depreciation is being charged against the donation fund over the expected life of the refurbishment in accordance with the deprecation policy.

WGS Lab Refurbishment Fund:
Donations have been received from the Old Wulfrunians in America specifically for the refurbishment of the Chemistry Laboratories, which were completed at the end of August 2018 Depreciation is being charged against the donation fund from over the expected life of the refurbishment in accordance with the deprecation policy.

Ivy Jones Award Fund:
Income generated from the IAF Ivy Jones Endowed Fund is credited to the Ivy Jones Award Fund, a restricted fund, which is used for bursary assistance.

Foundation Bursary Fund:
These monies were raised as part of the current fundraising strategy to provide 100% bursaries to students in financial need entering Year 7, making full provision for a full 7 years of education at Wolverhampton Grammar School if required.

150 Years on Compton Road:
WGS moved onto its current Compton Road site on 15th October 1875; meaning that on Wednesday 15th October 2025, WGS will have been located on its current Compton Road site for 150 years. To mark this special anniversary, WGS is launching a "150 Year Fundraising Campaign" to increase its Bursary Award provision. The aim is to increase the provision to 10% of the student body by 2030.

Robin Cooper Science Fund:
The Robin Cooper Science Fund has been set up to provide equipment for the Chemistry Department and to provide a Sixth Form Science scholarship

## 24. Summary of fund

**Summary of funds - current year**

| | Balance at 1 September 2023 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2024 £000 |
|---|---|---|---|---|---|---|
| General funds | **17,375** | **12,619** | **(12,539)** | **-** | **265** | **17,720** |
| Endowment funds | **496** | **-** | **(2)** | **-** | **29** | **523** |
| Restricted funds | **2,440** | **245** | **(208)** | **-** | **186** | **2,663** |
| | **20,311** | **12,864** | **(12,749)** | **-** | **480** | **20,906** |

**Summary of funds - prior year**

| | *Balance at 1 September 2022 £000* | *Income £000* | *Expenditure £000* | *Transfers in/out £000* | *Gains/ (Losses) £000* | *Balance at 31 August 2023 £000* |
|---|---|---|---|---|---|---|
| General funds | *17,494* | *10,520* | *(10,791)* | *(59)* | *211* | *17,375* |
| Endowment funds | *513* | *-* | *(2)* | *-* | *(15)* | *496* |
| Restricted funds | *2,385* | *247* | *(200)* | *59* | *(51)* | *2,440* |
| | *20,392* | *10,767* | *(10,993)* | *-* | *145* | *20,311* |

## 25. Analysis of net assets between funds

### Analysis of net assets between funds - current period

| | Unrestricted funds 2024 £000 | Restricted funds 2024 £000 | Endowment funds 2024 £000 | Total funds 2024 £000 |
|---|---|---|---|---|
| Tangible fixed assets | 12,155 | - | 211 | **12,366** |
| Fixed asset investments | 2,020 | 2,663 | 312 | **4,995** |
| Investment property | 745 | - | - | **745** |
| Current assets | 7,443 | - | - | **7,443** |
| Creditors due within one year | (4,643) | - | - | **(4,643)** |
| **Total** | 17,720 | 2,663 | 523 | **20,906** |

### Analysis of net assets between funds - prior period

| | *Unrestricted funds 2023 £000* | *Restricted funds 2023 £000* | *Endowment funds 2023 £000* | *Total funds 2023 £000* |
|---|---|---|---|---|
| Tangible fixed assets | *12,206* | - | *211* | *12,417* |
| Fixed asset investments | *1,808* | *2,440* | *285* | *4,533* |
| Investment property | *745* | - | - | *745* |
| Current assets | *5,738* | - | - | *5,738* |
| Creditors due within one year | *(2,748)* | - | - | *(2,748)* |
| Creditors due in more than one year | *(374)* | - | - | *(374)* |
| **Total** | *17,375* | *2,440* | *496* | *20,311* |

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

| | Group 2024 £000 | *Group 2023 £000* |
|---|---|---|
| Net income/expenditure for the period (as per Statement of Financial Activities) | **595** | *(340)* |
| **Adjustments for:** | | |
| Depreciation charges | **352** | *362* |
| Gains/(losses) on investments | **(480)** | *59* |
| Dividends, interests and rents from investments | **(223)** | *(139)* |
| Decrease/(increase) in stocks | **1** | *(1)* |
| Increase in debtors | **(1,106)** | *(8)* |
| Increase in creditors | **1,522** | *588* |
| Movement in FRS102 pension | **-** | *61* |
| **Net cash provided by operating activities** | **661** | *582* |

## 27. Analysis of cash and cash equivalents

| | Group 2024 £000 | *Group 2023 £000* |
|---|---|---|
| Cash in hand | **4,539** | *5,438* |
| Cash held in investments | **1,500** | *-* |
| **Total cash and cash equivalents** | **6,039** | *5,438* |

## 28. Analysis of changes in net debt

| | At 1 September 2023 £000 | Cash flows £000 | At 31 August 2024 £000 |
|---|---|---|---|
| Cash at bank and in hand | **5,438** | **(899)** | **4,539** |
| Cash held in investments | **-** | **1,500** | **1,500** |
| | **5,438** | **601** | **6,039** |

## 29. Pension commitments

Certain of the school's employees belong to the Teacher's Pension Scheme England and Wales (TPS), the West Midlands Metropolitan Authorities Pension Fund (LGPS) and The Independent Schools' Pension Scheme (ISPS). These schemes are defined benefit schemes.

From July 2014, the School introduced a new scheme to the members of the Support Staff not currently in a pension run by the Peoples Pension. This is a defined contribution scheme.

From September 2022 the School introduced a new scheme to teachers who wish to withdraw from the TPS, the new schemes operated by Royal London. This is a defined contribution 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. The latest valuation showed total scheme liabilities of £262,000 million and notional assets of £222,200 million, giving a notional past service deficit of £39,800 million.

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 wit 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%.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the School has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The employer's pension costs paid to TPS in the year amounted to £739,000 *(2023 - £746,000)*.

**Independent Schools Pension Scheme**

During the year, the School participated in the TPT Retirement Solutions - Independent Schools' Pension Scheme, a multi-employer scheme which provides benefits to associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounted for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pension Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme. During the accounting period, Wolverhampton Grammar School paid a joint contribution rate of between 21.5% and 24.6%, comprising employer contributions of 17.9% and member contributions range from 3.6% to 6.7%.

At 31 August 2024 the Charity exited this pension scheme and the Fund's actuary calculated at Section 75 payable of £1,655k. In previous years the School had entered into a deficit funding agreement in relation to the scheme which ceased when the cessation debt was triggered. The liability related to the deficit funding agreement brought forward of £429k has therefore been reversed, resulting in the recognition of net expenditure of £1,226k. The amount is shown in Exceptional expenditure in the Statement of Financial Activities and is included within Other Creditors in the Balance Sheet.

The total contribution made for the year ended 31 August 2024 was £85,723 *(2023 - £82,470)*, of which the total employer's contributions totalled £76,624 *(2023 - £71,634)*, the employees' contributions totalled £9,009 *(2023 - £10,836)* and past service costs of £55,452 *(2023 - £53,837)*.

**29. Pension commitments (continued)**

**Local Government Pension Scheme (LGPS)**

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee- administered funds. The total contribution made for the year ended 31 August 2024 was £125,541 *(2023 - £139,000)* of which employer's contributions totalled £93,585 *(2023 - £104,000)* and employees' contributions totalled £31,956 *(2023 - £35,000)*.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the LGPS was 31 August 2024.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

| | **At 31 August 2024 %** | *At 31 August 2023 %* |
|---|---|---|
| Discount rate | **5.00** | *5.20* |
| Future salary increases | **3.65** | *4.00* |
| Future pension increases | **2.60** | *3.00* |

| | **At 31 August 2024 Years** | *At 31 August 2023 Years* |
|---|---|---|
| Mortality rates (in years) | | |
| - for a male aged 65 now | **21.8** | *21.9* |
| - at 65 for a male aged 45 now | **22.3** | *22.4* |
| - for a female aged 65 now | **24.4** | *24.4* |
| - at 65 for a female aged 45 now | **26.0** | *26.1* |

The actual return on scheme assets at 31 August 2023 was £153,000.

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

| | **2024 £000** | *2023 £000* |
|---|---|---|
| Interest cost | **133** | *146* |

Movements in the present value of the defined benefit obligation were as follows:

| | **2024 £000** | *2023 £000* |
|---|---|---|
| Opening defined benefit obligation | **2,545** | *3,391* |
| Interest cost | **133** | *146* |
| Contributions by scheme participant | **32** | *39* |
| Change in demographic assumptions | **(5)** | *(1)* |
| Current service cost | **87** | *139* |
| Change in financial assumptions | **(81)** | *(647)* |
| Experience loss/(gain) on definded benefit obligation | **90** | *(461)* |
| Estimate benefits paid net of transfers in | **(94)** | *(61)* |
| **Closing defined benefit obligation** | **2,707** | *2,545* |

## 29. Pension commitments (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

| | **2024** | *2023* |
|---|---|---|
| | **£000** | *£000* |
| Opening fair value of pension scheme assets | **3,570** | *3,601* |
| Interest on assets | **186** | *155* |
| Return on assets less interest | **122** | *(270)* |
| Employer contributions | **90** | *106* |
| Contributions by scheme participants | **32** | *39* |
| Estimated benefits paid plus unfunded net transfers in | **(94)** | *(61)* |
| **Closing fair value of scheme assets** | **3,906** | *3,570* |

At 31 August 2024, the School opted to exit the pension scheme, and the Fund's actuary carried out an exit valuation in respect of the School's admission to the Fund, which revealed that a surplus existed. The surplus was calculated as £763k but has not yet been repaid to the School. The amount is shown in Other Income in the Statement of Financial Activities and is included in Accrued income in the Balance Sheet.

## 30. Operating lease commitments

At 31 August 2024 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | **Group 2024** | *Group 2023* |
|---|---|---|
| | **£000** | *£000* |
| Not later than 1 year | **41** | *36* |
| Later than 1 year and not later than 5 years | **77** | *105* |
| Later than 5 years | **1** | *25* |
| | **119** | *166* |

## 31. Related party transactions

During the year, the School provided tuition to 6 pupils related to the Directors and 4 pupils related to key management personnel *(2023 - 6 related to the Directors, 5 related to key management personnel).*

Fees receivable from Directors and key management personnel were £104,250 *(2023 - £100,095)*. The amount outstanding to Wolverhampton Grammar School at the year end was £Nil *(2023 - £Nil)*. Fees for Director's are charged at market rate, without reduction.

**WOLVERHAMPTON GRAMMAR SCHOOL LIMITED**

England & Wales - Charity number 1125268

# Accounts

# Directors' Report and Financial Statements

for the year ended 31 August 2023

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Registered number: 6610261
Charity number: 1125268

# Reference and administrative details of the Company, its Directors and Advisers for the year ended 31 August 2023.

| | |
|---|---|
| Directors | **Mr J Sage, Chairman** 1,2,4 |
| | **Mr C I Bill, Chairman of Finance and General Purposes Committee** 2,4 |
| | **Mrs E Bloch, Chairman of Education Committee** 1 |
| | **Revd S H L Cawdell, Chairman of Education Committee (resigned 21 October 2022)** 1 |
| | **Mr S Aldis, Chairman of Estates Committee** 2,3 |
| | **Mr N C Berriman** 2,3 |
| | **Ms E Forde MBE (resigned 18 September 2023)** 1 |
| | **Dr M Gowan Gopal** 1 |
| | **Mr P A Hawthorne** CBE 1,4 |
| | **Mr J A Harper** |
| | **Mr A Holles** 2 |
| | **Mr Y J Malik (resigned 20 October 2023)** 1,3 |
| 1 | **Members of The Education Committee** |
| 2 | **Members of The Finance and General Purposes Committee** |
| 3 | **Members of The Estates Committee** |
| 4 | **Members of The Remuneration Committee** |

Company registered number: 6610261
Charity registered number: 1125268
Registered office: Compton Road, Wolverhampton, WV3 9RB

| | |
|---|---|
| Company Secretary | **Mrs S Hemmings** |
| The Head | **Mr A Frazer (Resigned 31 August 2023)**<br>**Mr N Anderson (Appointed 1 September 2023)** |
| Independent auditors | **WR Partners**<br>**Chartered Accountants**<br>**Belmont House**<br>**Shrewsbury Business Park**<br>**Shrewsbury**<br>**Shropshire**<br>**SY2 6LG** |
| Bankers | **Lloyds Bank Plc**<br>**28a High Street**<br>**Tettenhall**<br>**Wolverhampton**<br>**WV6 8QT** |
| Solicitors | **FBC Manby Bowdler LLP**<br>**6-8 George Street**<br>**Snow Hill**<br>**Wolverhampton**<br>**WV2 4DN** |
| Investment Managers | **M&G Securities Limited**<br>**Laurence Pountney Hill**<br>**London**<br>**EC4R 0HH**<br><br>**Evelyn Partners**<br>**3rd Floor, 9 Colmore Row**<br>**Birmingham, B3 2BJ**<br><br>**CCLA Investment Management Limited**<br>**80 Cheapside, London**<br>**EC2 6DZ** |

# Directors' Report
## for the year ended 31 August 2023

The Directors, who are also Trustees, present their annual report together with the audited financial statements of the Company and the consolidated Group for the 1 September 2022 to 31 August 2023. The Annual report serves the purposes of both a Directors' report and a directors' report under company law. The Directors confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

**a. Policies and objectives**

The objects of the charity are "the provision and conduct in or near Wolverhampton of a day school for boys and girls", thereby providing the advancement of education within the meaning of English law.

At Wolverhampton Grammar School, our vision is to deliver an education that transforms lives as well as minds. We do this by providing an education that treats every child as an individual; inspiring them through excellent teaching and a curriculum that is tailored to securing the best outcomes for all. We can do this because of small class sizes, outstanding pastoral care, flexibility within our academic structures and an all-embracing range of extra-curricular activities. All our staff play a part in inspiring students to develop a love of learning.

Our school community is built on an ethos of openness, trust and mutual respect. We know that a challenging education requires a supportive, caring environment as well as a blend of skills and a mind-set that embraces diversity and difference.

For us, education is not just about academic achievement, it's about helping our students to know they can make a difference during their time at school and after they leave us. All our students are treated warmly as individuals and their opinions are valued.

**Objectives for the Year**

The School's objectives for the year were to deliver against the final year of the School's 2017-22 Strategic Plan, whilst remaining true to the School's mission as stated above and taking into account new challenges and opportunities that arose during the pandemic.

### Primarily the objectives fell into the following categories:

- Teaching & Learning
- Pastoral Care & Wellbeing
- Extra-Curricular and Community Links
- Junior School & Sixth Form
- Pupil recruitment & retention
- Staff recruitment & development
- Alumni Engagement
- Finances, Estates & Infrastructure
- Governance & Organisational Excellence

**b. Strategies for achieving objectives**

The School is now part way through its third Strategic Plan which is split down into the ten key areas outlined above.

The Strategic Plan is reviewed and updated annually leading to the production of annual whole School Development Plans detailing the annual School objectives for the year concerned. Departmental and individual objectives are linked through to the whole School Development Plan allowing a co-ordinated and well communicated approach to achieving objectives. All Development Plans are reviewed at the end of each year before the Strategic Plan is reviewed and updated. This review and objective setting process involves staff, the senior management team and the Directors

## Our three core objectives are:

1. To improve and grow our School
2. To look after and develop our people
3. To have a positive impact on our surroundings

Within each core objective, there are a number of key goals on which we shall focus over the three years of the Strategic Plan.

## To improve and grow our School, by

- Maximising academic achievement
- Optimising our Sixth Form offer
- Building on the success of our Junior School
- Extending a WGS education to a wider audience
- Increasing our provision of bursary places

## To look after and develop our people, by

- Embedding a community that embodies Equity, Diversity and Inclusion for all students and staff
- Being a centre of excellence for student wellbeing and personal development
- Being a centre of excellence for staff professional development and wellbeing

## To have a positive impact on our surroundings, by

- Contributing more to the City of Wolverhampton and nearby areas
- Working towards a Carbon Zero school

For each of the three years of the Strategic Plan, there will be an annual School Development Plan to guide our work and monitor progress.

**67%**

**Grade 9, 8 or 7 awards (equiv to A/A*) at GCSE**

**25+ universities**

**Aerospace Engineering & Law to Sports Journalism**

**74%**

**A* - B at A Level**

## Activities undertaken to achieve objectives

Wolverhampton Grammar School (WGS) provides education to boys and girls from the ages of 4 to 18 in the Junior School and the Senior School. Whilst maintaining high academic standards, the School also provides specialist support for students with special educational needs through its Opportunities for Assisted Learning (OpAL) Department.

581 students aged 11 – 18 were on roll as of September 2022 in the Senior School (September 2021: 571) and 190 students aged 4 – 11 in the Junior School (September 2021: 187). The School continues to attract strong interest from the Wolverhampton area as well as from Staffordshire, Shropshire, Walsall and Dudley.

The results achieved in public examinations continue to highlight the academic power of the School. At GCSE the 2022/23 cohort achieved a 98% pass rate at grades 4 and above with 67% passes at 9-7. This figure is 15.5 percentage points higher than the equivalent in 2019, the last year of in-person examinations before the pandemic. The students averaged over 9 passes each and 40% of the cohort achieved 9 or more passes at grades 9, 8 or 7.

At A Level there was a 99% pass rate, a 74% pass rate at A*-B and 46% at grade A*/A. The A*-B pass rate was above last year, bucking the National trend. The A*-B rate was 8.3 percentage points above 2019 and the A*/A rate was13.7 percentage points higher than the equivalent in 2019. 44% of students taking Cambridge Technical qualifications in ICT and Sport & PE achieved Distinction* and Distinction grades, with the remainder all at Merit. 68% of our students achieved a place at their first-choice university, with the remainder of university applicants gaining a place through insurance or clearing. Two students confirmed their place at Oxford University. Typical of WGS students' diversity of interests is the vast spectrum of degree subjects for the 2023 leavers, ranging from Automotive and Aerospace Engineering to Law, Medicine (five students), Veterinary Science, Economics, Anthropology, Finance or Business and Cyber Security. A small number have entered employment or an apprenticeship.

The Junior School, opened in 2011, continues to flourish and from September 2021, children aged 4-6 were part of Wolverhampton Grammar School for the first time in its history. The first year of Infant classes was incredibly successful with 47 children joining the School across the three new year groups. This increased to 56 children in the second year. Links with the Senior School are enhanced by sharing facilities and, in some cases, teachers (Sciences, Languages and Humanities are taught by Senior School staff) and there is strong support in place for both students and their parents in terms of transition to Senior School, including immersion days and parent information evenings.

Achievement and well-rounded education at WGS are evident both inside and outside the classroom. The School continues to provide quality sporting opportunities for students and participation levels are high. Interschool fixtures returned during the 2022/23 academic year with over 100 Football fixtures, 63 Hockey Fixtures and 40 Cricket Fixtures for the boys. The girls participated in 100 Netball fixtures, 50 Hockey fixtures, 23 Football fixtures, 37 Rounders fixtures and 12 Cricket Fixtures. Notable achievements were in Football where the U18 boys, U15 girls and U13 girls were City Cup runners-up. The U15 and U13 girls also reached the Quarter Finals of the ESFA national cup. The U13 and U15 boys were crowned indoor County Cricket champions, the U12 boys were County outdoor runners-up and the U15 girls qualified for the County finals. In netball, the U19s were County Champions, the U16s were County runners up and the U12, U13 and U15 teams were all City Cup Champions. In Rounders, the U12, U13, U14 and U15 teams were all league champions. The U12 and U13 boys were City athletics runners-up (indoor and outdoor). The U13 and U15 girls were City indoor athletics runners-up and the U12, U13 and U15 girls were City outdoor athletics runners-up. In the Junior School, the U11 footballers were ISFA national quarter-finalists, 7-a-side regional winners, City Champions and Winterfold Matty Thacker tournament plate winners. The U11 cricketers were City Champions and the netballers were City finalists.

The School also supports students who compete at city, county, regional and international level with supported learning and/or adapted curricula to ensure they do not fall behind and, in some cases, a tailored fitness program to support their sporting discipline.

The Music and Drama Departments continue to provide exciting opportunities for our students. The end of term Music concerts returned and were well attended. 69 instrumental exams were sat with 20 Distinctions awarded. The Senior School plays this year were an Upper School performance of 'Shakespeare in Love' and a Lower School performance of 'Macbeth', both performed to sell-out audiences. In the Junior School, The Autumn Term ended with the Infants' Nativity. Years 3 & 4 performed 'Hansel & Gretel', and Years 5 & 6 performed 'Aladdin.' The annual Dance Show saw 75 Junior and Senior School girls perform in two sold-out performances.

School trips that support and enrich the curriculum have continued to enhance the educational and spiritual growth of students. There were 20 trips in the Junior School and 74 in the Senior School throughout the year. Notable trips included outdoor educational residential's for Years 2-7, a Reception trip to the Gruffalo trail at Cannock Chase, 6 trips run by the Careers department, A Level and GCSE Geography Field Trips and Duke of Edinburgh Bronze, Silver and Gold expeditions. A full program of overseas trips resumed during the year with trips to Iceland, sports trips to Porto, Holland and South Africa and the return of the annual ski trip to Austria. There was also a volunteering trip to Morocco with 10 Lower Sixth students helping to teach English in a Moroccan school.

Significant capital projects during the year were upgraded floodlighting to the hockey pitch, resurfacing of the netball courts, the creation of a temporary car park for staff and sustainability projects such as LED lighting, electric charging points and the purchase of an electric vehicle for the Estates team.

**d. Main activities undertaken to further the Company's purposes for the public benefit**

The Directors have given due regard to the Charity Commission guidance on public benefit and have continued to demonstrate the School's commitment to delivering public benefit to both its own students and the wider community of Wolverhampton. Means tested bursaries amounted to over half of all concessions awarded, with the total number of students in September 2022 receiving means tested bursaries amounting to 54 (September 2021: 54). The proportion of students receiving support with 90% or more of fees and additional extras is 60% (September 2021: 58%). All students receiving means tested financial support come from households where the gross annual income is less than £60,000. Two students on such an award are Previously Looked After Children. A Ukrainian student joined the school on a free place during the Summer term of 2021 as her host family had links to the School. Any additional costs related to her education are being met by the generosity of an Old Wulfrunian (alumnus). Means tested bursaries are primarily offered at entrance in Year 7 and in Year 12, and in addition, a bursary continuity fund is used to support students through critical exam years where their parents have experienced significant financial difficulty.

The School sees itself very much as part of a wider community, and where we can assist the community without detriment to advancing the education of our students, we are delighted to do so. We provide public benefit to the community through a number of lettings at subsidised rates to local children's sports and holiday clubs, including junior cricket, hockey and rugby clubs, Soccer 2000 and Pauline Quirke Academy. In February, the Central Youth Theatre used Big School for a production of Lord of the Flies as part of the Wolverhampton Literature Festival.

As part of the School's public benefit provision, the WGS Library continues to inspire reading and is working to raise levels of reading attainment across the West Midlands. 11 author events were arranged during the year, allowing children from WGS and local state schools to interact with authors, poets and illustrators. The largest event was on World Book Day when Cressida Cowell spoke to over 800 children from local schools from Years 5-7.

The School Librarian Network Group, run from WGS, continues to offer training and support for librarians from local and regional state schools. Termly meetings are held with representatives from local schools, where good practice is shared and resources linked to the Wolverhampton Children's Book Award are distributed. WGS again hosted the Wolverhampton Children's Book Award Ceremony, with shortlisted authors delivering virtual presentations to over 200 children from 10 local schools. Other library events included Wolverhampton Children's Book Award Quiz and Wolverhampton Young Authors' Prize and Event.

The Discover Reading Project, in partnership with Southern Connecticut State University in the USA, supported 12 children and their parents in gaining a love of reading. Work started during the summer on a Story Garden which provides a unique and innovative way to inspire young people to read, develop literacy skills and connect with nature. The garden will be used as part of the Discover Reading Project during the coming year.

Both Senior and Junior Schools raise funds which are divided amongst local and national charities. The 25th annual Coast2Coast Challenge took place in May 2023 with ten Year 10 students running a 170-mile relay from St Bees to Robin Hood's Bay. The team raised £5,600 for mental health charity Place2Be. 3 non-uniform days were held during the year raising £1,191 for the Mental Health Foundation and the African Caribbean Community Initiative (ACCI), £1,291 for Pancreatic Cancer and £1,080 for the Winnie Maboso Foundation in South Africa. A further £390 was raised for Pancreatic Cancer through a cupcake sale and the Spring/Summer Concert. House charity events included a Blind Penalty Shootout which raised £49 for sight loss charity Eyecan, clothes donations for local charity The Way Youth Zone and donations and a student visit to a local care home to sing Christmas Carols. To mark one year of the Ukraine war, blue and yellow ribbons were sold, which raised £104. Junior School raised over £3,654 in total over the year for their three charities: Birmingham Children's Hospital Charity, Water Aid and the RSPCA.

The School actively supports the attainment of the highest standards in the Independent Schools sector through networking with other schools and membership of the appropriate bodies concerned with such standards. The Head is an elected member of HMC – The Heads' Conference and represents the West Division of Heads on HMC's Academic Policy Sub-Committee. The Warwick Group of HMC schools provides a forum for the Head, the Deputy Heads and Heads of all academic departments to meet and consider matters of mutual interest and importance. The School is a member of the Independent Schools' Bursars Association which provides relevant advice for the effective administration of the School. Four of the School's leaders and management serve the wider educational community by acting as School governors in regional state schools.

In the furtherance of the aims of the School, the Directors have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published and relevant sub sector guidance concerning the operation of the Public Benefit requirement under that Act.

## Fundraising and Volunteering Activities

The School continues to promote the Independence Appeals Fund for the collection of donations and legacies for augmenting bursary funds. The Directors are grateful for donations of c.£208,000 received during the year. Work is underway to plan a new fundraising campaign to mark the forthcoming 150th anniversary of WGS being located on the Compton Road site in October 2025. This new fundraising campaign will be launched during the 2023-24 academic year; ahead of planned activities from September 2024 onwards. A separate donation of £125,000 (including gift aid) received in 2022-23 is our first pledge and is restricted to this fundraising initiative. A number of former students have participated in virtual presentations to share their experiences of university and work with current students.

Many parents, friends of the school and Old Wulfrunians help with fundraising, cultural and sporting activities and careers events providing many hours of voluntary service during the year. The Directors very much appreciate their continuing and valuable support.

# Strategic report
# Achievements and performance

**a. Key performance indicators**

The Directors consider that the key financial performance indicators are pupil numbers; full fee equivalent pupil numbers; teaching staff:pupil ratios; investment surplus (profit before depreciation as a percentage of net fee income); salary costs as a percentage of net fee income; bursary and scholarship concessions as a percentage of gross fee income; percentage fee rises; level of annual capital expenditure and reserves levels.

The key performance indicators are set during the budget process and reviewed at least once a term by the Finance and General Purposes Committee through the production of monthly management accounts and the annual SORP accounts..

**b. Review of activities**

The deficit for the year (before transfers between funds, movements on pension scheme valuation and movements on investment assets) amounted to £226k (2022: surplus of £207k). The deficit for the year after transfers between funds, movement on pension scheme valuation and gains on investment assets amounted to £81k (2022: surplus of £1,300k) and has been transferred to reserves. Total funds amounted to £20,311k (2022: £20,392k). The overall cash surplus for the year amounted to £400k (2022: £287k).

During the year, fee income after bursaries and discounts increased by £420k; equivalent to a 4.6% increase (2022: £710k; equivalent to a 8.4% increase). Fees were increased by between 6% and 7.5% in September 2023. No Government Grants were received during the year (2022: none). In addition, whilst the School continues to maintain a good level of means tested bursary assistance, the level of non-means tested Scholarship concessions have been reduced. The donations and legacies received during the year were £209k (2022: £58k) for bursary support. The School has continued to work to increase awareness of the benefits that a child obtains through the award of a bursary and is very grateful to its alumni body both in the UK and abroad for their continued bursary donations to the Independence Appeal Fund.

Total resources expended, post exceptional items, increased to £10,993k (2022: £9,990k). Spend in all areas has increased year on year after 2 years of reduced expenditure due to the pandemic. The teaching staff: pupil ratio of 1:10.1 is consistent with previous years (2022: 1:10.1) due principally to the staff ratios required in the new Infant classes. Salary costs were 74.5% of net fee income (2022: 73.9%). Costs continue to be tightly controlled but some increases are unavoidable in view of the economic environment in which the School is operating.

The value of the investments held have decreased, with realised and unrealised losses amounting to £116k (2022: £304k loss). Whilst the latter is largely beyond the control of Directors, there is a strong expectation that operating costs will continue to be driven down in order to optimise the incoming resources for the main aim of the charity: the education of its students. The ongoing aim of the School is to increase cash surpluses to enable the School to invest in an ongoing capital expenditure plan to allow buildings to be updated and to increase the level of reserves to provide security for the School in the current uncertain political and economic climate.

**Reserves Policy**

The School aims to build up and maintain its unrestricted free reserves in order to accommodate longer term plans for capital investment and other strategic objectives as well as provide an emergency fund to manage the risks and uncertainty for an educational charity in the current political and economic climate. In addition, the Directors recognise the need to increase the restricted and endowment reserves held, in particular the Independence Appeals Fund, to help fund future transformational bursaries. As a result, capital expenditure has been carefully controlled since the pandemic to ensure that cash and reserves levels are maintained at an appropriate level. Total capital expenditure in the year was £334k (2022: £494k) with the main expenditure being on improving outdoor play areas for both Senior and Junior School children.

Consolidated reserves at 31 August 2023 amounted to £20,311k (2022: £20,392k). At 31 August 2023 the consolidated free reserves including unrestricted investments but excluding the pension scheme reserve were £4,424k (2022: £4,986k). Details of the specific reserves held are provided in note 24 to the accounts.

Total unrestricted funds as shown in the financial statements include a notional funding deficit of £nil (2022: £nil) calculated under the FRS102 Charity SORP in respect of the School's defined benefit scheme for support staff. The Directors believe that this notional funding calculation, which can vary considerably between surplus and deficit according to the assumptions made at each year end, has no material effect on the School's short term cashflow and that in the longer term, its effects are sustainable out of future income. For this reason it is considered that it should be disregarded for reserves policy purposes.

The Directors are satisfied that they have sufficient resources available to meet liabilities and any unscheduled future costs and review their policy on an annual basis.

**c. Investment policy and performance**

The Trustees of the Appeals Funds have appointed Investment Managers to manage the investment portfolio on a discretionary basis in accordance with the agreed strategy. The Trustees monitor the returns on a regular basis. The main investment objectives are:

- The creation of a sufficient financial return to enable the Charity to carry out its purposes effectively and without interruption;
- The maintenance and enhancement of the investment funds over the long term;
- To obtain a reasonable balance between capital growth and income so that the Charity can meet future as well as current needs;
- To avoid investments that are unduly risky.

The 1958 Investments achieved a gain of 1.8% during the year to 31 August 2023 but the other funds all fell; the Independence Appeals Fund lost 4.1%, the Restricted Fund fell by 3.8% and the Ivy Jones Endowed Fund fell by 6.3%. This is the second year in a row in which the value of investments has fallen.

The general policy is to maintain and grow investment capital levels, generating returns to provide the hardship bursary support to students who would otherwise be unable to attend the School. In addition, the returns are used to fund specific means tested awards through donations received for these purposes such as the Sports Scholarship and Ivy Jones Award, and the Foundation Bursaries.

## Financial review

**a. Going concern**

After making appropriate enquiries, the Directors have a reasonable expectation that the Company and the consolidated Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**b. Principal risks and uncertainties**

## The Directors believe that the principal risks and uncertainties to the business are:

- Operational – attracting and maintaining pupil numbers in today's difficult economic environment;
- Environmental – ability to expand and build an Infant School on the current School site due to planning considerations;
- Technological – keeping up to date in a world of fast moving digital technology advances and in particular the impact of social media;
- Political – the threat to charitable status and charitable tax reliefs.
- Economic – the impact of the pandemic on the local economy and the increase (and possible further future increases) in employer contribution to the Teachers' Pension Scheme.

Whilst these risks and uncertainties are considered and regularly reviewed, the Directors manage these at an acceptable level through their robust risk management policy and associated reserves position.

## Structure, governance and management

**a. Constitution**

The School is a charity and company limited by guarantee, and is governed by its Memorandum and Articles of Association by its Board of Directors. The associated Trusts, The Independence Appeals Fund and The 1958 Appeal Fund are administered in conformity with their Trust Deeds by their Boards of Trustees. Wolverhampton Grammar School Foundation is administered in conformity with its revised Scheme of Government dated 16 February 2018 by Wolverhampton Grammar School Limited, who has been appointed the Corporate Trustee of the Foundation.

The consolidated accounts comprise Wolverhampton Grammar School Ltd (registered charity number 1125268), Wolverhampton Grammar School Foundation (registered charity number 529006), Wolverhampton Grammar School Independence Appeal Fund (registered charity number 507487) and Wolverhampton Grammar School 1958 Appeal Fund (registered charity number 1090885). The School was set up to run the operational and trading activities, the Foundation was set up to manage the specie endowed land and buildings and the two Appeal Funds were set up to support the School in its aims and to provide financial help wherever possible to students who would not otherwise have been able to attend Wolverhampton Grammar School.

**b. Methods of appointment or election of Directors**

The The Board of Directors is appointed at the AGM under the terms of the Memorandum and Articles of Association. A small working group, made up of a committee of Directors appointed by the Chairman, carries out reviews of possible new members, in readiness for vacancies arising through retirements of Directors. They also carefully consider the range of skills which are needed on the Board, and names of potential Directors are recommended to the Board, when appropriate.

The Trustees of the Trust Funds are appointed by Deed of Appointment by the current/outgoing Trustees, who carefully consider the range of skills required on the boards.

**c. Organisational structure and decision making policies**

The Directors are responsible for the overall management of the School and meet as a board at least three times a year. The Finance and General Purposes, Education and Estates Committees meet on a termly basis as a minimum and these committees are empowered on behalf of the Board to ensure that the policies as agreed by them are carried out. A copy of the minutes of these meetings and accounts are sent to all Directors.

The day to day management of the School is delegated to the Head, supported by the Senior Management Team. The Head and Finance Director attend all meetings of the Directors' and the full Board, Education and Finance and General Purposes Committees, in addition the Finance Director attends the Estates Committee meetings. The Senior School Deputy Heads and Head of the Junior School attend meetings of the full Board and the Education Committee, with the Assistant Heads and the Director of Marketing & Communications attending the Education Committee only. The Annual General Meeting of the School (held in October) is attended by all members of the School (the Council of Members) and includes staff, parents and other stakeholder representatives.

After 3 years as Head of Wolverhampton Grammar School, Alex Frazer left at the end of the 22/23 academic year. The Directors thank Alex for his hard work and commitment and wish him well for the future. The Directors are delighted that Nic Anderson has accepted the role as the next Head of Wolverhampton Grammar School. Over the last 26 years as a teacher at WGS, Nic has always had the best interests of the students and School at heart, we know that he will continue to serve with the utmost dedication and inspiration as he becomes leader of the School.

**d. Policies adopted for the induction and training of Directors**

New Directors are provided with an induction pack, which contains details of the Memorandum and Articles of Association of the School and other relevant documents, together with the Association of Governing Bodies induction resources. Before taking up post, they meet with the Chairman of the Board and the Head. Once appointed, a meeting with the Company Secretary is arranged, to provide more detailed information and to identify appropriate training courses for individuals to attend.

All Directors take part in annual training which provides relevant and up to date information on governance and school inspections with outside speakers being brought in as and when appropriate. Directors are also encouraged to attend training events run for the not for profit and school sector by external bodies.

**e. Pay policy for key management personnel**

The Directors' Remuneration Committee meets annually to review the pay and remuneration of the Head and the Finance Director, with the Head also reviewing the pay of other members of the senior management team on an annual basis. Any proposed adjustments to the pay of the senior management team are confirmed by the Remuneration Committee. The review of all senior staff pay is with reference to their agreed annual objectives and performance.

**f. Financial risk management**

During the year, the Directors have examined the principal areas of the School's operations and considered the major risks in each of these areas. In the opinion of the Directors, the School has established systems which, under normal circumstances, should allow these risks to be managed at an acceptable level in its day to day operations. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed. A risk register is held and updated on a regular basis. Much of the operational work in this area is managed by the Risk Management Group, which comprises the Head and the senior management team.

The Directors continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. They monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate, by which those risks already identified by the Directors can best be managed.

## The key controls used by the School include:

- Formal agendas for all Committee and Board activity
- Detailed terms of reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of the students

## Plans for future periods

The School continues to regard teaching and learning to be of the highest importance and intends to make further progress and improvements in this area. Focus for the coming financial year is on the first year of the new School's strategic plan.

**All priorities fit into the following key areas:**

### To improve and grow our School, by

- Maximising academic achievement
- Optimising our Sixth Form offer
- Building on the success of our Junior School
- Extending a WGS education to a wider audience
- Increasing our provision of bursary places

### To look after and develop our people, by

- Embedding a community that embodies Equity, Diversity and Inclusion for all students and staff
- Being a centre of excellence for student wellbeing and personal development
- Being a centre of excellence for staff professional development and wellbeing

### To have a positive impact on our surroundings, by

- Contributing more to the City of Wolverhampton and nearby areas
- Working towards a Carbon Zero school

## Statement of Directors' responsibilities

The Directors (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP (FRS 102);
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditors**

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

- So far as that Director is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- That Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

**Auditors**

The auditors, WR Partners, have indicated their willingness to continue in office. The designated Directors will propose a motion reappointing the auditors at a meeting of the Directors.

Approved by order of the members of the Board of Directors and signed on their behalf by:

**Mr J Sage**
Chairman

Date: 29 May 2024

# Independent auditors' report to the members of Wolverhampton Grammar School Limited

## Opinion

We have audited the financial statements of Wolverhampton Grammar School Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated 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 Group's and of the parent charitable company's affairs as at 31 August 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

## Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors 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.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- The information given in the Directors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

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

In the light of our 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 Directors' Report including the Strategic Report.

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

- The parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

**Responsibilities of Directors**

As explained more fully in the Directors' Responsibilities Statement, the Directors (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 Directors 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 Directors are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditors' 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 Auditors' 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 reviewed the susceptibility of the charitable company's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.

We reviewed the charitable company's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the charitable company and its environment and identify any instances of non-compliance.

We also assessed the charitable company's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.

The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and charitable company awareness to carry out our work to the required standard

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Use of our report**

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

**Andrew Malpass BA FCA (Senior Statutory Auditor)**
for and on behalf of
**WR Partners**
Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire SY2 6LG

Date: 30th May 2024

## Consolidated statement of financial activities (incorporating income and expenditure account) For the year ended 31 August 2023

| | Note | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Endowment funds 2023 £000 | Total funds 2023 £000 | *As restated Total funds 2022 £000* |
|---|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | | |
| Donations and legacies | 4 | **11** | **198** | **-** | **209** | *58* |
| Charitable activities | 5 | **10,281** | **-** | **-** | **10,281** | *9,872* |
| Other trading activities | 7 | **73** | **-** | **-** | **73** | *62* |
| Investments | 8 | **90** | **49** | **-** | **139** | *174* |
| Other income | 9 | **65** | **-** | **-** | **65** | *31* |
| **Total income and endowments** | | **10,520** | **247** | **-** | **10,767** | *10,197* |
| **Expenditure on:** | | | | | | |
| Raising funds | 10 | **22** | **1** | **2** | **25** | *27* |
| Charitable activities | 11 | **10,494** | **199** | **-** | **10,693** | *9,963* |
| Total expenditure | | 10,516 | 200 | 2 | 10,718 | 9,990 |
| **Surplus (deficit) pre-exceptional items** | | **4** | **47** | **(2)** | **49** | **207** |
| Exceptional Items | 14 | (275) | - | - | (275) | - |
| **Surplus (deficit) post-exceptional items** | | **(271)** | **47** | **(2)** | **(226)** | **207** |

| | Note | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Endowment funds 2023 £000 | Total funds 2023 £000 | *As restated Total funds 2022 £000* |
|---|---|---|---|---|---|---|
| **Net (expenditure)/income before net losses on investments** | | **(271)** | **47** | **(2)** | **(226)** | *207* |
| Realised net gains/(losses) on investments | | **-** | **(1)** | **(1)** | **(2)** | *(29)* |
| **Net (expenditure)/income** | | **(271)** | **46** | **(3)** | **(228)** | *178* |
| Transfers between funds | 24 | **(59)** | **59** | **-** | **-** | **-** |
| **Net movement in funds before other recognised gains/(losses) carried forward** | | **(330)** | **105** | **(3)** | **(228)** | *178* |
| **Net movement in funds before other recognised (losses)/gains brought forward** | | **(330)** | **105** | **(3)** | **(228)** | *178* |
| **Other recognised gains/(losses):** | | | | | | |
| Other remeasurements | 13 | **(580)** | **-** | **-** | **(580)** | *(210)* |
| Actuarial gains on defined benefit pension schemes | 31 | **839** | **-** | **-** | **839** | *1,607* |
| Unrealised net gains/(losses) on investments | | **(48)** | **(50)** | **(14)** | **(112)** | *(275)* |
| **Net movement in funds** | | **(119)** | **55** | **(17)** | **(81)** | *1,300* |
| **Reconciliation of funds:** | | | | | | |
| Total funds brought forward | | **17,494** | **2,385** | **513** | **20,392** | *19,092* |
| Net movement in funds | | **(119)** | **55** | **(17)** | **(81)** | *1,300* |
| **Total funds carried forward** | | **17,375** | **2,440** | **496** | **20,311** | *20,392* |

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

The notes on pages 26 to 50 form part of these financial statements.

## Consolidated balance sheet as at 31 August 2023

Company registered number: 6610261

| | Note | | 2023 £000 | | As restated 2022 £000 |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 17 | | **12,417** | | *12,335* |
| Investments | 19 | | **4,533** | | *4,662* |
| Investment property | 18 | | **745** | | *620* |
| | | | **17,695** | | *17,617* |
| **Current assets** | | | | | |
| Stocks | 20 | **9** | | *8* | |
| Debtors | 21 | **291** | | *283* | |
| Cash at bank and in hand | | **5,438** | | *5,038* | |
| | | **5,738** | | *5,329* | |
| Creditors: amounts falling due within one year | 22 | **(2,748)** | | *(2,159)* | |
| **Net current assets** | | | **2,990** | | *3,170* |
| **Total assets less current liabilities** | | | **20,685** | | *20,787* |
| Creditors: amounts falling due after more than one year | 23 | | **(374)** | | *(395)* |
| **Net assets excluding pension asset** | | | **20,311** | | *20,392* |
| **Total net assets** | | | **20,311** | | *20,392* |

| | Note | | 2023 £000 | | As restated 2022 £000 |
|---|---|---|---|---|---|
| **Charity funds** | | | | | |
| Endowment funds | 25 | | **496** | | *513* |
| Restricted funds: | | | | | |
| Restricted funds | 25 | **2,440** | | *2,385* | |
| Total restricted funds | 25 | | **2,440** | | *2,385* |
| Unrestricted funds | | | | | |
| General funds | 25 | **17,375** | | *17,494* | |
| Total unrestricted funds | 25 | | **17,375** | | *17,494* |
| **Total funds** | | | **20,311** | | *20,392* |

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

**Mr J Sage**
Chairman

**Mr C I Bill**
Chair of Finance Committee

Date: 29 May 2024

The notes on pages 26 to 50 form part of these financial statements.

## Company balance sheet as at 31 August 2023

| | | | | | |
|---|---|---|---|---|---|
| Tangible assets | 17 | | **12,210** | | *12,238* |
| Investments | 19 | | **332** | | *342* |
| | | | **12,542** | | *12,580* |
| **Current assets** | | | | | |
| Stocks | 20 | **9** | | *8* | |
| Debtors | 21 | **322** | | *220* | |
| Cash at bank and in hand | | **4,799** | | *4,543* | |
| | | **5,130** | | *4,771* | |
| Creditors: amounts falling due within one year | 22 | **(2,743)** | | *(2,157)* | |
| **Net current assets** | | | **2,387** | | *2,614* |
| **Total assets less current liabilities** | | | **14,929** | | *15,194* |
| Creditors: amounts falling due after more than one year | 23 | | **(374)** | | *(395)* |
| **Net assets excluding pension asset** | | | **14,555** | | *14,799* |
| **Total net assets** | | | **14,555** | | *14,799* |

| | | 2023 £000 | | As restated 2022 £000 |
|---|---|---|---|---|
| **Charity funds** | | | | |
| Endowment funds | | **212** | | *212* |
| Restricted funds: | | | | |
| Restricted funds | **511** | | *526* | |
| Total restricted funds | | **511** | | *526* |
| Unrestricted funds | | | | |
| General funds | **13,832** | | *14,061* | |
| Unrestricted funds including pension liability | **13,832** | | *14,061* | |
| Total unrestricted funds | | **13,832** | | *14,061* |
| **Total funds** | | **14,555** | | *14,799* |

The Charity's's net movement in funds for the year was £(244k) (2022 - £1,600k).

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

**Mr J Sage**
Chairman

**Mr C I Bill**
Chair of Finance Committee

Date: 29 May 2024

The notes on pages 26 to 50 form part of these financial statements.

## Consolidated statement of cash flows for the year ended 31 August 2023

| | 2023 £000 | 2022 £000 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Net cash used in operating activities (note 28) | **626** | *590* |
| **Cash flows from investing activities** | | |
| Dividends, interests and rents from investments | **139** | *174* |
| Purchase of tangible fixed assets | **(334)** | *(494)* |
| Proceeds from sale of investments | **869** | *300* |
| Purchase of investments | **(856)** | *(283)* |
| Gains/(losses) on investment | **(44)** | *-* |
| **Net cash used in investing activities** | **(226)** | **(303)** |
| **Change in cash and cash equivalents in the year** | **400** | **287** |
| Cash and cash equivalents at the beginning of the year | **5,038** | *4,751* |
| **Cash and cash equivalents at the end of the year** | **5,438** | *5,038* |

The notes on pages 26 to 50 form part of these financial statements

# Notes to the financial statements for the year ended 31 August 2023

### 1. General information

Wolverhampton Grammar School Limited is a charity and company limited by guarantee and registered in England. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarentee is limited to £10 per member of the company.

The address of the registered office is given in the charity information on page 1 of these financial statements.

The nature of the School's operations and principal activities are that of an educational establishment.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the second edition of 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) (issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Wolverhampton Grammar School Limited 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.

Under a uniting direction issued by the Charities Commission, Wolverhampton Grammar School Foundation is treated as forming part of Wolverhampton Grammar School Limited which is to be the reporting charity for the purposes of part 4 (registration) and part 8 (accounting) of the Charities Act 2011.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the School and its subsidiary undertakings. The results of the subsidiary are consolidated on a line by line basis.

The School has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

#### 2.2 Basis of consolidation

The financial statements consolidate the accounts of Wolverhampton Grammar School and all of its subsidiary undertakings ('subsidiaries').

The income and expenditure account for the year dealt with in the accounts of the School was £286k deficit (2022 - £203k surplus).

#### 2.3 Going concern

After making enquiries, the Directors have a reasonable expectation that the Company and the consolidated Group has adequate resources to continue in operational existence for the foreseeable future. The Company and consolidated Group therefore continues to adopt the going concern basis in preparing its financial statements.

**2.4 Income**

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group 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 Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.7 Tangible fixed assets and depreciation**

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.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

**Depreciation is provided on the following bases:**

| | |
|---|---|
| Freehold property | **0-10%** straight line |
| Plant and machinery | **10-25%** straight line |
| Motor vehicles | **20%** straight line |

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities

**2.8 Investment Property**

Investment property is carried at fair value determined annually by an appropriately qualified valuer and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided.

Revaluation gains and losses are recognised in the Statement of Financial Activities and accumulated in equity.

The 2023 valuations were made by the Directors, on an open market value for existing use basis.

**2.9 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

**2.10 Stocks**

Wolverhampton Grammar School holds stocks of cleaning products, food and clothing to which are all valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stock.

**2.11 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.12 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.

**2.13 Cash at bank and in hand**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

**2.14 Financial instruments**

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.15 Operating leases**

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

**2.16 Pensions**

The School operates three pension schemes for its support staff; a defined contribution pension scheme, provided by Peoples' Pension and the pension charge represents the amounts payable by the School to the fund in respect of the year; a defined benefits pension scheme provided by the Local Government Pension Scheme (LGPS) and the pension charge is based on a full actuarial valuation dated 31 August 2023; and a pension scheme provided by The Independent Schools' Pension Scheme (ISPS). The ISPS is a defined benefit scheme, however it is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The School also contributes to a defined benefit pension scheme (final salary scheme) for the academic staff, which is a national scheme operated for the Department for Children, Schools and Families. The pension charge represents amounts payable by the School to the fund in respect of the year.

Retirement benefits to teaching employees of the School are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the School. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 30, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the School in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

**2.17 Fund accounting**

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

Endowment funds comprise of investments established by a foundation that makes consistent withdrawals from invested capital.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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.

**3.0 Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 30, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

Critical areas of judgment:

Property Valuations

At the Balance Sheet date, the Group held investment properties with a carrying value of £745,000 (see note 18). A gain of £125,000 has been recognised in relation to investment property.

The Group have also revalued freehold property with a net book value carried forward of £350,000 (see note 17). A gain of £110,000 has been recognised in relation to freehold property.

The value of the properties are based on an open market value, for existing use basis.

## 4. Income from donations and legacies

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Total funds 2023 £000 | *Total funds 2022 £000* |
|---|---|---|---|---|
| Legacies | 11 | 198 | **209** | *58* |
| *Total 2022* | *4* | *54* | *58* | |

## 5. Income from charitable activities

| | Unrestricted funds 2023 £000 | Total funds 2023 £000 | *Total funds 2022 £000* |
|---|---|---|---|
| School fees - see note 6 below | 9,538 | **9,538** | *9,118* |
| Catering, Music & travel Income | 623 | **623** | *571* |
| Other Educational Income | 120 | **120** | *183* |
| **Total 2023** | 10,281 | **10,281** | *9,872* |
| *Total 2022* | *9,872* | *9,872* | |

## 6. Charitable Activities - School Fees

| | 2023 £000 | *2022 £000* |
|---|---|---|
| Gross Fees | **10,313** | *9,946* |
| Bursaries, scholarships & other awards | **(775)** | *(828)* |
| | **9,538** | *9,118* |

## 7. Income from other trading activities

### Income from fundraising events

| | Unrestricted funds 2023 £000 | Total funds 2023 £000 | *Total funds 2022 £000* |
|---|---|---|---|
| Lettings | 73 | **73** | *62* |
| *Total 2022* | *62* | *62* | |

## 8. Investment income

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Total funds 2023 £000 | *Total funds 2022 £000* |
|---|---|---|---|---|
| Rental income from investment properties | 24 | - | **24** | *23* |
| Income from investments listed on a recognised stock exchange | 66 | 49 | **115** | *151* |
| | 90 | 49 | **139** | *174* |
| *Total 2022* | *83* | *91* | *174* | |

## 9. Other incoming resources

| | Unrestricted funds 2023 £000 | Total funds 2023 £000 | *Total funds 2022 £000* |
|---|---|---|---|
| Miscellaneous income | 65 | **65** | *31* |
| *Total 2022* | *31* | *31* | |

## 10. Investment management costs

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Endowment funds 2023 £000 | Total funds 2023 £000 | *Total funds 2022 £000* |
|---|---|---|---|---|---|
| Investment management fees | 1 | - | - | **1** | *1* |
| Expenditure on investment management | 21 | 1 | 2 | **24** | *26* |
| | 22 | 1 | 2 | **25** | *27* |
| *Total 2022* | *15* | *10* | *2* | *27* | |

## 11. Analysis of expenditure on charitable activities

### Summary by fund type

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Total 2023 £000 | *Total 2022 £000* |
|---|---|---|---|---|
| Teaching and scholastic resources | 6,947 | 15 | **6,962** | *6,550* |
| Estates | 1,352 | 184 | **1,536** | *1,356* |
| Welfare and Catering | 755 | - | **755** | *644* |
| Support costs and governance | 1,439 | - | **1,439** | *1,413* |
| Other | 1 | - | **1** | - |
| | 10,494 | 199 | **10,693** | *9,963* |
| *Total 2022* | *9,813* | *150* | *9,963* | |

## 12. Net income/expenditure

This is stated after charging:

| | 2023 £000 | *2022 £000* |
|---|---|---|
| Operating lease rentals | **33** | *26* |
| Depreciation of tangible fixed assets | **362** | *358* |
| Auditors remuneration | **15** | *14* |
| Other services | **3** | *3* |

## 13. Other remeasurements

| | 2023 £000 | *2022 £000* |
|---|---|---|
| Derecognition of pension surplus | **(815)** | *(210)* |
| Gain on revaluation of investment property | **125** | *-* |
| Gain on revaluation of freehold property | **110** | *-* |
| | **(580)** | *(210)* |

## 14. Exceptional expenditure

| | Unrestricted funds 2023 £000 | Total funds 2023 £000 | *Total funds 2022 £000* |
|---|---|---|---|
| Restructuring Costs | 275 | **275** | *-* |

The exceptional expenditure relates to the costs incurred in appointing a new head teacher.

## 15. Staff costs

| | Group 2023 £000 | *Group 2022 £000* | Company 2023 £000 | *Company 2022 £000* |
|---|---|---|---|---|
| Wages and salaries | **5,517** | *5,018* | **5,517** | *5,018* |
| Social security costs | **550** | *500* | **550** | *500* |
| Contribution to defined contribution pension schemes | **1,104** | *1,221* | **1,104** | *1,221* |
| | **7,171** | *6,739* | **7,171** | *6,739* |

During the year the Company made redundancy and settlement payments totaling £194,127 (2022: £nil) in relation to three employees.

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

| | Group 2023 No. | *Group 2022 No.* |
|---|---|---|
| Teaching | **134** | *122* |
| Estates | **31** | *30* |
| Administration | **30** | *25* |
| | **195** | *177* |

The average headcount expressed as full-time equivalents was:

| | Group 2023 No. | *Group 2022 No.* |
|---|---|---|
| Teaching | **102** | *97* |
| Estates | **22** | *21* |
| Administration | **23** | *23* |
| | **147** | *141* |

## 15. Staff costs (continued)

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

| | Group 2023 No. | *Group 2022 No.* |
|---|---|---|
| In the band £60,001 - £70,000 | **1** | *1* |
| In the band £70,001 - £80,000 | **1** | *1* |
| In the band £80,001 - £90,000 | **3** | *2* |
| In the band £100,001 - £200,000 | **1** | *1* |

The total remuneration received by key management personnel, including wages, pension and benefits in kind amounted to £1,025,000 (2022 £802,000).

## 16. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits *(2022 - £NIL)*.

During the year, no Director expenses have been incurred *(2022 - £NIL)*.

## 17. Tangible fixed assets

### Group

| | Freehold property £000 | Plant and machinery £000 | Motor vehicles £000 | Total £000 |
|---|---|---|---|---|
| **Cost or valuation** | | | | |
| At 1 September 2022 | **15,905** | **1,786** | **33** | **17,724** |
| Additions | **257** | **61** | **16** | **334** |
| Disposals | **(259)** | **(120)** | **-** | **(379)** |
| Revaluations | **110** | **-** | **-** | **110** |
| At 31 August 2023 | **16,013** | **1,727** | **49** | **17,789** |
| **Depreciation** | | | | |
| At 1 September 2022 | **3,928** | **1,428** | **33** | **5,389** |
| Charge for the year | **209** | **149** | **4** | **362** |
| On disposals | **(259)** | **(120)** | **-** | **(379)** |
| At 31 August 2023 | **3,878** | **1,457** | **37** | **5,372** |
| **Net book value** | | | | |
| At 31 August 2023 | **12,135** | **270** | **12** | **12,417** |
| *At 31 August 2022* | *11,977* | *358* | *-* | *12,335* |

## 17. Tangible fixed assets (continued)

**Company**

| | Freehold property £000 | Plant and machinery £000 | Motor vehicles £000 | Total £000 |
|---|---|---|---|---|
| **Cost or valuation** | | | | |
| At 1 September 2022 | **15,808** | **1,786** | **33** | **17,627** |
| Additions | **257** | **61** | **16** | **334** |
| Disposals | **(259)** | **(120)** | **-** | **(379)** |
| At 31 August 2023 | **15,806** | **1,727** | **49** | **17,582** |
| **Depreciation** | | | | |
| At 1 September 2022 | **3,928** | **1,428** | **33** | **5,389** |
| Charge for the year | **209** | **149** | **4** | **362** |
| On disposals | **(259)** | **(120)** | **-** | **(379)** |
| At 31 August 2023 | **3,878** | **1,457** | **37** | **5,372** |
| **Net book value** | | | | |
| At 31 August 2023 | **11,928** | **270** | **12** | **12,210** |
| *At 31 August 2022* | *11,880* | *358* | - | *12,238* |

## 18. Investment property

**Group**

| | Freehold investment property £000 |
|---|---|
| **Valuation** | |
| At 1 September 2022 | **620** |
| Surplus on revaluation | **125** |
| At 31 August 2023 | **745** |

The 2023 valuations were made by the Directors, on an open market value for existing use basis.

Investment properties in Wolverhampton Grammar School 1958 Appeal Fund have been valued by the Directors at open market value as at 31 August 2023. The historic costs of revalued investment properties are £393k (2022: £393k).

## 19. Fixed asset investments

| Group | Listed investments £000 | Other fixed asset investments £000 | Total £000 |
|---|---|---|---|
| **Cost or valuation** | | | |
| At 1 September 2022 | **4,482** | **180** | **4,662** |
| Additions | **856** | **-** | **856** |
| Disposals | **(704)** | **(165)** | **(869)** |
| Revaluations | **(116)** | **-** | **(116)** |
| At 31 August 2023 | **4,518** | **15** | **4,533** |
| **Net book value** | | | |
| At 31 August 2023 | **4,518** | **15** | **4,533** |
| *At 31 August 2022* | *4,482* | *180* | *4,662* |

## 19. Fixed asset investments (continued)

| Company | Listed investments £000 |
|---|---|
| **Cost or valuation** | |
| At 1 September 2022 | **342** |
| Revaluations | **(10)** |
| At 31 August 2023 | **332** |
| **Net book value** | |
| At 31 August 2023 | **332** |
| *At 31 August 2022* | *342* |

## 20. Stocks

| | Group 2023 £000 | *Group 2022 £000* | Company 2023 £000 | *Company 2022 £000* |
|---|---|---|---|---|
| Stocks | **9** | *8* | **9** | *8* |

## 21. Debtors

| | Group 2023 £000 | *Group 2022 £000* | Company 2023 £000 | *Company 2022 £000* |
|---|---|---|---|---|
| **Due within one year** | | | | |
| Trade debtors | **24** | *66* | **18** | *13* |
| Other debtors | **15** | *59* | **15** | *56* |
| Prepayments and accrued income | **252** | *158* | **289** | *151* |
| | **291** | *283* | **322** | *220* |

## 22. Creditors: Amounts falling due within one year

| | Group 2023 £000 | *Group As restated 2022 £000* | Company 2023 £000 | *Company As restated 2022 £000* |
|---|---|---|---|---|
| Fees in advance | **1,605** | *1,211* | **1,605** | *1,211* |
| Trade creditors | **410** | *372* | **405** | *372* |
| Other taxation and social security | **133** | *124* | **133** | *124* |
| Other creditors | **232** | *223* | **232** | *221* |
| Accruals | **368** | *229* | **368** | *229* |
| | **2,748** | *2,159* | **2,743** | *2,157* |

Other creditors in the comparative period have been restated to reflect the receipt of up to date information in respect of the agreed deficit contributions to be made to The Pensions Trust.

Amounts disclosed within other creditors in the prior year totalled £168k for Group and £167k for the Company only position.

## 23. Creditors: Amounts falling due after more than one year

| | Group 2023 £000 | *Group As restated 2022 £000* | Company 2023 £000 | *Company As restated 2022 £000* |
|---|---|---|---|---|
| Other creditors | **374** | *395* | **374** | *395* |

Other creditors in the comparative period have been restated to reflect the receipt of up to date information in respect of the agreed deficit contributions to be made to The Pensions Trust.

Amounts disclosed within other creditors falling due after more than one year in the prior year totalled £Nil for Group and £Nil for the Company only position.

## 24. Prior year restatement

In the previous reporting period, a prior year restatement was made to reflect the receipt of up to date information in respect of the agreed deficit contributions to be made to The Pensions Trust. The School have previously entered into a deficit funding agreement and thus a liability has been recognised for this obligation. The net present value of the obligation as at the end of the financial year is £429k.

Following the prior year adjustment, other creditors due within one year have increased by £54k for both the Group and Company only.

Other creditors falling due after more than one year have increased by £395k for both the Group and Company only position as a result of the prior year adjustment.

The impact on 2022 opening funds is a reduction of £449k within unrestricted funds to recognise the expenditure which should have been recognised in relation to the deficit contributions.

## 25. Statement of funds

### Statement of funds - current year

| | Balance at 1 September 2022 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2023 £000 |
|---|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | | |
| Undesignated | 14,709 | 10,446 | (10,718) | - | 31 | 14,468 |
| IAF General | 2,295 | 72 | (72) | (59) | (53) | 2,183 |
| Revaluation Reserve | 324 | - | - | - | 235 | 559 |
| Wilson Fund | 92 | 2 | (1) | - | (2) | 91 |
| Designated - Foundation Bursary | 74 | - | - | - | - | 74 |
| | 17,494 | 10,520 | (10,791) | (59) | 211 | 17,375 |
| **Endowment funds** | | | | | | |
| Specie Funds | 212 | - | - | - | - | 212 |
| IAF Ivy Jones Endowed Fund | 301 | - | (2) | - | (15) | 284 |
| | 513 | - | (2) | - | (15) | 496 |
| **Restricted funds** | | | | | | |
| General Prize Fund | 145 | 2 | - | - | (2) | 145 |
| Wolfson Fund | 226 | 5 | (15) | - | (5) | 211 |
| Gym Refurb Donation | 2 | - | - | - | - | 2 |
| Martin Bequest | 483 | 76 | (1) | - | (11) | 547 |
| OW Sports Scholarship | 942 | 27 | (15) | - | (23) | 931 |
| IAF Bursary | 2 | - | (59) | 59 | (1) | 1 |
| WGS Lab Donation | 152 | - | - | - | - | 152 |
| Ivy Jones Award Fund | 38 | 12 | (26) | - | - | 24 |
| Foundation Bursary Fund | 395 | - | (84) | - | (9) | 302 |
| 150 Years on Compton Road | - | 125 | - | - | - | 125 |
| | 2,385 | 247 | (200) | 59 | (51) | 2,440 |
| **Total of funds** | 20,392 | 10,767 | (10,993) | - | 145 | 20,311 |

## 25. Statement of funds (continued)

### Statement of funds - prior year

| | *As restated Balance at 1 September 2021 £000* | *Income £000* | *Expenditure £000* | *Gains/ (Losses) £000* | *Balance at 31 August 2022 £000* |
|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | |
| Undesignated | *14,275* | *9,990* | *(9,565)* | *9* | *14,709* |
| IAF General | *2,475* | *60* | *(82)* | *(158)* | *2,295* |
| Revaluation Reserve | *324* | - | - | - | *324* |
| Wilson Fund | *93* | *2* | - | *(3)* | *92* |
| Designated - Foundation Bursary | *74* | - | - | - | *74* |
| Pension reserve | *(1,217)* | - | *(180)* | *1,397* | - |
| | *16,024* | *10,052* | *(9,827)* | *1,245* | *17,494* |

Undesignated funds brought forward have been restated to reflect the receipt of up to date information in respect of the agreed deficit contributions to be made to The Pensions Trust.

| | | | | | |
|---|---|---|---|---|---|
| **Endowment funds** | | | | | |
| Specie Funds | *212* | - | - | - | *212* |
| IAF Ivy Jones Endowed Fund | *327* | - | *(2)* | *(24)* | *301* |
| | *539* | - | *(2)* | *(24)* | *513* |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Restricted funds** | | | | | | |
| General Prize Fund | **145** | **2** | **-** | **-** | **(2)** | **145** |
| Wolfson Fund | **226** | **5** | **(15)** | **-** | **(5)** | **211** |
| Gym Refurb Donation | **2** | **-** | **-** | **-** | **-** | **2** |
| Martin Bequest | **483** | **76** | **(1)** | **-** | **(11)** | **547** |
| OW Sports Scholarship | **942** | **27** | **(15)** | **-** | **(23)** | **931** |
| IAF Bursary | **2** | **-** | **(59)** | **59** | **(1)** | **1** |
| WGS Lab Donation | **152** | **-** | **-** | **-** | **-** | **152** |
| Ivy Jones Award Fund | **38** | **12** | **(26)** | **-** | **-** | **24** |
| Foundation Bursary Fund | **395** | **-** | **(84)** | **-** | **(9)** | **302** |
| 150 Years on Compton Road | **-** | **125** | **-** | **-** | **-** | **125** |
| | **2,385** | **247** | **(200)** | **59** | **(51)** | **2,440** |
| **Total of funds** | **20,392** | **10,767** | **(10,993)** | **-** | **145** | **20,311** |

**26. Statement of funds**

**Unrestricted Funds**

Unrestricted Funds are held with the intention that they fund ongoing general purpose expenditure.

The Wilson Fund - a designated fund for the benefit of students at the discretion of the Head.

Independence Appeals Fund (IAF): (General) – These monies were raised by appeal when the school was given notice by local government of their intention to cease to maintain the school. The purposes of the appeal were to raise £180,000 for new buildings and the balance of sums raised to provide financial assistance for children who otherwise would be unable to attend Wolverhampton Grammar School.

**Endowment Funds**

IAF Ivy Jones Endowed Fund - an endowed fund under the terms of Professor Douglas Jones' (Old Wulfrunian) will. A legacy has been left to the Appeals Funds for the express purpose of providing bursary assistance for able pupils whose parents could not otherwise afford to send their children to the School. Any bursary awarded is to be designated as an 'Ivy Jones Award' in honour of Prof Jones' late wife. Under the terms of the will, the capital of the legacy is required to be maintained unless certain circumstances are reached whereby some or all of the capital may be spent.

The Specie Endowment Fund - relates to the historical costs of land and buildings held by the Foundation as specified in the 1979 Scheme of Government.

**Restricted Funds**

General Prize Funds – These represent a large number of individual donations given for the purpose of awarding prizes for achievement.

The Wolfson Fund – This fund is for the purpose of the award of bursaries to sixth form pupils.

Independence Appeals Fund (IAF): (Bursary) – These monies were raised by appeal when the school was given notice by local government of their intention to cease to maintain the school. The purposes of the appeal were to raise £180,000 for new buildings and the balance of sums raised to provide financial assistance for children who otherwise would be unable to attend Wolverhampton Grammar School.

The Sharing The Vision Appeal was launched in 1998 in response to the government's decision to phase out the Assisted Places Scheme. The purpose of this appeal was to provide financial assistance with fees to those children who would previously have benefited from the Assisted Places Scheme and who without such help would be unable to attend Wolverhampton Grammar School. This appeal forms part of the Independence Appeals Fund.

Independence Appeals Fund: (The Martin Bequest)
The Martin Bequest is a restricted fund which has been set up to provide a bursary prize or prizes for students studying for or proceeding to Allied Medical Sciences or such other subjects as the governing body of the school shall at its discretion think fit.

Independence Appeals Fund: (The Old Wulfrunian Sports Scholarship Fund)
The Old Wulfrunian Sports Scholarship Fund is a restricted fund which has been donated to provide a means tested Sports Scholarship to a student (or students) living in the Wolverhampton postcode area who joins the school into the Sixth Form and who is able to demonstrate considerable sporting achievement.

Catering Capital Donation Fund:
The School's catering contractors provided a donation towards the refurbishment of the dining areas at the commencement a five year contract with them in September 2015. Depreciation is being charged against the donation fund over the expected life of the refurbishment in accordance with the deprecation policy.

WGS Lab Refurbishment Fund:
Donations have been received from the Old Wulfrunians in America specifically for the refurbishment of the Chemistry Laboratories, which were completed at the end of August 2018 Depreciation is being charged against the donation fund from over the expected life of the refurbishment in accordance with the deprecation policy.

Ivy Jones Award Fund:
Income generated from the IAF Ivy Jones Endowed Fund is credited to the Ivy Jones Award Fund, a restricted fund, which is used for bursary assistance.

Foundation Bursary Fund:
These monies were raised as part of the current fundraising strategy to provide 100% bursaries to students in financial need entering Year 7, making full provision for a full 7 years of education at Wolverhampton Grammar School if required.

150 Years on Compton Road
WGS moved onto its current Compton Road site on 15th October 1875; meaning that on Wednesday 15th October 2025, WGS will have been located on its current Compton Road site for 150 years. To mark this special anniversary, WGS is launching a "150 Year Fundraising Campaign" to increase its Bursary Award provision. The aim is to increase the provision to 10% of the student body by 2030.

**27. Analysis of net assets between funds**

Analysis of net assets between funds – current year

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Endowment funds 2023 £000 | Total funds 2023 £000 |
|---|---|---|---|---|
| Tangible fixed assets | 12,206 | - | 211 | **12,417** |
| Fixed asset investments | 1,808 | 2,440 | 285 | **4,533** |
| Investment property | 745 | - | - | **745** |
| Current assets | 5,738 | - | - | **5,738** |
| Creditors due within one year | (2,748) | - | - | **(2,748)** |
| Creditors due in more than one year | (374) | - | - | **(374)** |
| **Total** | 17,375 | 2,440 | 496 | **20,311** |

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

| | Group 2023 £000 | *Group 2022 £000* |
|---|---|---|
| Net income/expenditure for the year (as per Statement of Financial Activities) | **(228)** | *178* |
| **Adjustments for:** | | |
| Depreciation charges | **362** | *358* |
| (Gains)/losses on investments | **(9)** | *29* |
| Dividends, interests and rents from investments | **(139)** | *(174)* |
| Decrease/(increase) in stocks | **(1)** | *-* |
| Increase in debtors | **(8)** | *(98)* |
| Increase in creditors | **588** | *117* |
| Movement in FRS102 pension | **61** | *180* |
| **Net cash provided by operating activities** | **626** | *590* |

## 29. Analysis of cash and cash equivalents

| | Group 2023 £000 | *Group 2022 £000* |
|---|---|---|
| Cash in hand | **5,438** | *5,038* |
| **Total cash and cash equivalents** | **5,438** | *5,038* |

## 30. Analysis of changes in net debt

| | At 1 September 2022 £000 | Cash flows £000 | At 31 August 2023 £000 |
|---|---|---|---|
| Cash at bank and in hand | **5,038** | **400** | **5,438** |
| | **5,038** | **400** | **5,438** |

## 31. Pension commitments

Certain of the school's employees belong to the Teacher's Pension Scheme England and Wales (TPS), the West Midlands Metropolitan Authorities Pension Fund (LGPS) and The Independent Schools' Pension Scheme (ISPS). These schemes are defined benefit schemes.

From July 2014, the School introduced a new scheme to the members of the Support Staff not currently in a pension run by the Peoples Pension. This is a defined contribution scheme.

From September 2022 the School introduced a new scheme to teachers who wish to withdraw from the TPS, the new schemes operated by Royal London. This is a defined contribution scheme.

### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy).

total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective rate of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million.

The SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £746,000 (2022 - £763,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

**Independent Schools Pension Scheme**

The School participates in the TPT Retirement Solutions - Independent Schools' Pension Scheme, a multi-employer scheme which provides benefits to associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

A liability will be triggered in relation to this pension scheme when there are no longer any active members in the scheme. The liability as at 31 August 2023 is estimated to be £1.88m. When the last active member retires, the debt will become due.

The School have entered into a deficit funding agreement and thus a liability has been recognised for this obligation. The net present value of the obligation as at the end of the financial year is £429k. The obligation existed in the prior year and therefore a prior year restatement has been included in the financial statements. See note 24 for further detail of the prior year restatement.

The scheme is subject to the funding legislation outlined in the Pension Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

During the accounting period, Wolverhampton Grammar School paid a joint contribution rate of between 21.5% and 24.6%, comprising employer contributions of 17.9% and member contributions range from 3.6% to 6.7%.

The total contribution made for the year ended 31 August 2023 was £82,470 (2022: £50,870), of which the total employer's contributions totalled £71,634 (2022: £39,321), the employees' contributions totalled£10,836 (2022: £11,548) and past service costs of £53,837 (2022: £50,964).

The Group operates a defined benefit pension scheme.

**Local Government Pension Scheme (LGPS)**

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee- administered funds. The total contribution made for the year ended 31 August 2023 was £139,000 (2022: £133,000), of which employer's contributions totalled £104,000 (2022: £98,000) and employees' contributions totalled £35,000 (2022: £35,000).

At the year end £NIL (2022: £NIL) was accrued in respect of contributions to this scheme.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the LGPS was 31 March 2020.

## 31. Pension commitments (continued)

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

| | At 31 August 2023 % | *At 31 August 2022 %* |
|---|---|---|
| Discount rate | **5.20** | *4.25* |
| Future salary increases | **4.00** | *4.20* |
| Future pension increases | **3.00** | *3.20* |

| | At 31 August 2023 Years | *At 31 August 2022 Years* |
|---|---|---|
| Mortality rates (in years) | | |
| - for a male aged 65 now | **21.9** | *21.2* |
| - at 65 for a male aged 45 now | **22.4** | *22.9* |
| - for a female aged 65 now | **24.4** | *23.6* |
| - at 65 for a female aged 45 now | **26.1** | *25.4* |

The Group's share of the assets in the scheme was:

The actual return on scheme assets was £153,000 *(2022 - £112,000 deficit).*

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

| | 2023 £000 | *2022 £000* |
|---|---|---|
| Interest cost | **146** | *82* |

Movements in the present value of the defined benefit obligation were as follows:

| | 2023 £000 |
|---|---|
| Opening defined benefit obligation | **3,391** |
| Interest cost | **146** |
| Contributions by scheme participants | **39** |
| Change in demographic assumptions | **(1)** |
| Current service cost | **139** |
| Change in financial assumptions | **(647)** |
| Experience loss/(gain) on defined benefit obligation | **(461)** |
| Estimated benefits paid net of transfers in | **(61)** |
| **Closing defined benefit obligation** | **2,545** |

Movements in the fair value of the Group's share of scheme assets were as follows:

| | 2023<br>£000 |
|---|---|
| Opening fair value of scheme assets | 3,601 |
| Interest on assets | 155 |
| Return on assets less interest | (270) |
| Employer contributions | 106 |
| Contributions by scheme participants | 39 |
| Estimated benefits paid plus unfunded net transfers in | (61) |
| **Closing fair value of scheme assets** | 3,570 |

The Group has an unrecognised surplus of £1,025,000 (2022: £210,000) in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

## 32. Operating lease commitments

At 31 August 2023 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group<br>2023<br>£000 | *Group*<br>*2022*<br>*£000* | Company<br>2023<br>£000 | *Company*<br>*2022*<br>*£000* |
|---|---|---|---|---|
| Not later than 1 year | 36 | *33* | 36 | *33* |
| Later than 1 year and not later than 5 years | 105 | *47* | 105 | *47* |
| Later than 5 years | 25 | *28* | 25 | *28* |
| | 166 | *108* | 166 | *108* |

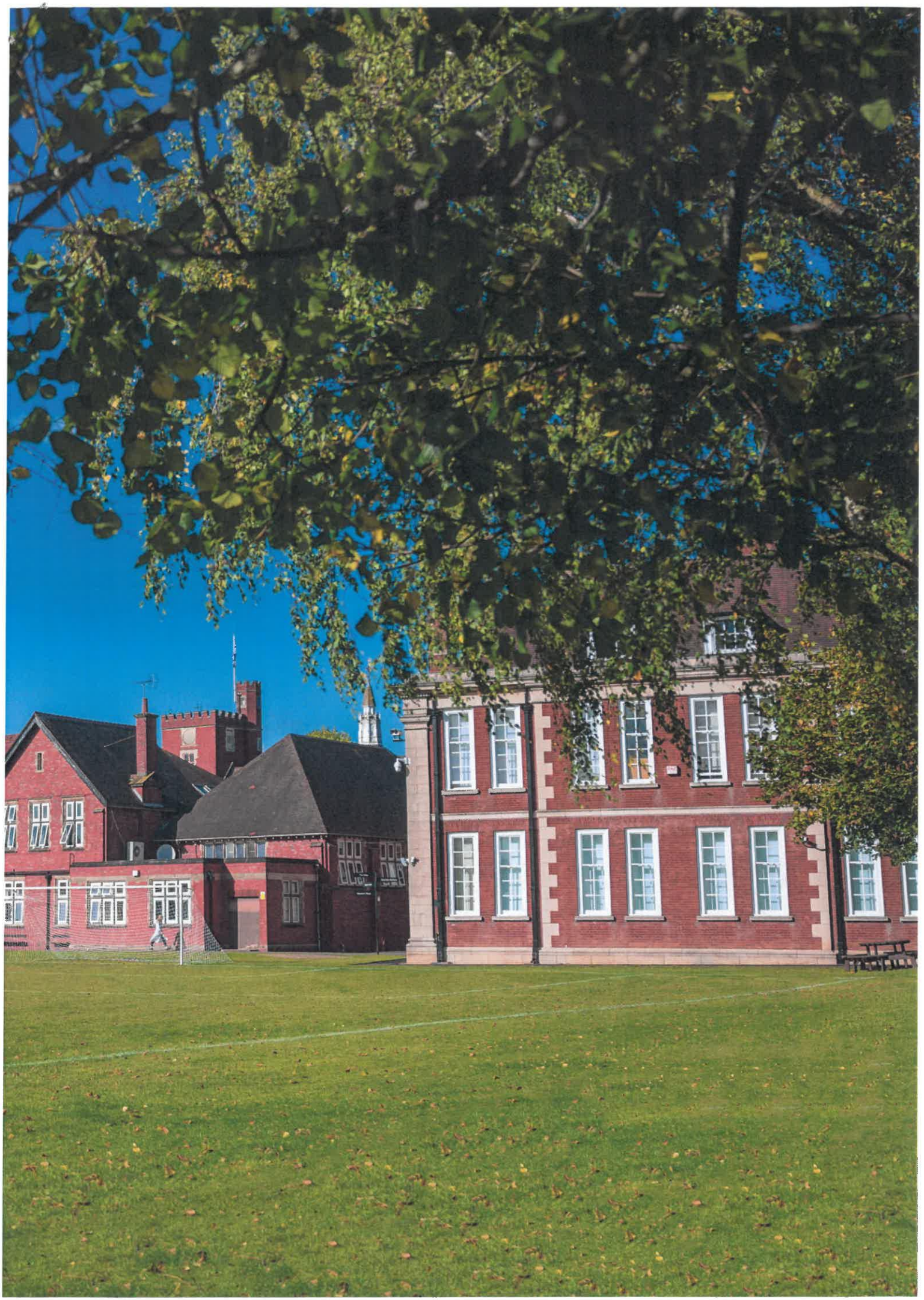
## 33. Related party transactions

During the year, the School provided tuition to 6 pupils related to the Directors and 5 pupils related to key management personnel (2022: 5 related to the Directors, 3 related to key management personnel).

Fees receivable were £100,095 (2022: £107,715). The amount outstanding to Wolverhampton Grammar School at the year end was £Nil (2022: £Nil). Dees for Director's are charged at market rate, without reduction.

## 34. Post balance sheet events

Post year end the School has opted to withdraw from the Teachers' Pension Scheme with staff enrolled in a separate defined contribution scheme.



WOLVERHAMPTON
GRAMMAR SCHOOL

**Wolverhampton Grammar School**
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Wolverhampton
WV3 9RB
01902 421326

**www.wgs.org.uk**
@WGS1512
Wolverhampton Grammar School Official
Wolverhampton Grammar School
Wolverhampton Grammar School

**WOLVERHAMPTON GRAMMAR SCHOOL LIMITED**

England & Wales - Charity number 1125268

# Accounts

Registered number: 6610261
Charity number: 1125268

# WOLVERHAMPTON GRAMMAR SCHOOL LIMITED

## DIRECTORS' REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 AUGUST 2022

# Directors' Report and Financial Statements

for the year ended 31 August 2022

# Contents


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Registered number: 6610261
Charity number: 1125268

# Reference and administrative details of the Company, its Directors and Advisers for the year ended 31 August 2022.

| | |
|---|---|
| Directors | Mr J Sage, Chairman 1,2,4 |
| | Mr C I Bill, Chairman of Finance and General Purposes Committee 2,4 |
| | Mrs E Bloch, Chairman of Education Committee (appointed Chair 14 July 2022) 1 |
| | Revd S H L Cawdell, Chairman of Education Committee (resigned 14 July 2022) 1 |
| | Mr S Aldis 2,3 |
| | Mr N C Berriman 2,3 |
| | Ms E Forde MBE 1 |
| | Dr M Gowan Gopal 1 |
| | Mr P A Hawthorne CBE 1,4 |
| | Mr J A Harper |
| | Mr A Holles (appointed 22 October 2021) 2 |
| | Mr Y J Malik 1,3 |
| | Mr J Patel (resigned 22 October 2021) |
| 1 | Members of The Education Committee |
| 2 | Members of The Finance and General Purposes Committee |
| 3 | Members of The Estates Committee |
| 4 | Members of The Remuneration Committee |

Company registered number: 6610261
Charity registered number: 1125268
Registered office: Compton Road, Wolverhampton, WV3 9RB

| | |
|---|---|
| Company Secretary | Mrs S Hemmings |
| The Head | Mr A Frazer |
| Independent auditors | WR Partners<br>Chartered Accountants<br>Belmont House<br>Shrewsbury Business Park<br>Shrewsbury<br>Shropshire<br>SY2 6LG |
| Bankers | Lloyds Bank Plc<br>28a High Street<br>Tettenhall<br>Wolverhampton<br>WV6 8QT |
| Solicitors | FBC Manby Bowdler LLP<br>6-8 George Street<br>Snow Hill<br>Wolverhampton<br>WV2 4DN |
| Investment Managers | M&G Securities Limited<br>Laurence Pountney Hill<br>London<br>EC4R 0HH |
| | Evelyn Partners<br>3rd Floor, 9 Colmore Row<br>Birmingham, B3 2BJ |
| | CCLA Investment Management Limited<br>80 Cheapside, London<br>EC2 6DZ |

# Directors' Report
## for the year ended 31 August 2022

The Directors, who are also Trustees, present their annual report together with the audited financial statements of the Company and the consolidated Group for the 1 September 2021 to 31 August 2022. The Annual Report serves the purposes of both a Directors' report and a Directors' report under company law. The Directors confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

**a. Policies and objectives**

The objects of the charity are "the provision and conduct in or near Wolverhampton of a day school for boys and girls", thereby providing the advancement of education within the meaning of English law.

At Wolverhampton Grammar School, our vision is to deliver an education that transforms lives as well as minds. We do this by providing an education that treats every child as an individual; inspiring them through excellent teaching and a curriculum that is tailored to securing the best outcomes for all. We can do this because of small class sizes, outstanding pastoral care, flexibility within our academic structures and an all-embracing range of extra-curricular activities. All our staff play a part in inspiring students to develop a love of learning.

Our school community is built on an ethos of openness, trust and mutual respect. We know that a challenging education requires a supportive, caring environment as well as a blend of skills and a mind-set that embraces diversity and difference.

For us, education is not just about academic achievement, it's about helping our students to know they can make a difference during their time at school and after they leave us. All our students are treated warmly as individuals and their opinions are valued.

**Objectives for the Year**

The School's objectives for the year were to deliver against the final year of the School's 2017-22 Strategic Plan, whilst remaining true to the School's mission as stated above and taking into account new challenges and opportunities that arose during the pandemic.

### Primarily the objectives fell into the following categories:

- Teaching & Learning
- Pastoral Care & Wellbeing
- Extra-Curricular and Community Links
- Junior School & Sixth Form
- Pupil recruitment & retention
- Staff recruitment & development
- Alumni Engagement
- Finances, Estates & Infrastructure
- Governance & Organisational Excellence



**b. Strategies for achieving objectives**

During the academic year, work was undertaken to develop the School's third Strategic Plan which will run from 2022-25.

Our Strategic Plan for 2022-25 is shaped around three core objectives which, when fulfilled, will make the greatest difference to our School as a community, in terms of the education we provide and as a robust institution able to face the future with confidence, whilst retaining the ethos, values and sense of place and history from which we derive a cherished local and national reputation.

### Our three core objectives are:

1. To improve and grow our School
2. To look after and develop our people
3. To have a positive impact on our surroundings

Within each core objective, there are a number of key goals on which we shall focus over the three years of the Strategic Plan.

### To improve and grow our School, by

- Maximising academic achievement
- Optimising our Sixth Form offer
- Building on the success of our Junior School
- Extending a WGS education to a wider audience
- Increasing our provision of bursary places

### To look after and develop our people, by

- Embedding a community that embodies Equity, Diversity and Inclusion for all students and staff
- Being a centre of excellence for student wellbeing and personal development
- Being a centre of excellence for staff professional development and wellbeing

### To have a positive impact on our surroundings, by

- Contributing more to the City of Wolverhampton and nearby areas
- Working towards a Carbon Zero school

For each of the three years of the Strategic Plan, there will be an annual School Development Plan to guide our work and monitor progress.

**72%**

**Grade 9, 8 or 7 awards (equiv to A*/ A) at GCSE**

**30+ universities**

**Architecture and Aeronautical & Spacecraft Engineering to Zoology**

**100%**

**Pass rate at A level**

## Activities undertaken to achieve objectives

Wolverhampton Grammar School (WGS) provides education to boys and girls from the ages of 4 to 18 in the Junior School and the Senior School. Whilst maintaining high academic standards, the School also provides specialist support for students with special educational needs through its Opportunities for Assisted Learning (OpAL) Department.

571 students aged 11 – 18 were on roll as of September 2021 in the Senior School (September 2020: 565) and 140 students aged 7 – 11 in the Junior School (September 2020: 156). The school was opened to children from age 4 for the first time in September 2021. As a result, there were 47 students aged 4-6 on roll as of September 2021. The School continues to attract strong interest from the Wolverhampton area as well as from Staffordshire, Shropshire, Walsall and Dudley.

In-person public examinations returned for the first time in three years and the results achieved continue to highlight the academic power of the School. At GCSE the 2021/22 cohort achieved a 99% pass rate at grades 4 and above with 72% passes at 9 – 7. This figure is 20 percentage points higher than the equivalent in 2019, the last year of in-person examinations before the pandemic. The students averaged over 9 passes each and 43% of the cohort achieved 9 or more passes at grades 9, 8 or 7.

At A Level there was a 100% pass rate, a 72% pass rate at A* – B and 48% at grade A*/A, the best for 10 years and 15 percentage points higher than the equivalent in 2019. 64% of students taking Cambridge Technical qualifications in ICT and Sport & PE achieved Distinction* and Distinction grades, with the remainder all at Merit. 74% of our students achieved a place at their first choice university, with the remainder of university applicants gaining a place through insurance or clearing. Typical of WGS students' diversity of interests is the vast spectrum of degree subjects for the 2022 leavers, ranging from Architecture and Aeronautical & Spacecraft Engineering to Law, Medicine (five students), History & Politics, Modern Languages and Theatre. A small number have entered employment or an apprenticeship.

Our students' public examination success demonstrates the effectiveness of the education the School provided during their GCSE, A Level and Cambridge Technical courses of two years' duration, including through a period of school closure in Spring 2021 when the School continued to teach online as well as providing pastoral care and extra-curricular opportunities remotely.

The Junior School, opened in 2011, continues to flourish and from September 2021, children aged 4-6 were part of Wolverhampton Grammar School for the first time in its history. The first year of infant classes was incredibly successful with 47 children joining the School across the three new year groups. Links with the Senior School are enhanced by sharing facilities and, in some cases, teachers (Sciences, Languages and Humanities are taught by Senior School staff) and there is strong support in place for both students and their parents in terms of transition to Senior School, including immersion days and parent information evenings.

Achievement and a well-rounded education at WGS are evident both inside and outside the classroom. The School provides high-quality teaching and an excellent programme of extra-curricular activities and opportunities (over 100 clubs, societies and activities are available to students across the School). Both are supported by the implementation of the School's digital strategy, which has modernised administration and added new methodologies for both teaching and learning. During the 2021-22 academic year, extra-curricular opportunities returned to pre-pandemic levels with students enjoying access to a wide range of activities across Sport, Music, Drama, Academic and special interest clubs. The excellent digital provisions in place meant that any children having to isolate as a result of Covid were able to access all of their lessons via Teams so that their learning was uninterrupted.

The prominence of Student Parliament in the Senior School and School Council in the Junior School and the seriousness with which student voice is taken throughout the School enables our young people to learn to articulate their thoughts and speak up for what is right. Such activities help us to meet our objective of raising students who are confident that they can make a difference within their community or sphere. The Senior School House system was reintroduced in July 2021 with all students in Year 8 to Upper Sixth inducted into their Houses. The first year of the House system saw enhancements to the already exceptional pastoral support offered in the School and provided opportunities for leadership amongst the student body with House Captains in the Sixth Form, Vice Captains in Year 11 and Form Captains in Years 8-10. House activities as varied as Tug of War, Bake Off, Pumpkin Carving, Spelling Bee and the traditional Sports Day, amongst other events, were all hugely popular, provided much fun competition and contributed to strengthening cross-year links throughout the School.

The School continues to provide quality sporting opportunity for students and participation levels are high. Extra-curricular clubs were offered to all year groups, in bubbles, throughout the year. Inter-school fixtures returned during the 2021/22 academic year with 53 Football fixtures, 27 Hockey Fixtures and 40 Cricket Fixtures for the boys. The girls participated in 64 Netball fixtures, 23 Hockey fixtures, 14 Football fixtures, 34 Rounders fixtures and 5 Cricket Fixtures. Notable achievements were in Football where the U12s and U14s reached the City Cup final and the U12 girls and U18s were City Cup Champions. The U12 boys reached the final of the County Cricket Cup but were unfortunately runners-up. The U13 girls' Cricket team were City Indoor Champions, County Indoor Champions and Regional Indoor Runners-up. There was success in Athletics with the U15 boys, the U15 girls and the U12 girls becoming City Champions. The U13 and U14 boys and U12, U13 and U14 girls were City Champions at Cross Country. The U14 boys were City Table Tennis Champions. In Netball, the U12s, U15s and U18s won the City Tournament, with the U14s runners-up. In Rounders the U12s, U14s and U15s won the City League and the U13s were runners-up in the City League.

The School also supports students who compete at city, county, regional and international level with supported learning and/or adapted curricula to ensure they do not fall behind and, in some cases, a tailored fitness programme to support their sporting discipline.

The Music and Drama Departments continue to provide exciting opportunities for our students. The end of term Music concerts returned and were well attended. 26 pupils and 5 staff participated in the Summer Music tour to Jersey, the School's first overseas trip post-pandemic. 91 instrumental exams were sat with a 100% pass rate. The Senior School plays returned this year with an Upper School performance of 'A Midsummer Night's Dream' and a Lower School performance of 'Jason and the Argonauts', both performed to sell-out audiences. In the Junior School, we saw the first ever Infants' Nativity. Years 3 & 4 performed 'Magpie Manor', and Years 5 & 6 performed 'Alice in Wonderland.' The annual Dance Show saw 75 Junior and Senior School girls perform in two sold-out performances.

School trips that support and enrich the curriculum have continued to enhance the educational and spiritual growth of students. There were 16 trips in the Junior School and 49 in the Senior School throughout the year. Notable trips included outdoor educational residentials for Years 2-7, A Level and GCSE Geography Field Trips and Duke of Edinburgh Bronze, Silver and Gold expeditions. This year there were noticeably more volunteering trips to venues in the local community such as Arbour Lodge Care Home and a local food bank, organised by the Heads of Houses. Following the success of the Jersey Music tour, a full programme of overseas visits is taking place in 2022-23.

Significant capital projects during the year were improved lighting, CCTV and security around the site, extension to the hard standing at the rear of the Sports Centre, further improvements to the Infant playground, toilet refurbishments and the creation of a Wellbeing room for students.

19 events benefiting 82,172 pupils run by the WGS Jenyns Library

**d. Main activities undertaken to further the Company's purposes for the public benefit**

The Directors have given due regard to the Charity Commission guidance on public benefit and have continued to demonstrate the School's commitment to delivering public benefit to both its own students and the wider community of Wolverhampton. Means tested bursaries amounted to over half of all concessions awarded, with the total number of students in September 2021 receiving means tested bursaries amounting to 54 (September 2020: 67). The proportion of students receiving support with 90% or more of fees and additional extras is 58% (September 2020: 58%). These students come from households where the gross annual income is less than £60,000. One student on such an award is a Looked After Child. A Ukrainian student joined the school on a free place during the Summer term as her host family had links to the School. Any additional costs related to her education are being met by the generosity of an Old Wulfrunian (alumnus). Means tested bursaries are primarily offered at entrance in Year 7 and in Year 12, and in addition, a bursary hardship fund is used to support students through critical exam years where their parents have experienced significant financial difficulty. During the previous year, an Emergency Appeals Fund was launched in order to support families in short term financial difficulties as a result of Covid-19. The fund continued to be used to support students throughout the 2020-21 academic year, helping 28 students in total over 4 terms.

The School sees itself very much as part of a wider community, and where we can assist the community without detriment to advancing the education of our students, we are delighted to do so. We provide public benefit to the community through a number of lettings at subsidised rates to local children's sports and holiday clubs, including junior cricket, hockey and rugby clubs, Soccer 2000 and the Pauline Quirke Academy. The letting of music and exam hall facilities to wider educational music organisations has also been developed as has the use of the Viner Gallery, which has been made available to local artists as an exhibition venue on several occasions. The local nursery is able to use the School grounds free of charge for its sports day and the local Tabernacle church is able to use the School car park free of charge on a Sunday.

As part of the School's public benefit provision, the WGS Jenyns Library continues to inspire reading and is working to raise levels of reading attainment across the West Midlands. 15 author events were arranged during the year, allowing children from WGS and local state schools to interact with authors, poets and illustrators. This included the visit of American author Jeff Kinney in November 2021. A drive-thru Diary of a Wimpy Kid experience was followed by an event in Big School (the main School hall) which more than 800 schools and 80,000 children were able to join virtually. In March 2022, Julia Donaldson and Lydia Monks visited to officially open the new Infant School playground and also starred in an event hosted by WGS at Wolverhampton Grand Station for over 800 children from 42 local state schools.

The School Librarian Network Group, run from WGS, continues to offer training and support for librarians from local and regional state schools. Termly meetings are held with representatives from local schools, where good practice is shared and resources linked to the Wolverhampton Children's Book Award are distributed. WGS again hosted the Wolverhampton Children's Book Award Ceremony, with shortlisted authors delivering virtual presentations to over 200 children from 10 local schools. Other library events included Wolverhampton Children's Book Award Quiz and Wolverhampton Young Authors' Prize and Event.

In partnership with Southern Connecticut State University in the USA, a Discover Reading Project was launched to help raise literacy standards in the area. The School held a morning of book-themed activities which aimed to reinforce the importance of reading to young children who attended with their parents from a number of our partner state primary schools. WGS welcomed children to a farmyard animal workshop with a Wolverhampton based company, The Farm on Wheels. All children who attended also received a reading pack and book. The Discover Reading Project continues in 2022-23.

Both Senior and Junior Schools raise funds which are divided amongst local and national charities. The 24th annual Coast2Coast Challenge took place over the weekend of 27th to 30th May 2022 with nine Year 10 students running a 170-mile relay from St Bees to Robin Hood's Bay.



The team raised £7,500 for Teenage Cancer Trust. A whole-school non-uniform day raised £1,320 for Crohn's and Colitis Charity. Donations of clothes and other items were collected for the Afghan Community and Welfare Centre in Walsall. Food bank donations were again made to the Well Charity, who provide emergency food to those in Wolverhampton who are in the greatest need. In response, to the events in Ukraine, children were asked to wear yellow or blue as part of their normal school uniform in order to raise money to support the Red Cross in their efforts supporting Ukrainian refugees. Junior School held several events throughout the year raising money for their three charities: Birmingham Children's Hospital, RSPCA and Water Aid.

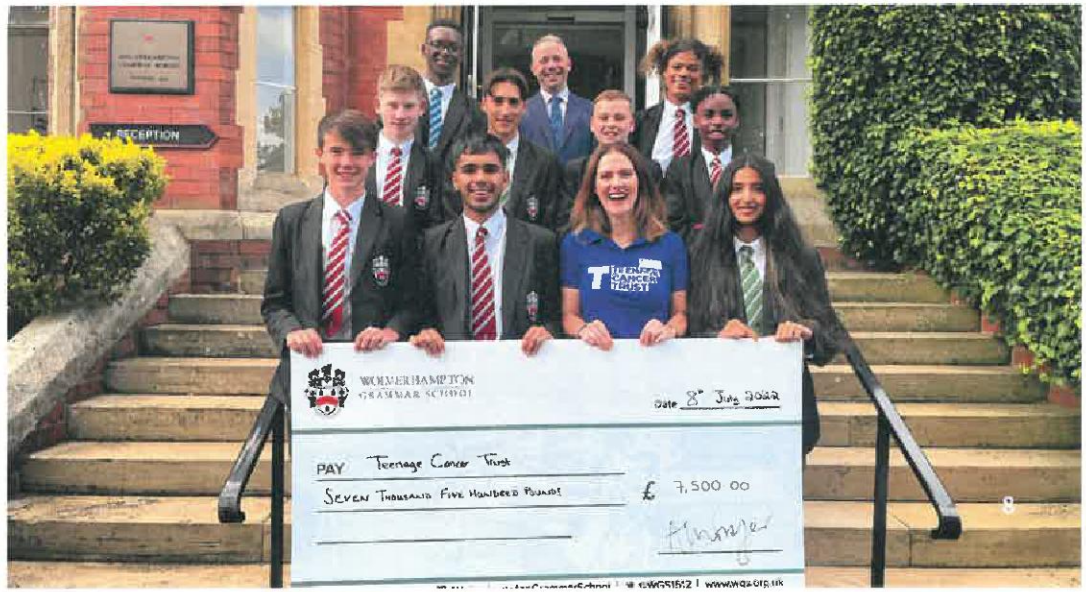
The School actively supports the attainment of the highest standards in the Independent Schools sector through networking with other schools and membership of the appropriate bodies concerned with such standards. The Head is an elected member of HMC – The Heads' Conference and represents the West Division of Heads on HMC's Academic Policy Sub-Committee. The Warwick Group of HMC schools provides a forum for the Head, the Deputy Heads and Heads of all academic departments to meet and consider matters of mutual interest and importance. The School is a member of the Independent Schools' Bursars Association which provides relevant advice for the effective administration of the School. Four of the School's leaders and management serve the wider educational community by acting as School governors in regional state schools.

In the furtherance of the aims of the School, the Directors have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published and relevant sub sector guidance concerning the operation of the Public Benefit requirement under that Act.

## Fundraising and Volunteering

The School continues to promote the Independence Appeals Fund for the collection of donations and legacies for augmenting bursary funds. The Directors are grateful for donations of c.£115,000 received during the year. A number of former students have participated in virtual presentations to share their experiences of university and work with current students.

Many parents, friends of the school and Old Wulfrunians help with fundraising, cultural and sporting activities and careers events providing many hours of voluntary service during the year. The Directors very much appreciate their continuing and valuable support.



# Strategic report
## Achievements and performance

**a. Key performance indicators**

The Directors consider that the key financial performance indicators are pupil numbers; full fee equivalent pupil numbers; teaching staff:pupil ratios; investment surplus (profit before depreciation as a percentage of net fee income); salary costs as a percentage of net fee income; bursary and scholarship concessions as a percentage of gross fee income; percentage fee rises; level of annual capital expenditure and reserves levels.

The key performance indicators are set during the budget process and reviewed at least once a term by the Finance and General Purposes Committee through the production of monthly management accounts and the annual SORP accounts.

**b. Review of activities**

The surplus for the year (before transfers between funds, movements on pension scheme valuation and movements on investment assets) amounted to £208k (2021: £693k). The surplus for the year after transfers between funds, movement on pension scheme valuation and gains on investment assets amounted to £1,302k, 14.3% of net fee income (2021: £1,630k, 18.2% of net fee income) and has been transferred to reserves. Total funds amounted to £20,841k (2021: £19,541k). The overall cash surplus for the year amounted to £287k (2021: £1,380k).

During the year, fee income after bursaries and discounts increased by £710k; equivalent to a 8.4% increase (2021: £413k; equivalent to a 5.2% increase). There was no fee increase in September 2020 and a further 10% rebate was given to parents for every week that the school was closed to the majority of students during Spring Term 2021. Fees were increased by 2.5% in September 2021, the first increase since September 2019. No Government Grants were received during the year (2021: £98k received to support operations during lockdown). In addition, whilst the School continues to maintain a good level of means tested bursary assistance, the level of non-means tested Scholarship concessions have been reduced. The donations and legacies received during the year were £58k (2021: £205k) for bursary support. The School has continued to work to increase awareness of the benefits that a child obtains through the award of a bursary and is very grateful to its alumni body both in the UK and abroad for their continued bursary donations to the Independence Appeal Fund.

Total resources expended increased to £9,989k (2021: £8,943k). Spend in all areas has increased year on year after 2 years of reduced expenditure due to the pandemic. The teaching staff: pupil ratio of 1:10.1 is lower than in previous years (2021: 1:10.8) due principally to the staff ratios required in the new Infant classes. Salary costs were 73.9% of net fee income (2021: 73.8%). Costs continue to be tightly controlled but some increases are unavoidable in view of the economic environment in which the School is operating.

The value of the investments held have decreased, with realised and unrealised losses amounting to £304k (2021: £817k gain). Whilst the latter is largely beyond the control of Directors, there is a strong expectation that operating costs will continue to be driven down in order to optimise the incoming resources for the main aim of the charity: the education of its students. The ongoing aim of the School is to increase cash surpluses to enable the School to invest in an ongoing capital expenditure plan to allow buildings to be updated and to increase the level of reserves to provide security for the School in the current uncertain political and economic climate.

**Reserves Policy**

The School aims to build up and maintain its unrestricted free reserves in order to accommodate longer term plans for capital investment and other strategic objectives as well as provide an emergency fund to manage the risks and uncertainty for an educational charity in the current political and economic climate. In addition, the Directors recognise the need to increase the restricted and endowment reserves held, in particular the Independence Appeals Fund, to help fund future transformational bursaries. As a result, capital expenditure has been carefully controlled since the pandemic to ensure that cash and reserves levels are maintained at an appropriate level. Total capital expenditure in the year was £494k (2021: £567k) with the main expenditure being on improving outdoor play areas for both Senior and Junior School children.

Consolidated reserves at 31 August 2022 amounted to £20,841k (2021: £19,541k). At 31 August 2022 the consolidated free reserves including unrestricted investments but excluding the pension scheme reserve were £4,986k (2021: £5,086k). Details of the specific reserves held are provided in note 22 to the accounts.

Total unrestricted funds as shown in the financial statements include a notional funding deficit of £nil (2021: £1,217k) calculated under the FRS102 Charity SORP in respect of the School's defined benefit scheme for support staff. The Directors believe that this notional funding calculation, which can vary considerably between surplus and deficit according to the assumptions made at each year end, has no material effect on the School's short term cash flow and that in the longer term, its effects are sustainable out of future income. For this reason it is considered that it should be disregarded for reserves policy purposes.

The Directors are satisfied that they have sufficient resources available to meet liabilities and any unscheduled future costs and review their policy on an annual basis.

**c. Investment policy and performance**

The Trustees of the Appeals Funds have appointed Investment Managers to manage the investment portfolio on a discretionary basis in accordance with the agreed strategy. The Trustees monitor the returns on a regular basis. The main investment objectives are:

- The creation of a sufficient financial return to enable the Charity to carry out its purposes effectively and without interruption;
- The maintenance and enhancement of the investment funds over the long term;
- To obtain a reasonable balance between capital growth and income so that the Charity can meet future as well as current needs;
- To avoid investments that are unduly risky.

The investment performance for the majority of the School's accounts is measured against the MSCI WMA/PIMFA Balanced Index, which rose by 2.26% during the year to 31 August 2022. By contrast, the 1958 investments achieved a gain of 3.9%; the Independence Appeal Fund lost 6.2% and the Restricted Fund fell by 5.6%. The Ivy Jones Endowed Fund, which has an income orientated benchmark, fell by 6.7% while the MSCI WMA/PIMFA Income Index gained 2.31%.

The general policy is to maintain and grow investment capital levels, generating returns to provide the hardship bursary support to students who would otherwise be unable to attend the School. In addition, the returns are used to fund specific means tested awards through donations received for these purposes such as the Sports Scholarship and Ivy Jones Award, and the Foundation Bursaries.

## Financial review

**a. Going concern**

After making appropriate enquiries, the Directors have a reasonable expectation that the Company and the consolidated Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**b. Principal risks and uncertainties**

### The Directors believe that the principal risks and uncertainties to the business are:

- Operational – attracting and maintaining pupil numbers in today's difficult economic environment;
- Environmental – ability to expand and build an Infant School on the current School site due to planning considerations;
- Technological – keeping up to date in a world of fast moving digital technology advances and in particular the impact of social media;
- Political – the threat to charitable status and charitable tax reliefs.
- Economic – the impact of the pandemic on the local economy and the increase (and possible further future increases) in employer contribution to the Teachers' Pension Scheme.

Whilst these risks and uncertainties are considered and regularly reviewed, the Directors manage these at an acceptable level through their robust risk management policy and associated reserves position.

## Structure, governance and management

**a. Constitution**

The School is a charity and company limited by guarantee, and is governed by its Memorandum and Articles of Association by its Board of Directors. The associated Trusts, The Independence Appeals Fund and The 1958 Appeal Fund are administered in conformity with their Trust Deeds by their Boards of Trustees. Wolverhampton Grammar School Foundation is administered in conformity with its revised Scheme of Government dated 16 February 2018 by Wolverhampton Grammar School Limited, who has been appointed the Corporate Trustee of the Foundation.

The consolidated accounts comprise Wolverhampton Grammar School Ltd (registered charity number 1125268), Wolverhampton Grammar School Foundation (registered charity number 529006), Wolverhampton Grammar School Independence Appeal Fund (registered charity number 507487) and Wolverhampton Grammar School 1958 Appeal Fund (registered charity number 1090885). The School was set up to run the operational and trading activities, the Foundation was set up to manage the specie endowed land and buildings and the two Appeal Funds were set up to support the School in its aims and to provide financial help wherever possible to students who would not otherwise have been able to attend Wolverhampton Grammar School.

**b. Methods of appointment or election of Directors**

The Board of Directors is appointed at the AGM under the terms of the memorandum and articles. A small working group made up of a committee of Directors appointed by the Chairman, carries out reviews of possible new members, in readiness for vacancies arising through retirements of Directors. They also carefully consider the range of skills which are needed on the Board, and names of potential Directors are recommended to the Board when appropriate.



The Trustees of the Trust Funds are appointed by Deed of Appointment by the current/outgoing Trustees, who carefully consider the range of skills required on the boards.

**c. Organisational structure and decision making policies**

The Directors are responsible for the overall management of the School and meet as a board at least three times a year. The Finance and General Purposes, Education and Estates Committees meet on a termly basis as a minimum and these committees are empowered on behalf of the Board to ensure that the policies as agreed by them are carried out. A copy of the minutes of these meetings and accounts are sent to all Directors.

The day to day management of the School is delegated to the Head, supported by the Senior Management Team. The Head and Finance Director attend all meetings of the Trustees and the full Board, Education and Finance and General Purposes Committees, in addition the Finance Director attends the Estates Committee meetings. The Senior School Deputy Heads and Head of the Junior School attend meetings of the full Board and the Education Committee, with the Assistant Heads and the Director of Marketing & Communications attending the Education Committee only. The Annual General Meeting of the School (held in October) is attended by all members of the School (the Council of Members) and includes staff, parents and other stakeholder representatives.

**d. Policies adopted for the induction and training of Directors**

New Directors are provided with an induction pack, which contains details of the memorandum and articles of association of the School and other relevant documents, together with the Association of Governing Bodies induction resources. Before taking up post, they meet with the Chairman of the Board and the Head. Once appointed, a meeting with the Company Secretary is arranged, to provide more detailed information and to identify appropriate training courses for individuals to attend.

All Directors take part in annual training which provides relevant and up to date information on governance and school inspections with outside speakers being brought in as and when appropriate. Directors are also encouraged to attend training events run for the not for profit and school sector by external bodies.

**e. Pay policy for key management personnel**

The Directors' Remuneration Committee meets annually to review the pay and remuneration of the Head and the Finance Director, with the Head also reviewing the pay of other members of the senior management team on an annual basis. Any proposed adjustments to the pay of the senior management team are confirmed by the Remuneration Committee. The review of all senior staff pay is with reference to their agreed annual objectives and performance.

**f. Financial risk management**

During the year the Directors have examined the principal areas of the School's operations and considered the major risks in each of these areas. In the opinion of the Directors, the School has established systems which, under normal circumstances, should allow these risks to be managed at an acceptable level in its day to day operations. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed. A risk register is held and updated on a regular basis. Much of the operational work in this area is managed by the Risk Management Group, which comprises the Head and Finance Director.

The Directors continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. They monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate, by which those risks already identified by the Directors can best be managed.

## The key controls used by the School include:

- Formal agendas for all Committee and Board activity
- Detailed terms of reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of the students

## Plans for future periods

The School continues to regard teaching and learning to be of the highest importance and intends to make further progress and improvements in this area. Focus for the coming year is on the first year of the new School's strategic plan

**All priorities fit into the following key areas:**

### To improve and grow our School, by

- Maximising academic achievement
- Optimising our Sixth Form offer
- Building on the success of our Junior School
- Extending a WGS education to a wider audience
- Increasing our provision of bursary places

### To look after and develop our people, by

- Embedding a community that embodies Equity, Diversity and Inclusion for all students and staff
- Being a centre of excellence for student wellbeing and personal development
- Being a centre of excellence for staff professional development and wellbeing

### To have a positive impact on our surroundings, by

- Contributing more to the City of Wolverhampton and nearby areas
- Working towards a Carbon Zero school

## Statement of Directors' responsibilities

The Directors (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP (FRS 102);
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditors**

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

- So far as that Director is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- That Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

**Auditors**

The auditors, WR Partners, have indicated their willingness to continue in office. The designated Directors will propose a motion reappointing the auditors at a meeting of the Directors.

Approved by order of the members of the Board of Directors and signed on their behalf by:

**Mr J Sage**
Chairman

Date: 09/05/2023

## Independent auditors' report to the members of Wolverhampton Grammar School Limited

**Opinion**

We have audited the financial statements of Wolverhampton Grammar School Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated 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 Group's and of the parent charitable company's affairs as at 31 August 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors 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.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- The information given in the Directors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

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

In the light of our 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 Directors' Report including the Strategic Report.

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

- The parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

**Responsibilities of Directors**

As explained more fully in the Directors' Responsibilities Statement, the Directors (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 Directors 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 Directors are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditors' 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 Auditors' 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 reviewed the susceptibility of the charitable company's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.

We reviewed the charitable company's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the charitable company and its environment and identify any instances of non-compliance.

We also assessed the charitable company's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.

The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and charitable company awareness to carry out our work to the required standard.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Use of our report**

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

WR Partners

**Andrew Malpass BA FCA (Senior Statutory Auditor)**
for and on behalf of
**WR Partners**
Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire SY2 6LG

Date: 19th May 2023

## Consolidated statement of financial activities (incorporating income and expenditure account) For the year ended 31 August 2022

| | Note | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Endowment funds 2022 £000 | Total funds 2022 £000 | *Total funds 2021 £000* |
|---|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | | |
| Donations and legacies | 4 | 4 | 54 | - | **58** | *303* |
| Charitable activities | 5 | 9,872 | - | - | **9,872** | *8,966* |
| Other trading activities | 7 | **62** | - | - | **62** | *23* |
| Investments | 8 | **83** | **91** | - | **174** | *116* |
| Other income | 9 | **31** | - | - | **31** | *228* |
| **Total income and endowments** | | 10,052 | 145 | - | 10,197 | *9,636* |
| **Expenditure on:** | | | | | | |
| Raising funds | 10 | 15 | 10 | 2 | **27** | *24* |
| Charitable activities | 11 | 9,812 | 150 | - | **9,962** | *8,919* |
| **Total expenditure** | | 9,827 | 160 | 2 | 9,989 | *8,943* |
| **Net income/(expenditure) before net(losses)/gains on investments** | | 225 | (15) | (2) | **208** | *693* |
| Net (losses)/gains on investments | | (27) | - | (2) | **(29)** | *29* |
| **Net movement in funds before other recognised gains/(losses)** | | 198 | (15) | (3) | **180** | *722* |
| **Other recognised gains/(losses):** | | | | | | |
| Derecognition of Pension Surplus | | (210) | - | - | **(210)** | - |
| Actuarial gains on defined benefit pension schemes | 27 | 1,607 | - | - | **1,607** | *120* |
| Other (losses)/gains | | (125) | (128) | (22) | **(275)** | *788* |
| **Net movement in funds** | | 1,470 | (143) | (25) | 1,302 | *1,630* |
| **Reconciliation of Funds:** | | | | | | |
| Total funds brought forward | | 16,473 | 2,529 | 539 | **19,541** | *17,911* |
| Net movement in funds | | 1,470 | (143) | (25) | **1,302** | *1,630* |
| **Total funds carried forward** | | 17,943 | 2,386 | 514 | 20,843 | *19,541* |

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

The notes on pages 26 to 50 form part of these finanical statements

## Consolidated balance sheet as at 31 August 2022

Company registered number: 6610261

| | Note | 2022 £000 | 2021 £000 |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 15 | 12,335 | 12,199 |
| Investments | 17 | 4,662 | 4,985 |
| Investment property | 16 | 620 | 620 |
| | | 17,617 | 17,804 |
| **Current assets** | | | |
| Stocks | 18 | 8 | 8 |
| Debtors | 19 | 283 | 185 |
| Cash at bank and in hand | | 5,038 | 4,751 |
| | | 5,329 | 4,944 |
| Creditors: amounts falling due within one year | 20 | (2,105) | (1,990) |
| **Net current assets** | | 3,224 | 2,954 |
| **Total assets less current liabilities** | | 20,841 | 20,758 |
| **Net assets excluding pension asset / liability** | | 20,841 | 20,758 |
| Defined benefit pension scheme asset / liability | 27 | - | (1,217) |
| **Total net assets** | | 20,841 | 19,541 |

| | Note | 2022 £000 | 2021 £000 |
|---|---|---|---|
| **Charity funds** | | | |
| Endowment funds | 21 | 513 | 539 |
| Restricted funds: | | | |
| Restricted funds | 21 | 2,385 | 2,529 |
| Total restricted funds | 21 | 2,385 | 2,529 |
| Unrestricted funds | | | |
| General funds | 21 | 17,943 | 17,690 |
| Unrestricted funds excluding pension liability | 21 | 17,943 | 17,690 |
| Pension reserve | 21 | - | (1,217) |
| Total unrestricted funds | 21 | 17,943 | 16,473 |
| **Total funds** | | 20,841 | 19,541 |

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

**Mr J E Sage**
Chairman

**Mr C I Bill**
Chair of Finance Committee

Date: 09/05/2023

The notes on pages 26 to 50 form part of these finanical statements

## Company statement of financial position as at 31 August 2022

Company registered number: 5610261

| | Note | | 2022 £000 | | 2021 £000 |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 15 | | **12,238** | | *12,102* |
| Investments | 17 | | **342** | | *358* |
| | | | **12,580** | | *12,460* |
| **Current assets** | | | | | |
| Stocks | 18 | **8** | | *8* | |
| Debtors | 19 | **220** | | *174* | |
| Cash at bank and in hand | | **4,543** | | *4,205* | |
| | | **4,771** | | *4,387* | |
| Creditors: amounts falling due within one year | 20 | **(2,103)** | | *(1,982)* | |
| **Net current assets** | | | **2,668** | | *2,405* |
| **Total assets less current liabilities** | | | **15,248** | | *14,865* |
| **Net assets excluding pension asset / liability** | | | **15,248** | | *14,865* |
| Defined benefit pension scheme asset / liability | 27 | | **-** | | *(1,217)* |
| **Total net assets** | | | **15,248** | | *13,648* |

| | Note | | 2022 £000 | | 2021 £000 |
|---|---|---|---|---|---|
| **Charity funds** | | | | | |
| Endowment funds | 21 | | **212** | | *212* |
| Restricted funds: | | | | | |
| Restricted funds | 21 | **526** | | *545* | |
| Total restricted funds | 21 | | **526** | | *545* |
| Unrestricted funds | | | | | |
| General funds | | **14,510** | | *12,891* | |
| | 21 | | | | |
| Unrestricted funds including pension liability | 21 | **14,510** | | *12,891* | |
| Total unrestricted funds | 21 | | **14,510** | | *12,891* |
| **Total funds** | | | **15,248** | | *13,648* |

The Charity's net movement in funds for the year was £1,600 *(2021 - £907)*.

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

The financial statements were approved and authorised for issue by the Directors on and signed on their behalf by:

**Mr J E Sage**
Chairman

**Mr C I Bill**
Chair of Finance Committee

Date: 09/05/2023

The notes on pages 26 to 50 form part of these finanical statements

## Consolidated statement of cash flows for the year ended 31 August 2022

| | 2022 £000 | 2021 £000 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Net cash used in operating activities (note 24) | 590 | 1,710 |
| **Cash flows from investing activities** | | |
| Dividends, interests, and rents from investments | 174 | 115 |
| Purchase of tangible fixed assets | (494) | (567) |
| Proceeds from sale of investments | 300 | 575 |
| Purchase of investments | (283) | (453) |
| **Net cash used in investing activities** | (303) | (330) |
| **Change in cash and cash equivalents in the year** | 287 | 1,380 |
| Cash and cash equivalents at the beginning of the year | 4,751 | 3,371 |
| **Cash and cash equivalents at the end of the year** | 5,038 | 4,751 |

The notes on pages 26 to 50 form part of these finanical statements



## Notes to the financial statements for the year ended 31 August 2022

### 1. General information

Wolverhampton Grammar School Limited is a charity and company limited by guarantee and registered in England. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarentee is limited to £10 per member of the company.

The address of the registered office is given in the charity information on page 1 of these financial statements.

The nature of the School's operations and principal activities are that of an educational establishment.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the second edition of 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) (issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Wolverhampton Grammar School Limited 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.

Under a uniting direction issued by the Charities Commission, Wolverhampton Grammar School Foundation is treated as forming part of Wolverhampton Grammar School Limited which is to be the reporting charity for the purposes of part 4 (registration) and part 8 (accounting) of the Charities Act 2011.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the School and its subsidiary undertakings. The results of the subsidiary are consolidated on a line by line basis.

The School has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

#### 2.2 Basis of consolidation

The financial statements consolidate the accounts of Wolverhampton Grammar School and all of its subsidiary undertakings ('subsidiaries').

The income and expenditure account for the year dealt with in the accounts of the School was £203k surplus (2021 - £787k surplus).

#### 2.3 Going concern

After making enquiries, the Directors have a reasonable expectation that the Company and the consolidated Group has adequate resources to continue in operational existence for the foreseeable future. The Company and consolidated Group therefore continues to adopt the going concern basis in preparing its financial statements.

**2.4 Income**

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Revenue Grants, including government grants, are credited to the as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred. Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable and transferred to unrestricted funds up to the level of expenditure incurred. Depreciation on the fixed assets purchased with such grants is then charged against unrestricted funds.

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group 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 Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.7 Tangible fixed assets and depreciation**

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.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.



**Depreciation is provided on the following bases:**

| | |
|---|---|
| Freehold property | **0-10%** straight line |
| Plant and machinery | **10-25%** straight line |
| Motor vehicles | **20%** straight line |

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities

**2.8 Investment Property**

Investment property is carried at fair value determined annually by an appropriately qualified valuer and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided.

Revaluation gains and losses are recognised in the Statement of Financial Activities and accumulated in equity. The 2022 valuations were made by the Directors, on an open market value for existing use basis.

**2.9 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

**2.10 Stocks**

Wolverhampton Grammar School holds stocks of cleaning products, food and clothing to which are all valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stock.

**2.11 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.12 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.

**2.13 Cash at bank and in hand**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

**2.14 Financial instruments**

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.15 Operating leases**

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

**2.16 Pensions**

The School operates three pension schemes for its support staff; a defined contribution pension scheme, provided by Peoples' Pension and the pension charge represents the amounts payable by the School to the fund in respect of the year; a defined benefits pension scheme provided by the Local Government Pension Scheme (LGPS) and the pension charge is based on a full actuarial valuation dated 31 August 2021; and a pension scheme provided by The Independent Schools' Pension Scheme (ISPS) which is treated as a defined contribution scheme and the pension charge is based on the latest actuarial valuation.

The School also contributes to a defined benefit pension scheme (final salary scheme) for the academic staff, which is a national scheme operated for the Department for Children, Schools and Families. The pension charge represents amounts payable by the School to the fund in respect of the year.

Retirement benefits to employees of the School are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the School.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 28, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the School in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.



**2.17 Fund accounting**

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

Endowment funds comprise of investments established by a foundation that makes consistent withdrawals from invested capital.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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.

**3.0 Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

Critical areas of judgment:

Property Valuations
At the Balance Sheet date, the Group held investment properties with a carrying value of £620,000 (see note 10). The value of the properties are based on an open market value, for existing use basis.

## 4. Income from donations and legacies

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Total funds 2022 £000 | *Total funds 2021 £000* |
|---|---|---|---|---|
| Donations | - | - | - | *3* |
| Legacies | 4 | 54 | 58 | *202* |
| Government grants | - | - | - | *98* |
| **Total 2022** | 4 | 54 | 58 | *303* |
| *Total 2021* | *107* | *196* | *303* | |

## 5. Income from charitable activities

| | Unrestricted funds 2022 £000 | Total funds 2022 £000 | *Total funds 2021 £000* |
|---|---|---|---|
| School fees - see note 6 below | 9,118 | 9,118 | *8,408* |
| Catering, Music & travel Income | 571 | 571 | *393* |
| Other Educational Income | 183 | 183 | *165* |
| **Total 2022** | 9,872 | 9,872 | *8,966* |
| *Total 2021* | *8,966* | *8,966* | |

## 6. Charitable Activities - School Fees

| | 2022 £000 | *2021 £000* |
|---|---|---|
| Gross Fees | 9,946 | *9,132* |
| Bursaries, scholarships & other awards | (828) | *(724)* |
| | 9,118 | *8,408* |



## 7. Income from other trading activities

### Income from fundraising events

| | Unrestricted funds 2022 £000 | Total funds 2022 £000 | *Total funds 2021 £000* |
|---|---|---|---|
| Lettings | 62 | 62 | *23* |
| *Total 2021* | *23* | *23* | |

## 8. Investment income

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Total funds 2022 £000 | *Total funds 2021 £000* |
|---|---|---|---|---|
| Rental income from investment properties | 23 | - | 23 | *24* |
| Income from investments listed on a recognised stock exchange | 60 | 91 | 151 | *92* |
| | 83 | 91 | 174 | *116* |
| *Total 2021* | *73* | *43* | *116* | |

## 9. Other incoming resources

| | Unrestricted funds 2022 £000 | Total funds 2022 £000 | *Total funds 2021 £000* |
|---|---|---|---|
| Miscellaneous income | 31 | 31 | *228* |
| *Total 2021* | *228* | *228* | |

## 10. Investment management costs

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Endowment funds 2022 £000 | Total funds 2022 £000 | *Total funds 2021 £000* |
|---|---|---|---|---|---|
| Investment management fees | 1 | - | - | 1 | *1* |
| Expenditure on investment management | 14 | 10 | 2 | 26 | *22* |
| | 15 | 10 | 2 | 27 | *23* |
| *Total 2021* | *13* | *9* | *1* | *23* | |

## 11. Analysis of expenditure on charitable activities

**Summary by fund type**

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Total funds 2022 £000 | *Total funds 2021 £000* |
|---|---|---|---|---|
| Teaching and scholastic resources | 6,536 | 14 | 6,550 | *5,953* |
| Estates | 1,220 | 136 | 1,356 | *1,270* |
| Welfare and Catering | 643 | - | 643 | *473* |
| Support costs and governance | 1,413 | - | 1,413 | *1,223* |
| | 9,812 | 150 | 9,962 | *8,919* |
| *Total 2021* | *8,626* | *293* | *8,919* | |



## 12. Net income/expenditure

This is stated after charging:

| | Group 2021 £000 | *Group 2020 £000* |
|---|---|---|
| Operating lease rentals | 26 | *23* |
| Depreciation of tangible fixed assets | 358 | *383* |
| Auditors' remuneration | 14 | *10* |
| Other services | 3 | *5* |

## 13. Staff costs

| | Group 2022 £000 | *Group 2021 £000* | Company 2022 £000 | *Company 2021 £000* |
|---|---|---|---|---|
| Wages and salaries | 5,018 | *4,634* | 5,018 | *4,634* |
| Social security costs | 500 | *441* | 500 | *441* |
| Contribution to defined contribution pension schemes | 1,221 | *1,128* | 1,221 | *1,128* |
| | 6,739 | *6,203* | 6,739 | *6,203* |

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

| | Group 2022 No. | *Group 2021 No.* |
|---|---|---|
| Teaching | 122 | *115* |
| Estates | 30 | *31* |
| Administration | 25 | *24* |
| | 177 | *170* |

## 13. Staff costs (continued)

The average headcount expressed as full-time equivalents was:

| | Group 2022 No. | Group 2021 No. |
|---|---|---|
| Teaching | 97 | 91 |
| Estates | 21 | 20 |
| Administration | 23 | 20 |
| | 141 | 131 |

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

| | Group 2022 No. | Group 2021 No. |
|---|---|---|
| In the band £60,001 - £70,000 | 1 | 2 |
| In the band £70,001 - £80,000 | 1 | 2 |
| In the band £80,001 - £90,000 | 2 | 1 |
| In the band £100,001 - £200,000 | 1 | 1 |

The total remuneration received by key management personnel, including wages, pension and benefits in kind amounted to £802,000 (2021 £725,000).

## 14. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits *(2021 - £NIL-)*.

During the year ended 31 August 2022, no Director expenses have been incurred *(2021 - £NIL)*.



## 15. Tangible fixed assets

**Group**

| | Freehold property £000 | Plant and machinery £000 | Motor vehicles £000 | Total £000 |
|---|---|---|---|---|
| **Cost or valuation** | | | | |
| At 1 September 2021 | 15,581 | 1,616 | 33 | 17,230 |
| Additions | 324 | 170 | - | 494 |
| At 31 August 2022 | 15,905 | 1,786 | 33 | 17,724 |
| **Depreciation** | | | | |
| At 1 September 2021 | 3,761 | 1,237 | 33 | 5,031 |
| Charge for the year | 167 | 191 | - | 358 |
| At 31 August 2022 | 3,928 | 1,428 | 33 | 5,389 |
| **Net book value** | | | | |
| At 31 August 2022 | 11,977 | 358 | - | 12,335 |
| *At 31 August 2021* | *11,820* | *379* | *-* | *12,199* |

## 15. Tangible fixed assets (continued)

**Company**

| | Freehold property | Plant and machinery | Motor vehicles | Total |
|---|---|---|---|---|
| | £000 | £000 | £000 | £000 |
| **Cost or valuation** | | | | |
| At 1 September 2021 | 15,484 | 1,616 | 33 | 17,133 |
| Additions | 324 | 170 | - | 494 |
| At 31 August 2022 | 15,808 | 1,786 | 33 | 17,627 |
| **Depreciation** | | | | |
| At 1 September 2021 | 3,761 | 1,237 | 33 | 5,031 |
| Charge for the year | 167 | 191 | - | 358 |
| At 31 August 2022 | 3,928 | 1,428 | 33 | 5,389 |
| **Net book value** | | | | |
| At 31 August 2022 | 11,880 | 358 | - | 12,238 |
| *At 31 August 2021* | 11,723 | 379 | - | 12,102 |



## 16. Investment property

**Group**

| | Freehold investment property |
|---|---|
| | £000 |
| **Valuation** | |
| At 1 September 2021 | 620 |
| At 31 August 2022 | 620 |

The 2022 valuations were made by the Directors, on an open market value for existing use basis.

Investment properties in Wolverhampton Grammar School 1958 Appeal Fund have been valued by the Directors at open market value as at 31 August 2022. The historic costs of revalued investment properties are £393k (2021: £393k).

## 17. Fixed asset investments

| Group | Listed investments £000 | Other fixed asset investments £000 | Total £000 |
|---|---|---|---|
| **Cost or valuation** | | | |
| At 1 September 2021 | 4,864 | 120 | 4,984 |
| Additions | 223 | 60 | 283 |
| Disposals | (329) | - | (329) |
| Revaluations | (276) | - | (276) |
| At 31 August 2022 | 4,482 | 180 | 4,662 |
| **Net book value** | | | |
| At 31 August 2022 | 4,482 | 180 | 4,662 |
| *At 31 August 2021* | 4,864 | 120 | 4,984 |

## 17. Fixed asset investments (continued)

| Company | Listed investments £000 |
|---|---|
| **Cost or valuation** | |
| At 1 September 2021 | 358 |
| Revaluations | (16) |
| At 31 August 2022 | 342 |
| **Net book value** | |
| At 31 August 2022 | 342 |
| *At 31 August 2021* | *358* |

## 18. Stocks

| | Group 2022 £000 | *Group 2021 £000* | Company 2022 £000 | *Company 2021 £000* |
|---|---|---|---|---|
| Stocks | 8 | *8* | 8 | *8* |

## 19. Debtors

| | Group 2022 £000 | *Group 2021 £000* | Company 2022 £000 | *Company 2021 £000* |
|---|---|---|---|---|
| **Due within one year** | | | | |
| Trade debtors | 66 | *11* | 13 | - |
| Other debtors | 59 | *28* | 56 | *27* |
| Prepayments and accrued income | 158 | *146* | 151 | *147* |
| | 283 | *185* | 220 | *174* |



## 20. Creditors: Amounts falling due within one year

| | Group 2022 £000 | *Group 2021 £000* | Company 2022 £000 | *Company 2021 £000* |
|---|---|---|---|---|
| Fees in advance | 1,211 | *943* | 1,211 | *943* |
| Trade creditors | 372 | *319* | 372 | *315* |
| Other taxation and social security | 124 | *108* | 124 | *108* |
| Other creditors | 168 | *189* | 167 | *186* |
| Accruals | 230 | *431* | 229 | *430* |
| | 2,105 | *1,990* | 2,103 | *1,982* |

## 21. Statement of funds

### Statement of funds - current year

| | Balance at 1 September 2021 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 August 2022 £000 |
|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | |
| Undesignated | 14,724 | 9,990 | (9,565) | 9 | 15,158 |
| IAF General | 2,475 | 60 | (82) | (158) | 2,295 |
| Revaluation Reserve | 324 | - | - | - | 324 |
| Wilson Fund | 93 | 2 | - | (3) | 92 |
| Designated - Foundation Bursary | 74 | - | - | - | 74 |
| Pension reserve | (1,217) | - | (180) | 1,397 | - |
| | 16,473 | 10,052 | (9,827) | 1,245 | 17,943 |
| **Endowment funds** | | | | | |
| Specie Funds | 212 | - | - | - | 212 |
| IAF Ivy Jones Endowed Fund | 327 | - | (2) | (24) | 301 |
| | 539 | - | (2) | (24) | 513 |

21. **Statement of funds (continued)**

| | Balance at 1 September 2021 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 August 2022 £000 |
|---|---|---|---|---|---|
| **Restricted funds** | | | | | |
| General Prize Fund | 148 | 1 | - | (4) | 145 |
| Wolfson Fund | 243 | 6 | (14) | (9) | 226 |
| Gym Refurb Donation | 2 | - | - | - | 2 |
| Martin Bequest | 407 | 109 | (18) | (15) | 483 |
| OW Sports Scholarship | 1,003 | 21 | (15) | (67) | 942 |
| IAF Bursary | 43 | - | (40) | (1) | 2 |
| WGS Lab Donation | 152 | - | - | - | 152 |
| Ivy Jones Award Fund | 30 | 8 | - | - | 38 |
| Foundation Bursary Fund | 501 | - | (73) | (33) | 395 |
| | 2,529 | 145 | (160) | (129) | 2,385 |
| **Total of funds** | 19,541 | 10,197 | (9,989) | 1,092 | 20,841 |



21. **Statement of funds (continued)**

**Statement of funds - prior year**

| | *Balance at 1 September 2020 £000* | *Income £000* | *Expenditure £000* | *Gains/ (Losses) £000* | *Balance at 31 August 2021 £000* |
|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | |
| Undesignated | *13,770* | *9,342* | *(8,430)* | *42* | *14,724* |
| IAF General | *2,129* | *51* | *(65)* | *360* | *2,475* |
| Revaluation Reserve | *324* | - | - | - | *324* |
| Wilson Fund | *81* | *2* | - | *10* | *93* |
| Designated - Foundation Bursary | *74* | - | - | - | *74* |
| Pension reserve | *(1,194)* | - | *(143)* | *120* | *(1,217)* |
| | *15,184* | *9,395* | *(8,638)* | *532* | *16,473* |
| **Endowment funds** | | | | | |
| Specie Funds | *212* | - | - | - | *212* |
| IAF Ivy Jones Endowed Fund | *274* | - | *(2)* | *55* | *327* |
| | *486* | - | *(2)* | *55* | *539* |

## 21. Statement of funds (continued)

| | Balance at 1 September 2020 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 August 2021 £000 |
|---|---|---|---|---|---|
| **Restricted funds** | | | | | |
| General Prize Fund | 132 | 3 | (1) | 14 | 148 |
| Wolfson Fund | 210 | 6 | (14) | 41 | 243 |
| Gym Refurb Donation | 2 | - | - | - | 2 |
| Martin Bequest | 219 | 166 | (16) | 38 | 407 |
| OW Sports Scholarship | 857 | 13 | (20) | 153 | 1,003 |
| IAF Bursary | 162 | 36 | (179) | 24 | 43 |
| Catering Capital Donation | 23 | - | (23) | - | - |
| WGS Lab Donation | 157 | - | (5) | - | 152 |
| Ivy Jones Award Fund | 22 | 8 | - | - | 30 |
| Foundation Bursary Fund | 458 | 7 | (44) | 80 | 501 |
| | 2,242 | 239 | (302) | 350 | 2,529 |
| **Total of funds** | 17,912 | 9,634 | (8,942) | 937 | 19,541 |



## 22. Statement of funds

### Unrestricted Funds

Unrestricted Funds are held with the intention that they fund ongoing general purpose expenditure.

The Wilson Fund - a designated fund for the benefit of students at the discretion of the Head.

Independence Appeals Fund (IAF): (General) – These monies were raised by appeal when the school was given notice by local government of their intention to cease to maintain the school. The purposes of the appeal were to raise £180,000 for new buildings and the balance of sums raised to provide financial assistance for children who otherwise would be unable to attend Wolverhampton Grammar School.

### Endowment Funds

IAF Ivy Jones Endowed Fund - an endowed fund under the terms of Professor Douglas Jones' (Old Wulfrunian) will. A legacy has been left to the Appeals Funds for the express purpose of providing bursary assistance for able pupils whose parents could not otherwise afford to send their children to the School. Any bursary awarded is to be designated as an 'Ivy Jones Award' in honour of Prof Jones' late wife. Under the terms of the will, the capital of the legacy is required to be maintained unless certain circumstances are reached whereby some or all of the capital may be spent.

The Specie Endowment Fund - relates to the historical costs of land and buildings held by the Foundation as specified in the 1979 Scheme of Government.

### Restricted Funds

General Prize Funds – These represent a large number of individual donations given for the purpose of awarding prizes for achievement.

The Wolfson Fund – This fund is for the purpose of the award of bursaries to sixth form pupils.

Independence Appeals Fund (IAF): (Bursary) – These monies were raised by appeal when the school was given notice by local government of their intention to cease to maintain the school. The purposes of the appeal were to raise £180,000 for new buildings and the balance of sums raised to provide financial assistance for children who otherwise would be unable to attend Wolverhampton Grammar School.

The Sharing The Vision Appeal was launched in 1998 in response to the government's decision to phase out the Assisted Places Scheme. The purpose of this appeal was to provide financial assistance with fees to those children who would previously have benefited from the Assisted Places Scheme and who without such help would be unable to attend Wolverhampton Grammar School. This appeal forms part of the Independence Appeals Fund.

Independence Appeals Fund: (The Martin Bequest)
The Martin Bequest is a restricted fund which has been set up to provide a bursary prize or prizes for students studying for or proceeding to Allied Medical Sciences or such other subjects as the governing body of the school shall at its discretion think fit.

Independence Appeals Fund: (The Old Wulfrunian Sports Scholarship Fund)
The Old Wulfrunian Sports Scholarship Fund is a restricted fund which has been donated to provide a means tested Sports Scholarship to a student (or students) living in the Wolverhampton postcode area who joins the school into the Sixth Form and who is able to demonstrate considerable sporting achievement.

Catering Capital Donation Fund:
The School's catering contractors provided a donation towards the refurbishment of the dining areas at the commencement a five year contract with them in September 2015. Depreciation is being charged against the donation fund over the expected life of the refurbishment in accordance with the deprecation policy.

WGS Lab Refurbishment Fund:
Donations have been received from the Old Wulfrunians in America specifically for the refurbishment of the Chemistry Laboratories, which were completed at the end of August 2018 Depreciation is being charged against the donation fund from over the expected life of the refurbishment in accordance with the deprecation policy.

Ivy Jones Award Fund:
Income generated from the IAF Ivy Jones Endowed Fund is credited to the Ivy Jones Award Fund, a restricted fund, which is used for bursary assistance.

Foundation Bursary Fund:
These monies were raised as part of the current fundraising strategy to provide 100% bursaries to students in financial need entering Year 7, making full provision for a full 7 years of education at Wolverhampton Grammar School if required.

**23. Analysis of net assets between funds**

Analysis of net assets between funds – current year

| | Unrestricted funds 2022 £'000 | Restricted funds 2022 £'000 | Endowment funds 2022 £'000 | Total Funds 2022 £'000 |
|---|---|---|---|---|
| Tangible fixed assets | 12,335 | | | 12,335 |
| Fixed asset investments | 1,764 | 2,385 | 513 | 4,662 |
| Investment property | 620 | | | 620 |
| Current assets | 5,329 | | | 5,329 |
| Creditors due within one year | (2,105) | | | (2,105) |
| Total | 17,943 | 2,385 | 513 | 20,841 |



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

| | Group 2022 £000 | *Group 2021 £000* |
|---|---|---|
| Net income for the year (as per Statement of Financial Activities) | 180 | *722* |
| **Adjustments for:** | | |
| Depreciation charges | 358 | *383* |
| (Gains)/losses on investments | 29 | *(15)* |
| Dividends, interests, and rents from investments | (174) | *(116)* |
| Decrease in stocks | - | *2* |
| Decrease/(increase) in debtors | (98) | *81* |
| Increase in creditors | 115 | *630* |
| Movement in FRS102 pension | 180 | *23* |
| **Net cash provided by operating activities** | 590 | *1,710* |

**25. Analysis of cash and cash equivalents**

| | Group 2022 £000 | *Group 2021 £000* |
|---|---|---|
| Cash in hand | 5,038 | *4,751* |
| **Total cash and cash equivalents** | 5,038 | *4,751* |

**26. Analysis of changes in net debt**

| | At 1 September 2021 £000 | Cash flows £000 | At 31 August 2022 £000 |
|---|---|---|---|
| Cash at bank and in hand | 4,751 | 287 | 5,038 |
| | 4,751 | 287 | 5,038 |

## 27. Pension commitments

Certain of the school's employees belong to the Teacher's Pension Scheme England and Wales (TPS), the West Midlands Metropolitan Authorities Pension Fund (LGPS) and The Independent Schools' Pension Scheme (ISPS). These schemes are defined benefit schemes.

From July 2014, the School introduced a new scheme to the members of the Support Staff not currently in a pension run by the Peoples Pension. This is a defined contribution scheme.

### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy).

the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £632,000 (2021 - £598,780).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.



### Independent Schools Pension Scheme

The School participates in the TPT Retirement Solutions - Independent Schools' Pension Scheme, a multi-employer scheme which provides benefits to associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pension Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

During the accounting period, Wolverhampton Grammar School paid a joint contribution rate of between 21.5% and 24.6%, comprising employer contributions of 17.9% and member contributions range from 3.6% to 6.7%.

The total contribution made for the year ended 31 August 2022 was £50,870 (2021: £48,661), of which the total employer's contributions totalled £39,321 (2021: £37,779), the employees' contributions totalled £11,548 (2021: £10,883) and past service costs of £50,964 (2021: £54,953). The Group operates a defined benefit pension scheme.

### Local Government Pension Scheme (LGPS)

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee- administered funds. The total contribution made for the year ended 31 August 2022 was £132,515 (2021: £125,428), of which employer's contributions totalled £97,855 (2021: £93,553) and employees' contributions totalled £34,660 (2021: £31,895).

At the year end £NIL (2021: £NIL) was accrued in respect of contributions to this scheme.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the LGPS was 31 March 2020.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

| | At 31 August 2022 % | *At 31 August 2021 %* |
|---|---|---|
| Discount rate | **4.25** | *1.65* |
| Future salary increases | **4.20** | *3.90* |
| Future pension increases | **3.20** | *2.90* |

## 27. Pension commitments (continued)

| | At 31 August 2022 Years | *At 31 August 2021 Years* |
|---|---|---|
| Mortality rates (in years) | | |
| - for a male aged 65 now | **21.2** | *21.6* |
| - at 65 for a male aged 45 now | **22.9** | *23.4* |
| - for a female aged 65 now | **23.6** | *24* |
| - at 65 for a female aged 45 now | **25.4** | *25.8* |

The Group's share of the assets in the scheme was:

The actual return on scheme assets was £112,000 deficit *(2021 - £544,000 surplus)*.

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

| | 2022 £000 | *2021 £000* |
|---|---|---|
| Interest cost | **82** | *68* |

Movements in the present value of the defined benefit obligation were as follows:

| | 2022 £000 |
|---|---|
| Opening defined benefit obligation | **4,859** |
| Interest cost | **82** |
| Contributions by scheme participants | **34** |
| Change in demographic assumptions | **(19)** |
| Current service cost | **255** |
| Change in financial assumptions | **(1,768)** |
| Experience loss/(gain) on defined benefit obligation | **7** |
| Estimated benefits paid net of transfers in | **(59)** |
| **Closing defined benefit obligation** | **3,391** |



Movements in the fair value of the Group's share of scheme assets were as follows:

| | 2022 £000 |
|---|---|
| Opening fair value of scheme assets | **3,642** |
| Interest on assets | **61** |
| Return on assets less interest | **(173)** |
| Employer contributions | **96** |
| Contributions by scheme participants | **34** |
| Estimated benefits paid plus unfunded net transfers in | **(59)** |
| **Closing fair value of scheme assets** | **3,601** |

The Group has an unrecognised surplus of £210,000 (2021: £nil) in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

## 28. Operating lease commitments

At 31 August 2022 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group 2022 £000 | *Group 2021 £000* | Company 2022 £000 | *Company 2021 £000* |
|---|---|---|---|---|
| Not later than 1 year | **33** | *26* | **33** | *22* |
| Later than 1 year and not later than 5 years | **47** | *30* | **47** | *30* |
| Later than 5 years | **28** | *31* | **28** | *31* |
| | **108** | *87* | **108** | *83* |

## 29. Related party transactions

During the year, the School provided tuition to 5 pupils related to the Directors and 3 pupils related to key management personnel (2021: 5 related to the Directors, 5 related to key management personnel).

Fees receivable were £107,715 (2021: £94,139). The amount outstanding to Wolverhampton Grammar School at the year-end was £Nil (2021: £Nil). Fees for Director's and other key management personnel are charged at market rate, without reduction.

## 30. Post balance sheet events

Post year end some School employees have opted to withdraw from the Teachers' Pension Scheme with staff enrolled in a separate defined contribution scheme.

WOLVERHAMPTON
GRAMMAR SCHOOL

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Wolverhampton Grammar School

**WOLVERHAMPTON GRAMMAR SCHOOL LIMITED**

England & Wales - Charity number 1125268

# Accounts

**Registered number: 6610261**
**Charity number: 1125268**

# WOLVERHAMPTON GRAMMAR SCHOOL LIMITED

## DIRECTORS' REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 AUGUST 2021

WR Partners
Protecting your future.

**WOLVERHAMPTON GRAMMAR SCHOOL LIMITED**
**(A company limited by guarantee)**

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**WOLVERHAMPTON GRAMMAR SCHOOL LIMITED**

**(A company limited by guarantee)**

## REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS DIRECTORS AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2021

| | |
|---|---|
| **Directors** | Mr N C Berriman[2,3]<br>Mr C I Bill, Chairman of Finance and General Purposes Committee[2,4]<br>Mrs E Bloch[1]<br>Revd S H L Cawdell, Chairman of Education Committee[1]<br>Ms E Forde (appointed 28 September 2020)<br>Dr M Gowan Gopal[1]<br>Mr J Harper[2]<br>Mr P A Hawthorne[1,4]<br>Mr Y J Malik[1,3]<br>Mr J Patel (resigned 22 October 2021)[2]<br>Mr J Sage, Chairman[1,2,4]<br>Mr S Aldis (appointed 10 March 2021)[2,3]<br>Mr A Holles (appointed 22 October 2021)[2] |
| | [1] Members of The Education Committee<br>[2] Members of The Finance and General Purposes Committee<br>[3] Members of The Estates Committee<br>[4] Members of The Remuneration Committee |
| **Company registered number** | 6610261 |
| **Charity registered number** | 1125268 |
| **Registered office** | Compton Road<br>Wolverhampton<br>WV3 9RB |

## REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS DIRECTORS AND ADVISERS (CONTINUED)
## FOR THE YEAR ENDED 31 AUGUST 2021

| | |
|---|---|
| **Company secretary** | Mrs S Hemmings (appointed 1 September 2020) |
| **The Head** | Mr A Frazer (appointed 1 September 2020) |
| **Independent auditors** | WR Partners<br>Chartered Accountants<br>Belmont House<br>Shrewsbury Business Park<br>Shrewsbury<br>Shropshire<br>SY2 6LG |
| **Bankers** | Allied Irish Bank (GB)<br>61 Temple Row<br>Birmingham<br>B2 5LT |
| **Solicitors** | FBC Manby Bowdler LLP<br>6 - 10 George Street<br>Snow Hill<br>Wolverhampton<br>WV2 4DN |
| **Investment Managers** | M & G Securities Limited<br>Laurence Pountney Hill<br>London<br>EC4R 0HH<br><br>Smith & Williamson<br>3rd Floor, 9 Colmore Row<br>Birmingham, B3 2BJ<br><br>CCLA Investment Management Limited<br>80 Cheapside, London<br>EC2 6DZ |

# DIRECTORS' REPORT
# FOR THE YEAR ENDED 31 AUGUST 2021

The Directors, who are also Trustees, present their annual report together with the audited financial statements of the Company for the 1 September 2020 to 31 August 2021. The Annual report serves the purposes of both a Directors' report and a directors' report under company law. The Directors confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

## Objectives and activities

### a. Policies and objectives

The objects of the charity are “the provision and conduct in or near Wolverhampton of a day school for boys and girls”, thereby providing the advancement of education within the meaning of English law.

Wolverhampton Grammar School's (the 'School') mission is to deliver education that transforms lives as well as minds. We do this by providing an education as individual as every child within an environment like no other. Our staff help us fulfil our mission as a School by working with students to ensure their curriculum is right for them. We can do this because of small class sizes, flexibility within our academic structures and an all embracing range of extra curricular activities. We all play a part in equipping students to develop a love of learning.

Our School community inspires openness, trust and mutual respect. We know that a challenging education requires a supportive, caring environment as well as a blend of skills and a mind set that embraces diversity and difference.

For us, education is not just about academic achievement, it is about helping our students to know they can make a difference during their time at School and after they leave us. All our students are treated warmly as individuals and their opinions are valued – this is because we know that our School thrives on the relationship between our students, their parents and our staff and the active role that we all play.

**Objectives and activities (continued)**

Objectives for the Year

The School's objectives for the year were to deliver against the fourth year of the new School's 2017/2022 Strategic Plan and to provide the best possible education and service through the Covid Pandemic, whilst remaining true to the School's mission as stated above.

Primarily the objectives included:

- Ensuring a safe, sustainable approach to the school's operations through the pandemic;
- Ensuring the quality of teaching and learning during in-school and online learning;
- Making improvements to the pastoral system to further develop the community of the School;
- Maintaining an excellent extra-curricular provision despite the challenges of the pandemic;
- Working to create an Infant facility on the school site
- Raising further funds to enable a greater number of bursaries to be granted, including emergency support for families in need as a result of the pandemic; and
- Responding rigorously and fairly to the adapted requirements for public examinations under the pandemic.

In setting objectives and planning for activities, the Directors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

**b. Strategies for achieving objectives**

The School is now into the latter phase of its second five year Strategic Plan which is split down into eight key areas: Intellectual Challenge; Pastoral Care and Spiritual Growth; Co Curricular Breadth; Purposeful Staff Development; Effective Marketing and Communications; Secure School Finances; Well Maintained Estates, Facilities and Infrastructure; and Effective Governance.

The Strategic Plan is reviewed and updated annually leading to the production of annual whole School Development Plans detailing the annual School objectives for the year concerned. Departmental and individual objectives are linked through to the whole School Development Plan allowing a co-ordinated and well communicated approach to achieving objectives. All Development Plans are reviewed at the end of each year before the Strategic Plan is reviewed and updated. This review and objective setting process involves staff, the Senior Management Team and the Directors. In 2020-21, the School's priorities were also necessarily affected by the needs and context of the pandemic.

**Objectives and activities (continued)**

**c. Activities undertaken to achieve objectives**

Wolverhampton Grammar School (WGS) provides education to boys and girls from the ages of 7 to 18 in the Junior School and the Senior School. Whilst maintaining high academic standards, the School also provides specialist support for students with special educational needs through its Opportunities for Assisted Learning Scheme (OpAL).

565 students aged 11 – 18 were on roll as of September 2020 in the Senior School (September 2019: 578) and 156 students aged 7 – 11 in the Junior School (September 2019: 175). The School continues to attract strong interest from the Wolverhampton area as well as from Staffordshire, Shropshire, Walsall and Birmingham.

Public examinations were replaced by Teacher Assessed Grades, as required by OFQUAL in the context of the COVID-19 pandemic. A rigorous and fair process was conducted by the School to determine the Teacher Assessed Grades for each student in each subject, and there was an extremely high degree of confidence expressed by students and parents when the results were published in August. At GCSE the 2020/21 cohort achieved a 99% pass rate at grades 9 to 4 with 76% passes at grades 9 7. The students averaged over 9 passes each. At A Level there was a 100% pass rate, an 86% pass rate at A*/B and 66% at grade A*/A. 84% of our students achieved a place at a university of their choice. The School continues to offer the EPQ qualification which is popular with students and is regarded highly by universities.

The Junior School, opened in 2011, continues to flourish and the decision was made during the year to increase the age range of the school to 4-18. This means that from September 2021, children aged 4-6 will be part of Wolverhampton Grammar School for the first time in its history. Links with the Senior School are enhanced by sharing facilities and, in some cases, teachers (Sciences, Languages and Humanities are taught by the Senior School staff) and there is strong support in place for both students and their parents in terms of transition to Senior School including immersion days and parent information evenings.

Achievement and well-rounded education at WGS is evident both inside and outside the classroom. The School provides high quality teaching and an excellent programme of co-curricular and extra-curricular activities and opportunities (over 100 clubs, societies and activities are available to students across the School). Both are supported by the implementation of the School's digital strategy, which has modernised administration and has provided up to date methodology for both teaching and learning. During the 2020/21 academic year, extra-curricular opportunities were available to students in both Junior School and Senior School, within their individual bubbles. The excellent digital provisions in place meant that learning continued during the lockdown of Spring 2021 with the school timetable maintained and students accessing live lessons through Zoom or Teams. When surveyed three weeks into the Spring lockdown, students, parents, and staff all expressed high levels of satisfaction with our online provision, academically, pastorally and in terms of extra-curricular options.

The prominence of Student Parliament in the Senior School and School Council in the Junior School and the seriousness with which student voice is taken throughout the School enables our young people to learn to articulate their thoughts and speak up for what is right. Such activities help us to meet our objective of raising students who are confident that they can make a difference within their community or sphere. The Senior School House system was launched in July 2021 with all students in Years 8-Upper Sixth inducted into their houses. The House system will improve on the already excellent pastoral support offered in the school and provides opportunities for leadership while strengthening cross year group links throughout the school.

The School continues to provide quality sporting opportunity for students and participation levels are high. Extra-curricular clubs were offered to all year groups, in bubbles, throughout the year. Unfortunately, there were no inter-school fixtures during the Autumn and Spring Terms but fixtures returned in the Summer Term. The first event held was an ISFA Girls' Football Tournament for Year 6 and Year 8 students. The U13 A team came runners up on goal difference after beating Repton to qualify for the National Finals. The team then travelled to Hertfordshire FA to compete against the best independent schools in the country, finishing fourth overall.

**Objectives and activities (continued)**

The U13 A&B teams also entered the City tournament and came first and second. Students across all Senior year groups took part in 47 Cricket fixtures and 16 Rounders fixtures during the Summer Term.

The School also supports students who compete at City, regional and international level with supported learning to ensure they do not fall behind and in some cases, a tailored fitness programme to support their sporting discipline.

The music and drama departments continue to provide exciting opportunities for our students. A number of virtual concerts were held, including one during lockdown from the GCSE Musicians. The Christmas concert was recorded in School and well received. Four students performed for Compton Hospice as part of their Christmas appeal and there was a small live concert in July to staff. Unfortunately, the usual Dance Show and Upper and Lower School plays were not able to take place due to the bubble system in place throughout school. However, Year 6 were able to perform their end of year production of Wind in the Willows which was recorded for parents to view.

School trips that support and enrich the curriculum have continued to enhance the educational and spiritual growth of students. Despite most school trips being cancelled due to Covid restrictions, some events were able to take place during the Summer Term including: Duke of Edinburgh Bronze, Silver and Gold expeditions; Lower Sixth Geography Field Trip; all Junior School students spent a whole day at Laches Wood Outdoor Education Activity Centre; Year 7 had their normal end of year residential trip; and the remainder of Senior School spent a day at Go Ape as part of Activities Week.

Significant capital projects during the year were the creation of a new playground for the Infant children joining the school in September 2021 and the creation of office and meeting space in the centre of the school for Heads of Houses and Assistant Heads of Houses, the House System being relaunched as the School's pastoral structure from September 2021. Investment has also been made in a new roof on the Jenyns Library which will be further developed into a living roof during the course of 2021/22.

**d. Main activities undertaken to further the Company's purposes for the public benefit**

The Directors have given due regard to the Charity Commission guidance on public benefit and have continued to demonstrate the School's commitment to delivering public benefit to both its own students and the wider community of Wolverhampton. Means tested bursaries amounted to over half of all concessions awarded, with the total number of students in September 2020 receiving means tested bursaries amounting to 67 (September 2019: 65). The proportion of those students receiving support with 90% or more of fees and additional extras is 58% (September 2019: 45%). These students come from households where the gross annual income is less than £60,000. One student on such an award is a Looked After Child. Means tested bursaries are primarily offered at entrance in Year 7 and in Year 12 and in addition a bursary hardship fund is used to support students through critical exam years where their parents have experienced significant financial difficulty. Further donations of funds for bursary support have been received during the year and have augmented the number of 100% means tested awards that have been made to new entrants at Year 7 in September 2020. During the previous year, an Emergency Appeals Fund was launched in order to support families in short term financial difficulties as a result of Covid-19. The fund continued to be used to support students throughout the 2020/21 academic year, helping 28 students in total over 4 terms.

The School sees itself very much as part of a wider community, and where we can assist the community without detriment to advancing the education of our students, we are delighted to do so. We provide public benefit to the community through a number of lettings at subsidised rates to local children's sports and holiday clubs, including junior cricket, hockey and rugby clubs and Soccer 2000. The letting of music and exam hall facilities to wider educational music organisations has also been developed as has the use of the Viner Gallery, which as a services space, has been made available to local artists as an exhibition venue on several occasions.

**Objectives and activities (continued)**

The local nursery is able to use the School grounds free of charge for its sports day and the local Tabernacle church is able to use the School car park free of charge on a Sunday.

As part of the School's public benefit provision, the WGS Library continues to inspire reading and is working to raise levels of reading attainment across the West Midlands. 8 virtual author events were arranged during the year, allowing children from WGS and local state schools to interact with authors, poets and illustrators.

In addition to the author events, the School's Librarian led a training session at the CILIP SLG Conference - Shaping Their Futures, April 2021 – for hundreds of School Librarians/Literacy Coordinators.

The School Librarian Network Group, run from WGS, continues to offer training and support for librarians from local and regional state schools. 6 meetings were held during the year with representatives from 18 schools, where good practice was shared and resources linked to the Wolverhampton Children's Book Award were distributed. WGS again hosted the Wolverhampton Children's Book Award Ceremony, with shortlisted authors delivering virtual presentations to over 200 children from 10 local schools. Other library events included Wolverhampton Children's Book Award Quiz and Wolverhampton Young Authors' Prize and Event.

Throughout the pandemic, we increased our offering to the School Librarian Network Group by sharing digital resources and risk assessments via virtual meetings. As a result of this work, schools were able to continue operating a library service whilst promoting reading remotely.

Both Senior and Junior Schools raise funds which are divided amongst local and national charities. C2C 2020 was not able to take place in May 2020 due to Covid restrictions, so was held instead at Cannock Chase Birches Valley on 17th and 18th October (as two single days), with Year 11 students running a 7.5k route as a tag team. The team ran a total of 200 miles in 29 hours and 59 minutes and raised £7,760 for Brain Tumour Support. The December whole school non-uniform day raised £1,181 for 'The Wells' – a charity providing support to families in Wolverhampton who are struggling to buy food and other essential items. There was also a food bank collection during the last week of Autumn Term whereby students and staff donated food items for The Wells. The C2C 2021 challenge took place in its traditional format over the weekend of 28th to 31st May from St Bees to Robin Hood's Bay. This year's team involved twelve Year 10 students, fundraising for a local charity: The Haven Wolverhampton and raised £7,916. A non-uniform day held in May raised funds for the India COVID crisis via the Disaster Emergency Committee. A total of £2,797 was raised on the day, but this was topped up to £3,500 from a small reserve left in the Charity budget. Junior School raised a further £700 on their non-uniform day for the India Covid Appeal. The annual Junior School Charity Week raised over £1,700 for Birmingham Children's Hospital Charity, The Dogs Trust and the WWF.

The School actively supports the attainment of the highest standards in the Independent Schools sector through networking with other schools and membership of the appropriate bodies concerned with such standards. The Head is an elected member of The Headmasters' and Headmistresses' Conference (HMC). The Warwick Group of HMC schools provides a forum for the Head, the Deputy Heads and Heads of all academic departments to meet and consider matters of mutual interest and importance. The School is a member of the Independent Schools' Bursars Association which provides relevant advice for the effective administration of the School. Three of the School's leaders and management serve the wider educational community by acting as School governors in regional state schools.

In the furtherance of the aims of the School, the Trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published and relevant sub sector guidance concerning the operation of the Public Benefit requirement under that Act.

**Objectives and activities (continued)**

Fundraising and Volunteer Activities

The School continues to promote the Independence Appeals Fund for the collection of donations and legacies for augmenting bursary funds. The Directors are grateful for donations of £205k received during the year. Former students (OWs) also helped with covid testing on the return of students to school in March 2021 and a number of former students have participated in virtual presentations to share their experiences of University and work with current students.

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

Many parents, friends of the school and Old Wulfrunians help with fundraising, cultural and sporting activities and careers events providing many hours of voluntary service during the year. The Directors very much appreciate their continuing and valuable support.

**Strategic report**

**Achievements and performance**

**a. Key performance indicators**

The Directors consider that the key financial performance indicators are pupil numbers; full fee equivalent pupil numbers; teaching staff:pupil ratios; investment surplus (profit before depreciation as a percentage of net fee income); salary costs as a percentage of net fee income; bursary and scholarship concessions as a percentage of gross fee income; percentage fee rises; level of annual capital expenditure and reserves levels.

The key performance indicators are set during the budget process and reviewed at least once a term by the Finance and General Purposes Committee through the production of monthly management accounts and the annual SORP accounts.

**Strategic report (continued)**

**Achievements and performance (continued)**

**b. Review of activities**

The surplus for the year (before transfers between funds and movements on investment assets) amounted to £694k (2020: £255k). The surplus for the year after transfers between funds and gains on investment assets amounted to £1,630k (2020: £104k deficit) and has been transferred to reserves. Total funds amounted to £19,541k (2020: £17,911k). The overall cash surplus for the year amounted to £1,380k (2020: £223k).

During the year, fee income after bursaries and discounts increased by £413k; equivalent to a 5.2% increase (2020: £508k; equivalent to a 5.8% decrease). There were significant discounts to Summer Term 2020 fees as a response to the pandemic and the financial impact on parents. There was no fee increase in September 2020 and a further 10% rebate was given to parents for every week that the school was closed to the majority of students during Spring Term 2021. Government Grants of £98k (2020: £258k) were received to support operations during lockdown. In addition, whilst the School continues to maintain a good level of means tested bursary assistance, the level of non means tested Scholarship concessions have been reduced. The donations and legacies received during the year were £205k for bursary support. The School has continued to work to increase awareness of the benefits that a child obtains through the award of a bursary and is very grateful to its alumni body both in the UK and abroad for their continued bursary donations to the Independence Appeal Fund.
,
Total resources expended have decreased to £8,919k (2020: £9,048k). The spend on Teaching and scholastic resources has been maintained at prior year levels but there have been savings in operational costs as these continue to be tightly controlled.

The value of the investments held have increased, with realised and unrealised gains amounting to £817k (2020: £102k loss). Whilst the latter is largely beyond the control of Directors, there is a strong expectation that operating costs will continue to be driven down in order to optimise the incoming resources for the main aim of the charity, the education of its students. The ongoing aim of the School is to increase cash surpluses to enable the School to invest in an ongoing capital expenditure plan to allow buildings to be updated and to increase the level of reserves to provide security for the School in the current uncertain political and economic climate.

**Reserves Policy**

The School aims to build up and maintain its unrestricted free reserves in order to accommodate longer term plans for capital investment and other strategic objectives as well as provide an emergency fund to manage the risks and uncertainty for an educational charity in the current political and economic climate. In addition the Directors recognise the need to increase the restricted and endowment reserves held, in particular the Independence Appeals Fund, to help fund future transformational bursaries.

Consolidated reserves at 31 August 2021 amounted to £19,541k (2020: £17,911k). At 31 August 2021 the consolidated free reserves were £3,868k (2020: £2,540k). Details of the specific reserves held are provided in note 22 to the accounts.

Total unrestricted funds as shown in the financial statements include a notional funding deficit of £1,217k (2020: £1,194k) calculated under the FRS102 Charity SORP in respect of the School's defined benefit scheme for support staff. The Directors believe that this notional funding calculation, which can vary considerably between surplus and deficit according to the assumptions made at each year end, has no material effect on the School's short term cashflow and that in the longer term, its effects are sustainable out of future income. For this reason it is considered that it should be disregarded for reserves policy purposes.

The Directors are satisfied that they have sufficient resources available to meet liabilities and any unscheduled future costs and review their policy on an annual basis.

**Strategic report (continued)**

**Achievements and performance (continued)**

**c. Investment policy and performance**

The Trustees of the Appeals Funds have appointed Investment Managers to manage the investment portfolio on a discretionary basis in accordance with the agreed strategy. The Trustees monitor the returns on a regular basis. The main investment objectives are:

- The creation of a sufficient financial return to enable the Charity to carry out its purposes effectively and without interruption;
- The maintenance and enhancement of the investment funds over the long term;
- To obtain a reasonable balance between capital growth and income so that the Charity can meet future as well as current needs;
- To avoid investments that are unduly risky.

The investment performance for the majority of the School's accounts is measured against the MSCI WMA/PIMFA Balanced Index, which rose by 2.26% during the year to 31st August 2020. By contrast, the 1958 investments achieved a gain of 9.9%; the Independence Appeal Fund returned 2.25% and the Restricted Fund rose by 2.44%. The Ivy Jones Endowed Fund, which has an income orientated benchmark, rose by 2.89% while the MSCI WMA/PIMFA Income Index gained 2.31%.

The general policy is to maintain and grow investment capital levels, generating returns to provide the hardship bursary support to students who would otherwise be unable to attend the School. In addition, the returns are used to fund specific means tested awards through donations received for these purposes such as the Sports Scholarship and Ivy Jones Award, and the Foundation Bursaries.

**Financial review**

**a. Going concern**

After making appropriate enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**b. Principal risks and uncertainties**

The Directors believe that the principal risks and uncertainties to the business are:

- Operational – attracting and maintaining pupil numbers in today's difficult economic environment;
- Environmental – ability to expand and build an Infant School on the current School site due to planning considerations;
- Technological – keeping up to date in a world of fast moving digital technology advances and in particular the impact of social media;
- Political – the threat to charitable status and charitable tax reliefs.
- Economic – the increase (and possible further future increases) in employer contribution to the Teachers' Pension Scheme.

Whilst these risks and uncertainties are considered and regularly reviewed, the Directors manage these at an acceptable level through their robust risk management policy and associated reserves position.

**Structure, governance and management**

**a. Constitution**

The School is a charity and company limited by guarantee, and is governed by its memorandum and articles of association by its Board of Directors. The associated Trusts, The Independence Appeals Fund and The 1958 Appeal Fund are administered in conformity with their Trust Deeds by their Boards of Trustees. Wolverhampton Grammar School Foundation is administered in conformity with its revised Scheme of Government dated 16 February 2018 by Wolverhampton Grammar School Limited, who has been appointed the Corporate Trustee of the Foundation.

The consolidated accounts comprise Wolverhampton Grammar School Ltd (registered charity number 1125268), Wolverhampton Grammar School Foundation (registered charity number 529006), Wolverhampton Grammar School Independence Appeal Fund (registered charity number 507487) and Wolverhampton Grammar School 1958 Appeal Fund (registered charity number 1090885). The School was set up to run the operational and trading activities, the Foundation was set up to manage the specie endowed land and buildings and the two Appeal Funds were set up to support the School in its aims and to provide financial help wherever possible to students who would not otherwise have been able to attend Wolverhampton Grammar School.

**b. Methods of appointment or election of Directors**

The Board of Directors is appointed at the AGM under the terms of the memorandum and articles. A small working group made up of a committee of Directors appointed by the Chairman, carries out reviews of possible new members, in readiness for vacancies arising through retirements of Directors. They also carefully consider the range of skills which are needed on the Board, and names of potential Directors are recommended to the Board when appropriate.

The Trustees of the Trust Funds are appointed by Deed of Appointment by the current/outgoing Trustees, who carefully consider the range of skills required on the boards.

**Structure, governance and management (continued)**

**c. Organisational structure and decision-making policies**

The Directors are responsible for the overall management of the School and meet as a board at least three times a year. The Finance and General Purposes, Education and Estates Committees meet on a termly basis as a minimum and these committees are empowered on behalf of the Board to ensure that the policies as agreed by them are carried out. A copy of the minutes of these meetings and accounts are sent to all Directors.

The day to day management of the School is delegated to the Head supported by the Senior Management Team. The Head and Finance Director attend all meetings of the Trustees' and the full Board, Education and Finance and General Purposes Committees, in addition the Finance Director attends the Estates Committee meetings. The Head of the Junior School and the Senior School Deputy and Assistant Heads Education Committee.The Annual General Meeting of the School (held in October) is attended by all members of the School (the Council of Members) and includes staff, parents and other stakeholder representatives.

**d. Policies adopted for the induction and training of Directors**

New Directors are provided with an induction pack, which contains details of the memorandum and articles of association of the School and other relevant documents, together with the Association of Governing Bodies induction resources. Before taking up post, they meet with the Chairman of the Board and the Head. Once appointed, a meeting with the Company Secretary is arranged, to provide more detailed information and to identify appropriate training courses for individuals to attend.

All Directors take part in annual training which provides relevant and up to date information on governance and school inspections with outside speakers being brought in as and when appropriate. Directors are also encouraged to attend training events run for the not for profit and school sector by external bodies.

**e. Pay policy for key management personnel**

The Directors' Remuneration Committee meets annually to review the pay and remuneration of the Head and the Finance Director, with the Head also reviewing the pay of other members of the senior management team on an annual basis. Any proposed adjustments to the pay of the senior management team are confirmed by the Remuneration Committee. The review of all senior staff pay is with reference to their agreed annual objectives and performance.

**Structure, governance and management (continued)**

**f. Financial risk management**

During the year the Directors have examined the principal areas of the School's operations and considered the major risks in each of these areas. In the opinion of the Directors, the School has established systems which, under normal circumstances, should allow these risks to be managed at an acceptable level in its day to day operations. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed. A risk register is held and updated on a regular basis. Much of the operational work in this area is managed by the Risk Management Group, which comprises the Head and his Senior Management Team.

The Directors continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. They monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate, by which those risks already identified by the Directors can best be managed.

The key controls used by the School include:

• Formal agendas for all Committee and Board activity,

• Detailed terms of reference for all Committees,

• Comprehensive strategic planning, budgeting and management accounting,

• Established organisational structure and lines of reporting,

• Formal written policies,

• Clear authorisation and approval levels, and

• Vetting procedures as required by law for the protection of the students.

**Plans for future periods**

The School continues to regard teaching and learning to be of the highest importance and intends to make further progress and improvements in this area. Plans for the coming year include:

- Continuing to develop teaching and learning, especially in view of the return to terminal public examinations;
- Continuing to develop pastoral care and wellbeing, including addressing the Independent School Inspectorate's updated expectations for Relationships & Sex Education;
- Furthering our extra-curricular provision and community links;
- Continuing to develop the Junior School, with a focus on the excellence of our new Infants provision;
- Enhancing the appeal, value and effective of the Sixth Form;
- Maximising the recruitment and retention of suitable pupils in a challenging economic environment;
- Maximising the recruitment, retention and professional development of high-quality teaching and support staff;
- Enhancing engagement with the alumni community;
- Continuing to secure the School's finances:
- Developing the estate and infrastructure in sound, sustainable ways;and
- Continuing to pursue excellence in governance, leadership and management.

The School will continue with a long term programme of work to refurbish and maintain its School buildings.

The School will continue to build on the Fundraising Strategy that has been launched focussing on bursary funding as well as new capital projects, supporting both the long term aim of being able to offer a greater number of bursaries as well as provide the infrastructure needed in forward thinking modern School.

## DIRECTORS' REPORT (CONTINUED)
## FOR THE YEAR ENDED 31 AUGUST 2021

### Statement of Directors' responsibilities

The Directors (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditors

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

- so far as that Director is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

### Auditors

The auditors, WR Partners, have indicated their willingness to continue in office. The designated Directors will propose a motion reappointing the auditors at a meeting of the Directors.

Approved by order of the members of the board of Directors and signed on their behalf by:

**Mr J Sage**
Chairman

Date: 23 March 2022

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WOLVERHAMPTON GRAMMAR SCHOOL LIMITED

### Opinion

We have audited the financial statements of Wolverhampton Grammar School Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated 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 Group's and of the parent charitable company's affairs as at 31 August 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WOLVERHAMPTON GRAMMAR SCHOOL LIMITED (CONTINUED)

### Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Directors 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.

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

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

- the information given in the Directors' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' report and the Strategic report have been prepared in accordance with applicable legal requirements.

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

In the light of our 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 Directors' report including the Strategic report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WOLVERHAMPTON GRAMMAR SCHOOL LIMITED (CONTINUED)

### Responsibilities of trustees

As explained more fully in the Directors' responsibilities statement, the Directors (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 Directors 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 Directors are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### Auditors' 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 Auditors' 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 reviewed the susceptibility of the charitable company's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.

We reviewed the charitable company's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the charitable company and its environment and identify any instances of non-compliance.

We also assessed the charitable company's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.

The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and charitable company awareness to carry out our work to the required standard.

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 Auditors' report.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WOLVERHAMPTON GRAMMAR SCHOOL LIMITED (CONTINUED)

### Use of our report

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

**Andrew Malpass BA FCA (Senior statutory auditor)**
for and on behalf of
**WR Partners**
Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

29 March 2022

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

| | Note | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Endowment funds 2021 £000 | Total funds 2021 £000 | *Total funds 2020 £000* |
|---|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | | |
| Donations and legacies | 4 | **107** | **196** | **-** | **303** | *509* |
| Charitable activities | 5 | **8,966** | **-** | **-** | **8,966** | *8,595* |
| Other trading activities | 7 | **23** | **-** | **-** | **23** | *40* |
| Investments | 8 | **73** | **43** | **-** | **116** | *134* |
| Other income | 9 | **228** | **-** | **-** | **228** | *48* |
| **Total income and endowments** | | **9,397** | **239** | **-** | **9,636** | *9,326* |
| **Expenditure on:** | | | | | | |
| Raising funds | 10 | **13** | **9** | **1** | **23** | *22* |
| Charitable activities | 11 | **8,626** | **293** | **-** | **8,919** | *9,049* |
| **Total expenditure** | | **8,639** | **302** | **1** | **8,942** | *9,071* |
| **Net income/(expenditure) before net gains/(losses) on investments** | | **758** | **(63)** | **(1)** | **694** | *255* |
| Net gains/(losses) on investments | | **71** | **58** | **6** | **135** | *(84)* |
| **Net movement in funds before other recognised gains/(losses)** | | **829** | **(5)** | **5** | **829** | *171* |
| **Other recognised gains/(losses):** | | | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | 28 | **120** | **-** | **-** | **120** | *(257)* |
| Other gains/(losses) | | **340** | **292** | **49** | **681** | *(18)* |
| **Net movement in funds** | | **1,289** | **287** | **54** | **1,630** | *(104)* |

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

| | Note | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Endowment funds 2021 £000 | Total funds 2021 £000 | *Total funds 2020 £000* |
|---|---|---|---|---|---|---|
| **Reconciliation of funds:** | | | | | | |
| Total funds brought forward | | **15,184** | **2,242** | **486** | **17,911** | *18,015* |
| Net movement in funds | | **1,289** | **287** | **54** | **1,630** | *(104)* |
| **Total funds carried forward** | | **16,473** | **2,529** | **540** | **19,542** | *17,911* |

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

The notes on pages 27 to 54 form part of these financial statements.

## CONSOLIDATED BALANCE SHEET
## AS AT 31 AUGUST 2021

| | Note | | 2021 £000 | | *2020 £000* |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 15 | | **12,199** | | *12,016* |
| Investments | 17 | | **4,985** | | *4,183* |
| Investment property | 16 | | **620** | | *620* |
| | | | **17,804** | | *16,819* |
| **Current assets** | | | | | |
| Stocks | 18 | **8** | | *10* | |
| Debtors | 19 | **185** | | *235* | |
| Cash at bank and in hand | | **4,751** | | *3,371* | |
| | | **4,944** | | *3,616* | |
| Creditors: amounts falling due within one year | 20 | **(1,987)** | | *(1,297)* | |
| **Net current assets** | | | **2,957** | | *2,319* |
| **Total assets less current liabilities** | | | **20,761** | | *19,138* |
| Creditors: amounts falling due after more than one year | 21 | | **-** | | *(32)* |
| **Net assets excluding pension liability** | | | **20,761** | | *19,106* |
| Defined benefit pension scheme liability | 28 | | **(1,217)** | | *(1,194)* |
| **Total net assets** | | | **19,544** | | *17,912* |

## CONSOLIDATED BALANCE SHEET (CONTINUED)
## AS AT 31 AUGUST 2021

| | Note | | 2021 £000 | | *2020 £000* |
|---|---|---|---|---|---|
| **Charity funds** | | | | | |
| Endowment funds | 22 | | **540** | | *486* |
| Restricted funds: | | | | | |
| Restricted funds | 22 | **2,528** | | *2,242* | |
| Total restricted funds | 22 | | **2,528** | | *2,242* |
| Unrestricted funds | | | | | |
| General funds | 22 | **17,693** | | *16,378* | |
| Unrestricted funds excluding pension liability | 22 | **17,693** | | *16,378* | |
| Pension reserve | 22 | **(1,217)** | | *(1,194)* | |
| Total unrestricted funds | 22 | | **16,476** | | *15,184* |
| **Total funds** | | | **19,544** | | *17,912* |

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

**Mr J Sage**
Chairman

**Mr C I Bill**
Chair of Finance Committee

Date: 23 March 2022

The notes on pages 27 to 54 form part of these financial statements.

## COMPANY STATEMENT OF FINANCIAL POSITION
## AS AT 31 AUGUST 2021

| | Note | | 2021 £000 | | *2020 £000* |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 15 | | **12,102** | | *11,919* |
| Investments | 17 | | **358** | | *293* |
| | | | **12,460** | | *12,212* |
| **Current assets** | | | | | |
| Stocks | 18 | **8** | | *10* | |
| Debtors | 19 | **175** | | *247* | |
| Cash at bank and in hand | | **4,205** | | *2,790* | |
| | | **4,388** | | *3,047* | |
| Creditors: amounts falling due within one year | 20 | **(1,982)** | | *(1,292)* | |
| **Net current assets** | | | **2,406** | | *1,755* |
| **Total assets less current liabilities** | | | **14,866** | | *13,967* |
| Creditors: amounts falling due after more than one year | 21 | | **-** | | *(32)* |
| **Net assets excluding pension liability** | | | **14,866** | | *13,935* |
| Defined benefit pension scheme liability | 28 | | **(1,217)** | | *(1,194)* |
| **Total net assets** | | | **13,649** | | *12,741* |

## COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
## AS AT 31 AUGUST 2021

| | Note | | 2021 £000 | | *2020 £000* |
|---|---|---|---|---|---|
| **Charity funds** | | | | | |
| Endowment funds | 22 | | **212** | | *212* |
| Restricted funds: | | | | | |
| Total restricted funds | 22 | | **545** | | *561* |
| Unrestricted funds | | | | | |
| Unrestricted funds including pension liability | 22 | **12,891** | | *11,968* | |
| Total unrestricted funds | 22 | | **12,892** | | *11,968* |
| **Total funds** | | | **13,649** | | *12,741* |

The Company's net movement in funds for the year was £907 *(2020 - £(63))*.

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

The financial statements were approved and authorised for issue by the Directors on 23 March 2022 and signed on their behalf by:

**Mr J Sage**
Chairman

**Mr C I Bill**
Chair of Finance Committee

The notes on pages 27 to 54 form part of these financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 AUGUST 2021

| | 2021<br>£000 | *2020*<br>*£000* |
|---|---|---|
| **Cash flows from operating activities** | | |
| Net cash used in operating activities | **1,710** | *252* |
| **Cash flows from investing activities** | | |
| Dividends, interests and rents from investments | **115** | *125* |
| Purchase of tangible fixed assets | **(567)** | *(221)* |
| Proceeds from sale of investments | **575** | *946* |
| Purchase of investments | **(453)** | *(879)* |
| **Net cash used in investing activities** | **(330)** | **(29)** |
| **Change in cash and cash equivalents in the year** | **1,380** | **223** |
| Cash and cash equivalents at the beginning of the year | **3,371** | *3,148* |
| **Cash and cash equivalents at the end of the year** | **4,751** | *3,371* |

The notes on pages 27 to 54 form part of these financial statements

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

### 1. General information

Wolverhampton Grammar School Limited is a charity and company limited by guarantee and registered in England. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarentee is limited to £10 per member of the company.

The address of the registered office is given in the charity information on page 1 of these financial statements.

The nature of the School's operations and principal activities are that of an educational establishment.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the second edition of 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) (issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Wolverhampton Grammar School Limited 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.

Under a uniting direction issued by the Charities Comission Wolverhampton Grammar School Foundation is treated as forming part of Wolverhampton Grammar School Limited which is to be the reporting charity for the purposes of part 4 (registration) and part 8 (accounting) of the Charities Act 2011.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the School and its subsidiary undertakings. The results of the subsidiary are consolidated on a line by line basis.

The School has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

#### 2.2 Basis of consolidation

The financial statements consolidate the accounts of Wolverhampton Grammar School and all of its subsidiary undertakings ('subsidiaries').

The School has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure account.

The income and expenditure account for the year dealt with in the accounts of the School was £907k surplus (2020 - £63k deficit).

## 2. Accounting policies (continued)

### 2.3 Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements. The Directors have also assessed the potential impact on the future operations of the Company with regard to the Covid-19 outbreak. The Company is considered to be well positioned given the current environment with no impact on the going concern basis of the financial statements.

### 2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

### 2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

**2. Accounting policies (continued)**

**2.5 Expenditure (continued)**

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

All expenditure is inclusive of irrecoverable VAT.

**2.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.7 Tangible fixed assets and depreciation**

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.

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

Depreciation is provided on the following bases:

| | |
|---|---|
| Freehold property | - 0-10% straight line |
| Plant and machinery | - 10-25% straight line |
| Motor vehicles | - 20% straight line |

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities

**2.8 Revaluation of Investment Properties**

The School has adopted the revaluation model to revalue Investment Property whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of Financial Activities and accumulated in equity.

The 2021 valuations were made by the Directors, on an open market value for existing use basis.

## 2. Accounting policies (continued)

### 2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

### 2.10 Stocks

Wolverhampton Grammar School holds stocks of cleaning products, food and clothing to which are all valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stock

### 2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### 2.12 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.

### 2.13 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

### 2.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### 2.15 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

**2. Accounting policies (continued)**

**2.16 Pensions**

The School operates three pension schemes for its support staff; a defined contribution pension scheme, provided by Peoples' Pension and the pension charge represents the amounts payable by the School to the fund in respect of the year; a defined benefits pension scheme provided by the Local Government Pension Scheme (LGPS) and the pension charge is based on a full actuarial valuation dated 31 August 2021; and a pension scheme provided by The Independent Schools' Pension Scheme (ISPS) which is treated as a defined contribution scheme and the pension charge is based on the latest actuarial valuation.

The School also contributes to a defined benefit pension scheme (final salary scheme) for the academic staff, which is a national scheme operated for the Department for Children, Schools and Families. The pension charge represents amounts payable by the School to the fund in respect of the year.

Retirement benefits to employees of the School are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the School.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 28, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the School in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

## 2. Accounting policies (continued)

### 2.17 Fund accounting

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

Endowment funds comprise of investments established by a foundation that makes consistent withdrawals from invested capital.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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 estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

## 4. Income from donations and legacies

| | **Unrestricted funds 2021 £000** | **Restricted funds 2021 £000** | **Total funds 2021 £000** | *Total funds 2020 £000* |
|---|---|---|---|---|
| Donations | 3 | - | **3** | *28* |
| Legacies | 6 | 196 | **202** | *223* |
| Government grants | 98 | - | **98** | *258* |
| | 107 | 196 | **303** | *509* |
| *Total 2020* | *342* | *167* | *509* | |

## 5. Income from charitable activities

| | Unrestricted funds 2021 £000 | Total funds 2021 £000 | *Total funds 2020 £000* |
|---|---|---|---|
| School fees - see note 6 below | 8,408 | **8,408** | *7,995* |
| Catering ,Music & travel Income | 393 | **393** | *426* |
| Other Educational Income | 165 | **165** | *174* |
| **Total 2021** | 8,966 | **8,966** | *8,595* |
| *Total 2020* | *8,595* | *8,595* | |

## 6. Charitable Activities - School Fees

| | 2021 £000 | *2020 £000* |
|---|---|---|
| Gross Fees | **9,132** | *8,705* |
| Bursaries, scholarships & other awards | **(724)** | *(710)* |
| | **8,408** | *7,995* |

## 7. Income from other trading activities

### Income from fundraising events

| | Unrestricted funds 2021 £000 | Total funds 2021 £000 | *Total funds 2020 £000* |
|---|---|---|---|
| Lettings | 23 | **23** | *40* |
| *Total 2020* | *40* | *40* | |

## 8. Investment income

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Total funds 2021 £000 | *Total funds 2020 £000* |
|---|---|---|---|---|
| Rental income from investment properties | 24 | - | **24** | *15* |
| Income from investments listed on a recognised stock exchange | 49 | 43 | **92** | *109* |
| Investment income - local cash | - | - | **-** | *10* |
| | 73 | 43 | **116** | *134* |
| *Total 2020* | *77* | *57* | *134* | |

## 9. Other incoming resources

| | Unrestricted funds 2021 £000 | Total funds 2021 £000 | *Total funds 2020 £000* |
|---|---|---|---|
| Miscellaneous income | 228 | **228** | *48* |
| *Total 2020* | *48* | *48* | |

## 10. Investment management costs

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Endowment funds 2021 £000 | **Total funds 2021 £000** | *Total funds 2020 £000* |
|---|---|---|---|---|---|
| Investment management fees | 1 | - | - | **1** | *1* |
| Expenditure on investment management | 12 | 9 | 1 | **22** | *21* |
| | 13 | 9 | 1 | **23** | *22* |
| *Total 2020* | *12* | *9* | *1* | *22* | |

## 11. Analysis of expenditure on charitable activities

### Summary by fund type

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | **Total funds 2021 £000** | *Total funds 2020 £000* |
|---|---|---|---|---|
| Teaching and scholastic resources | 5,939 | 14 | **5,953** | *5,972* |
| Estates | 1,019 | 251 | **1,270** | *1,239* |
| Welfare and Catering | 473 | - | **473** | *433* |
| Support costs and governance | 1,195 | 28 | **1,223** | *1,405* |
| | 8,626 | 293 | **8,919** | *9,049* |
| *Total 2020* | *8,812* | *237* | *9,049* | |

## 12. Net income/expenditure

This is stated after charging:

| | Group 2021 £000 | *Group 2020 £000* |
|---|---|---|
| Operating lease rentals | **23** | *21* |
| Depreciation of tangible fixed assets | **383** | *453* |
| Auditors remuneration | **10** | *10* |
| Other services | **5** | *5* |
| | **421** | *489* |

## 13. Staff costs

| | Group 2021 £000 | *Group 2020 £000* | Company 2021 £000 | *Company 2020 £000* |
|---|---|---|---|---|
| Wages and salaries | **4,634** | *4,614* | **4,634** | *4,614* |
| Social security costs | **441** | *444* | **441** | *444* |
| Contribution to defined contribution pension schemes | **1,128** | *1,099* | **1,128** | *1,099* |
| | **6,203** | *6,157* | **6,203** | *6,157* |

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

| | Group 2021 No. | *Group 2020 No.* |
|---|---|---|
| Teaching | **115** | *121* |
| Estates | **31** | *27* |
| Administration | **24** | *21* |
| | **170** | *169* |

## 13. Staff costs (continued)

The average headcount expressed as full-time equivalents was:

| | Group 2021 No. | *Group 2020 No.* |
|---|---|---|
| Teaching | **91** | *92* |
| Estates | **20** | *18* |
| Administration | **20** | *19* |
| | **131** | *129* |

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

| | Group 2021 No. | *Group 2020 No.* |
|---|---|---|
| In the band £60,001 - £70,000 | **2** | *2* |
| In the band £70,001 - £80,000 | **2** | *2* |
| In the band £80,001 - £90,000 | **1** | *-* |
| In the band £90,001 - £100,000 | **-** | *1* |
| In the band £100,001 - £200,000 | **1** | *1* |

The total remuneration received by key management personnel, including wages, pension and benefits in kind amounted to £724,930 (2020 £760,458).

## 14. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits *(2020 - £NIL)*.

During the year ended 31 August 2021, no Director expenses have been incurred *(2020 - £NIL)*.

## 15. Tangible fixed assets

**Group**

| | Freehold property £000 | Plant and machinery £000 | Motor vehicles £000 | Total £000 |
|---|---|---|---|---|
| **Cost or valuation** | | | | |
| At 1 September 2020 | **15,144** | **1,485** | **33** | **16,662** |
| Additions | **436** | **131** | **-** | **567** |
| At 31 August 2021 | **15,580** | **1,616** | **33** | **17,229** |
| **Depreciation** | | | | |
| At 1 September 2020 | **3,560** | **1,055** | **33** | **4,648** |
| Charge for the year | **201** | **182** | **-** | **383** |
| At 31 August 2021 | **3,761** | **1,237** | **33** | **5,031** |
| **Net book value** | | | | |
| At 31 August 2021 | **11,819** | **379** | **-** | **12,198** |
| *At 31 August 2020* | *11,584* | *431* | *-* | *12,015* |

**15. Tangible fixed assets (continued)**

**Company**

| | Freehold property £000 | Plant and machinery £000 | Motor vehicles £000 | Total £000 |
|---|---|---|---|---|
| **Cost or valuation** | | | | |
| At 1 September 2020 | **15,048** | **1,485** | **33** | **16,566** |
| Additions | **436** | **131** | **-** | **567** |
| At 31 August 2021 | **15,484** | **1,616** | **33** | **17,133** |
| **Depreciation** | | | | |
| At 1 September 2020 | **3,560** | **1,055** | **33** | **4,648** |
| Charge for the year | **201** | **182** | **-** | **383** |
| At 31 August 2021 | **3,761** | **1,237** | **33** | **5,031** |
| **Net book value** | | | | |
| At 31 August 2021 | **11,723** | **379** | **-** | **12,102** |
| *At 31 August 2020* | *11,488* | *431* | *-* | *11,919* |

## 16. Investment property

**Group**

| | Freehold investment property £000 |
|---|---|
| **Valuation** | |
| At 1 September 2020 | **620** |
| At 31 August 2021 | **620** |

**Company**

At 31 August 2021

The 2021 valuations were made by the Directors, on an open market value for existing use basis.

Investment properties in Wolverhampton Grammar School 1958 Appeal Fund have been valued by the Directors at open market value as at 31 August 2021. The historic costs of revalued investment properties are £393k (2020: £393k).

## 17. Fixed asset investments

| Group | Listed investments £000 | Other fixed asset investments £000 | Total £000 |
|---|---|---|---|
| **Cost or valuation** | | | |
| At 1 September 2020 | **4,077** | **105** | **4,182** |
| Additions | **453** | **-** | **453** |
| Disposals | **(439)** | **-** | **(439)** |
| Revaluations | **773** | **15** | **788** |
| At 31 August 2021 | **4,864** | **120** | **4,984** |
| **Net book value** | | | |
| At 31 August 2021 | **4,864** | **120** | **4,984** |
| *At 31 August 2020* | *4,077* | *105* | *4,182* |

| Company | Listed investments £000 |
|---|---|
| **Cost or valuation** | |
| At 1 September 2020 | **293** |
| Revaluations | **65** |
| At 31 August 2021 | **358** |
| **Net book value** | |
| At 31 August 2021 | **358** |
| *At 31 August 2020* | *293* |

## 18. Stocks

| | Group 2021 £000 | *Group 2020 £000* | Company 2021 £000 | *Company 2020 £000* |
|---|---|---|---|---|
| Stocks | **8** | *10* | **8** | *10* |

## 19. Debtors

| | Group 2021 £000 | *Group 2020 £000* | Company 2021 £000 | *Company 2020 £000* |
|---|---|---|---|---|
| **Due within one year** | | | | |
| Trade debtors | **11** | *89* | **-** | *83* |
| Other debtors | **28** | *51* | **27** | *50* |
| Prepayments and accrued income | **146** | *95* | **148** | *114* |
| | **185** | *235* | **175** | *247* |

## 20. Creditors: Amounts falling due within one year

| | Group 2021 £000 | *Group 2020 £000* | Company 2021 £000 | *Company 2020 £000* |
|---|---|---|---|---|
| Fees in advance | **943** | *676* | **943** | *676* |
| Trade creditors | **319** | *186* | **315** | *184* |
| Other taxation and social security | **108** | *110* | **108** | *110* |
| Other creditors | **186** | *147* | **186** | *147* |
| Accruals | **431** | *178* | **430** | *175* |
| | **1,987** | *1,297* | **1,982** | *1,292* |

## 21. Creditors: Amounts falling due after more than one year

| | Group 2021 £000 | *Group 2020 £000* | Company 2021 £000 | *Company 2020 £000* |
|---|---|---|---|---|
| Payments received on account | **-** | *32* | **-** | *32* |

## 22. Statement of funds

### Statement of funds - current year

| | Balance at 1 September 2020 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 August 2021 £000 |
|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | |
| Undesignated | **13,770** | **9,345** | **(8,430)** | **42** | **14,727** |
| IAF General | **2,129** | **51** | **(65)** | **360** | **2,475** |
| Revaluation Reserve | **324** | **-** | **-** | **-** | **324** |
| Wilson Fund | **81** | **2** | **-** | **10** | **93** |
| Designated - Foundation Bursary | **74** | **-** | **-** | **-** | **74** |
| Pension reserve | **(1,194)** | **-** | **(143)** | **120** | **(1,217)** |
| | **15,184** | **9,398** | **(8,638)** | **532** | **16,476** |
| **Endowment funds** | | | | | |
| Specie Funds | **212** | **-** | **-** | **-** | **212** |
| IAF Ivy Jones Endowed Fund | **274** | **-** | **(1)** | **55** | **328** |
| | **486** | **-** | **(1)** | **55** | **540** |

**22. Statement of funds (continued)**

| | Balance at 1 September 2020 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 August 2021 £000 |
|---|---|---|---|---|---|
| **Restricted funds** | | | | | |
| Restricted Funds - all funds | - | - | (2) | - | (2) |
| General Prize Fund | 132 | 3 | - | 14 | 149 |
| Wolfson Fund | 210 | 6 | (14) | 41 | 243 |
| Gym Refurb Donation | 2 | - | - | - | 2 |
| Martin Bequest | 219 | 166 | (16) | 38 | 407 |
| OW Sports Scholarship | 857 | 13 | (20) | 153 | 1,003 |
| IAF Bursary | 162 | 36 | (179) | 24 | 43 |
| Catering Capital Donation | 23 | - | (23) | - | - |
| WGS Lab Donation | 157 | - | (5) | - | 152 |
| Ivy Jones Award Fund | 22 | 8 | - | - | 30 |
| Foundation Bursary Fund | 458 | 7 | (44) | 80 | 501 |
| | 2,242 | 239 | (303) | 350 | 2,528 |
| **Total of funds** | 17,912 | 9,637 | (8,942) | 937 | 19,544 |

**22. Statement of funds (continued)**

**Statement of funds - prior year**

| | *Balance at 1 September 2019 £000* | *Income £000* | *Expenditure £000* | *Gains/ (Losses) £000* | *Balance at 31 August 2020 £000* |
|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | |
| Undesignated | *13,353* | *9,049* | *(8,646)* | *14* | *13,770* |
| IAF General | *2,176* | *51* | *(49)* | *(49)* | *2,129* |
| Revaluation Reserve | *324* | - | - | - | *324* |
| Wilson Fund | *88* | *2* | - | *(9)* | *81* |
| Designated - Foundation Bursary | *86* | - | *(12)* | - | *74* |
| Pension reserve | *(821)* | - | *(116)* | *(257)* | *(1,194)* |
| | *15,206* | *9,102* | *(8,823)* | *(301)* | *15,184* |
| **Endowment funds** | | | | | |
| Specie Funds | *212* | - | - | - | *212* |
| IAF Ivy Jones Endowed Fund | *289* | - | *(1)* | *(14)* | *274* |
| | *501* | - | *(1)* | *(14)* | *486* |

**22. Statement of funds (continued)**

| | *Balance at 1 September 2019 £000* | *Income £000* | *Expenditure £000* | *Gains/ (Losses) £000* | *Balance at 31 August 2020 £000* |
|---|---|---|---|---|---|
| **Restricted funds** | | | | | |
| General Prize Fund | *127* | *3* | *-* | *2* | *132* |
| Wolfson Fund | *242* | *7* | *(19)* | *(20)* | *210* |
| Gym Refurb Donation | *2* | *-* | *-* | *-* | *2* |
| Martin Bequest | *174* | *62* | *(15)* | *(2)* | *219* |
| OW Sports Scholarship | *882* | *16* | *(21)* | *(20)* | *857* |
| IAF Bursary | *151* | *120* | *(105)* | *(4)* | *162* |
| Catering Capital Donation | *50* | *-* | *(27)* | *-* | *23* |
| WGS Lab Donation | *170* | *-* | *(13)* | *-* | *157* |
| Ivy Jones Award Fund | *19* | *8* | *(5)* | *-* | *22* |
| Foundation Bursary Fund | *490* | *8* | *(40)* | *-* | *458* |
| | *2,307* | *224* | *(245)* | *(44)* | *2,242* |
| **Total of funds** | *18,014* | *9,326* | *(9,069)* | *(359)* | *17,912* |

**23. Statement of funds (continued)**

**Unrestricted Funds**

Unrestricted Funds are held with the intention that they fund ongoing general purpose expenditure.

The Wilson Fund - a designated fund for the benefit of students at the discretion of the Head.

Independence Appeals Fund (IAF): (General) – These monies were raised by appeal when the school was given notice by local government of their intention to cease to maintain the school. The purposes of the appeal were to raise £180,000 for new buildings and the balance of sums raised to provide financial assistance for children who otherwise would be unable to attend Wolverhampton Grammar School.

**Endowment Funds**

IAF Ivy Jones Endowed Fund - an endowed fund under the terms of Professor Douglas Jones' (Old Wulfrunian) will. A legacy has been left to the Appeals Funds for the express purpose of providing bursary assistance for able pupils whose parents could not otherwise afford to send their children to the School. Any bursary awarded is to be designated as an 'Ivy Jones Award' in honour of Prof Jones' late wife. Under the terms of the will, the capital of the legacy is required to be maintained unless certain circumstances are reached whereby some or all of the capital may be spent.

The Specie Endowment Fund - relates to the historical costs of land and buildings held by the Foundation as specified in the 1979 Scheme of Government.

**Restricted Funds**

General Prize Funds – These represent a large number of individual donations given for the purpose of awarding prizes for achievement.

The Wolfson Fund – This fund is for the purpose of the award of bursaries to sixth form pupils.

Independence Appeals Fund (IAF): (Bursary) – These monies were raised by appeal when the school was given notice by local government of their intention to cease to maintain the school. The purposes of the appeal were to raise £180,000 for new buildings and the balance of sums raised to provide financial assistance for children who otherwise would be unable to attend Wolverhampton Grammar School.

The Sharing The Vision Appeal was launched in 1998 in response to the government’s decision to phase out the Assisted Places Scheme. The purpose of this appeal was to provide financial assistance with fees to those children who would previously have benefited from the Assisted Places Scheme and who without such help would be unable to attend Wolverhampton Grammar School. This appeal forms part of the Independence Appeals Fund.

Independence Appeals Fund: (The Martin Bequest)
The Martin Bequest is a restricted fund which has been set up to provide a bursary prize or prizes for students studying for or proceeding to Allied Medical Sciences or such other subjects as the governing body of the school shall at its discretion think fit.

Independence Appeals Fund: (The Old Wulfrunian Sports Scholarship Fund)
The Old Wulfrunian Sports Scholarship Fund is a restricted fund which has been donated to provide a means tested Sports Scholarship to a student (or students) living in the Wolverhampton postcode area who joins the school into the Sixth Form and who is able to demonstrate considerable sporting achievement.

Catering Capital Donation Fund:
The School's catering contractors provided a donation towards the refurbishment of the dining areas at the commencement a five year contract with them in September 2015. Depreciation is being charged against the donation fund over the expected life of the refurbishment in accordance with the deprecation policy.

WGS Lab Refurbishment Fund:
Donations have been received from the Old Wulfrunians in America specifically for the refurbishment of the Chemistry Laboratories, which were completed at the end of August 2018 Depreciation is being charged against the donation fund from over the expected life of the refurbishment in accordance with the deprecation policy.

Ivy Jones Award Fund:
Income generated from the IAF Ivy Jones Endowed Fund is credited to the Ivy Jones Award Fund, a restricted fund, which is used for bursary assistance.

Foundation Bursary Fund:
These monies were raised as part of the current fundraising strategy to provide 100% bursaries to students in financial need entering Year 7, making full provision for a full 7 years of education at Wolverhampton Grammar School if required.

## 24. Analysis of net assets between funds

### Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Endowment funds 2021 £000 | Total funds 2021 £000 |
|---|---|---|---|---|
| Tangible fixed assets | 11,987 | - | 212 | **12,199** |
| Fixed asset investments | 2,361 | 2,296 | 328 | **4,985** |
| Investment property | 620 | - | - | **620** |
| Current assets | 4,712 | 232 | - | **4,944** |
| Creditors due within one year | (1,987) | - | - | **(1,987)** |
| Provisions for liabilities and charges | (1,217) | - | - | **(1,217)** |
| **Total** | 16,476 | 2,528 | 540 | **19,544** |

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

| | Group 2021 £000 | *Group 2020 £000* |
|---|---|---|
| Net income for the year (as per Statement of Financial Activities) | **829** | *171* |
| **Adjustments for:** | | |
| Depreciation charges | **383** | *453* |
| Gains/(losses) on investments | **(122)** | *84* |
| Dividends, interests and rents from investments | **(116)** | *(123)* |
| Decrease/(increase) in stocks | **2** | *(2)* |
| Decrease in debtors | **81** | *166* |
| Increase/(decrease) in creditors | **630** | *(540)* |
| Movement in FRS102 pension | **23** | *43* |
| **Net cash provided by operating activities** | **1,710** | *252* |

## 26. Analysis of cash and cash equivalents

| | Group 2021 £000 | *Group 2020 £000* |
|---|---|---|
| Cash in hand | **4,751** | *3,371* |
| **Total cash and cash equivalents** | **4,751** | *3,371* |

## 27. Analysis of changes in net debt

| | At 1 September 2020 £000 | Cash flows £000 | At 31 August 2021 £000 |
|---|---|---|---|
| Cash at bank and in hand | **3,371** | **1,380** | **4,751** |
| | **3,371** | **1,380** | **4,751** |

## 28. Pension commitments

Certain of the school's employees belong to the Teacher's Pension Scheme England and Wales (TPS), the West Midlands Metropolitan Authorities Pension Fund (LGPS) and The Independent Schools' Pension Scheme (ISPS). These schemes are defined benefit schemes.

From July 2014, the School introduced a new scheme to the members of the Support Staff not currently in a pension run by the Peoples Pension. This is a defined contribution scheme.

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy).

the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £598,780 (2020 - £609,908).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

**Independent Schools Pension Scheme**

The School participates in the TPT Retirement Solutions - Independent Schools' Pension Scheme, a multi-employer scheme which provides benefits to associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

**28. Pension commitments (continued)**

The scheme is subject to the funding legislation outlined in the Pension Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

During the accounting period, Wolverhampton Grammar School paid a joint contribution rate of between 21.5% and 24.6%, comprising employer contributions of 17.9% and member contributions range from 3.6% to 6.7%.

The total contribution made for the year ended 31 August 2021 was £48,661 (2020: £48,004), of which the total employer's contributions totalled £37,779 (2020: £37,450), the employees' contributions totalled £10,883 (2020: £10,554) and past service costs of £54,953 (2020: £53,512).

The Group operates a defined benefit pension scheme.

**Local Government Pension Scheme (LGPS)**

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee- administered funds. The total contribution made for the year ended 31 August 2021 was £125,428 (2020: £122,228), of which employer's contributions totalled £93,533 (2020: £88,845) and employees' contributions totalled £31,895 (2020: £33,383).

At the year end £NIL (2020: £NIL) was accrued in respect of contributions to this scheme.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the LGPS was 31 March 2020.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

| | **At 31 August 2021** | *At 31 August 2020* |
|---|---|---|
| | **%** | *%* |
| Discount rate | **1.65** | *1.60* |
| Future salary increases | **3.90** | *3.30* |
| Future pension increases | **2.90** | *2.30* |

**28. Pension commitments (continued)**

| | **At 31 August 2021 Years** | *At 31 August 2020 Years* |
|---|---|---|
| Mortality rates (in years) | | |
| - for a male aged 65 now 45 | **21.6** | *21.9* |
| - at 65 for a male aged 45 now | **23.4** | *23.8* |
| - for a female aged 65 now | **24** | *24.1* |
| - at 65 for a female aged 45 now | **25.8** | *26.0* |

The Group's share of the assets in the scheme was:

The actual return on scheme assets was £544,000 *(2020 - £290,000)*.

The amounts recognised in the Consolidated statement of financial activities are as follows:

| | **2021 £000** | *2020 £000* |
|---|---|---|
| Interest cost | **68** | *69* |

Movements in the present value of the defined benefit obligation were as follows:

| | **2021 £000** |
|---|---|
| Opening defined benefit obligation | **4,254** |
| Interest cost | **68** |
| Contributions by scheme participants | **32** |
| Change in demographic assumptions | **(64)** |
| Current service cost | **218** |
| Change in financial assumptions | **514** |
| Experience loss/(gain) on defined benefit obligation | **(75)** |
| Estimated benefits paid net of transfers in | **(88)** |
| **Closing defined benefit obligation** | **4,859** |

## 28. Pension commitments (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

| | 2021 £000 |
|---|---|
| Opening fair value of scheme assets | **3,060** |
| Interest on assets | **49** |
| Return on assets less interest | **495** |
| Contributions by scheme participants | **94** |
| Contributions by scheme participants | **32** |
| Estimated benefits paid plus unfunded net transfers in | **(88)** |
| **Closing fair value of scheme assets** | **3,642** |

## 29. Operating lease commitments

At 31 August 2021 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group 2021 £000 | *Group 2020 £000* | Company 2021 £000 | *Company 2020 £000* |
|---|---|---|---|---|
| Not later than 1 year | **26** | *26* | **22** | *26* |
| Later than 1 year and not later than 5 years | **30** | *50* | **30** | *50* |
| Later than 5 years | **31** | *34* | **31** | *34* |
| | **87** | *110* | **83** | *110* |

## 30. Related party transactions

During the year, the School provided tuition to 5 pupils related to the Directors and 5 pupils related to key management personnel (2020: 6 related to the Directors, 4 related to key management personnel).

Fees receivable were £94,139 (2020: £79,851). The amount outstanding to Wolverhampton Grammar School at the year end was £Nil (2020: £Nil). Fees for Director's and other key management personnel are charged at market rate, without reduction.

**WOLVERHAMPTON GRAMMAR SCHOOL LIMITED**

England & Wales - Charity number 1125268

# Accounts

Registered number: 6610261
Charity number: 1125268

# WOLVERHAMPTON GRAMMAR SCHOOL LIMITED

## DIRECTORS' REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 AUGUST 2020

WR Partners
Protecting your future.

WOLVERHAMPTON GRAMMAR SCHOOL LIMITED
(A company limited by guarantee)

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WOLVERHAMPTON GRAMMAR SCHOOL LIMITED

(A company limited by guarantee)

## REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS DIRECTORS AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2020

| | |
|---|---|
| **Directors** | Mr N C Berriman[2,3]<br>Mr C I Bill, Chairman of Finance and General Purposes Committee[2,4]<br>Mrs E Bloch (appointed 9 April 2020)[1]<br>Mrs S H L Cawdell, Chairman of Education Committee[1]<br>Ms E Forde (appointed 28 September 2020)<br>Dr M Gowan Gopal[1]<br>Mr R Grainger (resigned 18 October 2019)[1]<br>Mr J Harper[2]<br>Mr P A Hawthorne[1,4]<br>Professor K B Madelin, Chairman of Estates Committee (resigned 30 December 2019)[2,3]<br>Mr Y J Malik[1,3]<br>Mr J Patel[2]<br>Mr J Sage, Chairman |
| | [1] Members of The Education Committee<br>[2] Members of The Finance and General Purposes Committee<br>[3] Members of The Estates Committee<br>[4] Members of The Remuneration Committee |
| **Company registered number** | 6610261 |
| **Charity registered number** | 1125268 |
| **Registered office** | Compton Road<br>Wolverhampton<br>WV3 9RB |

## REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS DIRECTORS AND ADVISERS (CONTINUED)
## FOR THE YEAR ENDED 31 AUGUST 2020

| | |
|---|---|
| **Company secretary** | Mrs P C Rudge (resigned 31 August 2020)<br>Mrs S Hemmings (appointed 1 September 2020) |
| **The Head** | Mrs K Crewe- Read (resigned 31 August 2020)<br>Mr A Frazer (appointed 1 September 2020) |
| **Independent auditors** | WR Partners<br>Chartered Accountants<br>Belmont House<br>Shrewsbury Business Park<br>Shrewsbury<br>Shropshire<br>SY2 6LG |
| **Bankers** | Allied Irish Bank (GB)<br>61 Temple Row<br>Birmingham<br>B2 5LT |
| **Solicitors** | FBC Manby Bowdler LLP<br>6 - 10 George Street<br>Snow Hill<br>Wolverhampton<br>WV2 4DN |
| **Investment Managers** | M & G Securities Limited<br>Laurence Pountney Hill<br>London<br>EC4R 0HH<br><br>Smith & Williamson<br>3rd Floor, 9 Colmore Row<br>Birmingham, B3 2BJ<br><br>CCLA Investment Management Limited<br>80 Cheapside, London<br>EC2 6DZ |

# DIRECTORS' REPORT
# FOR THE YEAR ENDED 31 AUGUST 2020

The Directors, who are also Trustees, present their annual report together with the audited financial statements of the Company for the 1 September 2019 to 31 August 2020. The Annual report serves the purposes of both a Directors' report and a directors' report under company law. The Directors confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

## Objectives and activities

### a. Policies and objectives

The objects of the charity are "the provision and conduct in or near Wolverhampton of a day school for boys and girls", thereby providing the advancement of education within the meaning of English law.

The Wolverhampton Grammar School's (the 'School') mission is to deliver education that transforms lives as well as minds. We do this by providing an education as individual as every child within an environment like no other. Our staff help us fulfil our mission as a School by working with students to ensure their curriculum is right for them. We can do this because of small class sizes, flexibility within our academic structures and an all embracing range of extra curricular activities. We all play a part in equipping students to develop a love of learning.

Our School community inspires openness, trust and mutual respect. We know that a challenging education requires a supportive, caring environment as well as a blend of skills and a mind set that embraces diversity and difference.

For us, education is not just about academic achievement, it's about helping our students to know they can make a difference during their time at School and after they leave us. All our students are treated warmly as individuals and their opinions are valued – this is because we know that our School thrives on the relationship between our students, their parents and our staff and the active role that we all play.

Objectives for the Year

The School's objectives for the year were to deliver against the third year of the new School's 2017/2022 Strategic Plan, whilst remaining true to the School's mission as stated above.

Primarily the objectives included:

- Improving the quality of teaching and learning;
- Embedding a new digital strategy to support and enhance each student's educational experience as well as preparing them for the future;
- Making improvements to the pastoral system to further develop the community of the School;
- Encouraging a clubs for all culture;
- Continuing with the planning application process to create Infant facility on the school site
- Embarking on a science laboratory refurbishment scheme;
- Finalising restructure plans for the governance of the organisation; and
- Raising further funds to enable a greater number of bursaries to be granted.

## Objectives and activities (continued)

### b. Strategies for achieving objectives

The School is now part way through its second five year Strategic Plan which is split down into eight key areas: Intellectual Challenge; Pastoral Care and Spiritual Growth; Co Curricular Breadth; Purposeful Staff Development; Effective Marketing and Communications; Secure School Finances; Well Maintained Estates, Facilities and Infrastructure; and Effective Governance.

The Strategic Plan is reviewed and updated annually leading to the production of annual whole School Development Plans detailing the annual School objectives for the year concerned. Departmental and individual objectives are linked through to the whole School Development Plan allowing a co-ordinated and well communicated approach to achieving objectives. All Development Plans are reviewed at the end of each year before the Strategic Plan is reviewed and updated. This review and objective setting process involves staff, the senior management team and the Directors.

### c. Activities undertaken to achieve objectives

Wolverhampton Grammar School (WGS) provides education to boys and girls from the ages of 7 to 18 in the Junior School and the Senior School. Whilst maintaining high academic standards, the School also provides specialist support for students with special educational needs through its Opportunities for Assisted Learning Scheme (OpAL).

578 students aged 11 – 18 were on roll as of September 2019 in the Senior School (September 2018: 570) and 175 students aged 7 – 11 in the Junior School (September 2018: 172). The School continues to attract strong interest from the Wolverhampton area as well as from Staffordshire, Shropshire, Walsall and Birmingham.

Public examinations were replaced by Centre Assessment Grades, as required by OFQUAL in the context of the COVID-19 pandemic. A rigorous and fair process was conducted by the School to determine the Centre Assessment Grades for each student in each subject, and there was an extremely high degree of confidence expressed by students and parents when the results were published in August. At GCSE the 2019/20 cohort achieved a 93% pass rate at grades 9 to 4 with 64% passes at grades 9 to 7. The students averaged over 9 passes each. At A Level there was a 100% pass rate, an 84% pass rate at A*/B (65% in 2017/18) and 55% at grade A*/A, reflecting the particularly high average ability of a cohort which contained an unusually large number of full-fees bursary recipients, the Directors having made additional awards to celebrate the School's quincentenary in 2012. 79% of our students achieved a place at a university of their choice. The School continues to offer the EPQ qualification which is popular with students and is regarded highly by universities.

In the Spring term, the School (Senior and Junior) underwent a routine ISI inspection of Regulatory Compliance. The School received a flawless report with all regulatory requirements met in full.

The Junior School, opened in 2011, continues to flourish and was at its largest in terms of pupil numbers during the year. Links with the Senior School are enhanced by sharing facilities and in some cases, teachers (Sciences for example, are taught in purpose built labs by the Senior School staff) and there is strong support in place for both students and their parents in terms of transition to Senior School including immersion days and parent information evenings.

Achievement and well rounded education at WGS is evident both inside and outside the classroom. The School provides high quality teaching and an excellent programme of co-curricular and extra curricular activities and opportunities (over 100 clubs, societies and activities are available to students across the School). Both are supported by the implementation of the School's digital strategy, which has modernised administration and has provided up to date methodology for both teaching and learning. The prominence of Student Parliament in the Senior School and School Council in the Junior School and seriousness with which student voice is taken

**Objectives and activities (continued)**

throughout the School enables our young people to learn to articulate their thoughts and speak up for what is right. The student run Peer Support group is popular, and very active in the Senior School. Peer supporters are allocated to each form, so ensuring their approachability, and their work is coordinated by a strong team lead. The introduction of Interform activities has increased a sense of collegiality between students throughout the School and will be expanded into a full house system over the next three years. Over the course of the year they contributed to various pastoral initiatives in School by bringing a student perspective. Such activities help us to meet our objective of raising students who are confident that they can make a difference within their community or sphere.

The School continues to provide quality sporting opportunity for students and participation levels are high. Some 260 Senior School fixtures were played during the year in netball, football, rounders, hockey and rugby. Other minority sports thrive and complete an exciting and varied offering: Eton fives, squash, basketball, cross country, gymnastics, fencing, swimming, and badminton. In girls' sport the U14 Netball team won the district tournament. The U12 Hockey team qualified for the Midlands Hockey Tournament but this was never played due to Covid-19. Unfortunately, the curtailment of the Spring and Summer Terms due to Covid-19 meant that there was no opportunity for students to participate in summer sports such as Tennis and Rounders. The School also supports students who compete at City, regional and international level with supported learning to ensure they do not fall behind and in some cases, a tailored fitness programme to support their sporting discipline.

The music and drama departments continue to provide exciting opportunities for our students. The Hutton Theatre hosted a performance of Our Town. Unfortunately, the planned Lower School production of Rumplestiltskin and the annual Dance Show were cancelled due to lockdown. Students from local secondary and primary schools are invited to performances free of charge for both academic reasons and entertainment. In November 2019, 16 pupils and 3 staff joined the Wombourne Choral Society in a performance of The Messiah. 24 pupils from Years 5-7 sang in Young Voices at the NEC in January. A virtual concert took place during lockdown and Year 10 pupils compiled a virtual recording of "Bring Me Sunshine".

School trips that support and enrich the curriculum have continued to enhance the educational and spiritual growth of students. Most Junior School children were able to take part in a residential trip, which gives them an opportunity to team build and involve themselves in outdoor challenges.

Provision was and has been made in the budget over the next few years to allow for the ongoing science laboratory refurbishment scheme, with three chemistry laboratories being refurbished in the summer of 2018 and a biology laboratory being refurbished in the summer of 2019. The remaining biology and general laboratories will be refurbished over the next few years as part of the phased plan. The School is very grateful for the generosity of the Merchant Taylors' Livery Company for their donation for this ongoing work.

**Objectives and activities (continued)**

**d. Main activities undertaken to further the Company's purposes for the public benefit**

The Directors have given due regard to the Charity Commission guidance on public benefit and have continued to demonstrate the School's commitment to delivering public benefit to both its own students and the wider community of Wolverhampton. Means tested bursaries amounted to over half of all concessions awarded, with the total number of students in September 2019 receiving means tested bursaries amounting to 65 (September 2018: 64). The total number of students receiving means tested support and the proportion receiving support with 90% or more of fees and additional extras (45%) is in line with last year. These students come from households where the gross annual income is less than £60,000. One student on such an award is a Looked After Child. The school has also accepted a second Looked After Child, placed by the Local Authority; this has been deemed a complete success by authority and parent, and the arrangement is set to continue next academic year. Means tested bursaries are primarily offered at entrance in Year 7 and in Year 12 and in addition a bursary hardship fund is used to support students through critical exam years where their parents have experienced significant financial difficulty. Further donations of funds for bursary support have been received during the year and have augmented the number of 100% means tested awards that have been made to new entrants at Year 7 in September 2019. During the year, an Emergency Appeals Fund was launched in order to support families in short term financial difficulties as a result of Covid-19. The fund supported 25 students, who would otherwise have had to leave WGS and will continue to be used to support students during the 2020/21 academic year.

The School sees itself very much as part of a wider community, and where we can assist the community without detriment to advancing the education of our students, we are delighted to do so. We provide public benefit to the community through a number of lettings at subsidised rates to local children's sports and holiday clubs, including junior cricket, hockey and rugby clubs and Soccer 2000. The letting of music and exam hall facilities to wider educational music organisations has also been developed as has the use of the Viner Gallery, which as a services space, has been made available to local artists as an exhibition venue on several occasions. The local nursery is able to use the School grounds free of charge for its sports day and the local Tabernacle church is able to use the School car park free of charge on a Sunday.

As part of the School's public benefit provision, the WGS Library continues to inspire reading and is working to raise levels of reading attainment across the West Midlands. As the author events expanded in 2019/20,1804 young people from a total of 23 local state schools met award-winning and bestselling children's authors, poets and storytellers. Based on this statistic, we are delighted to report that the level of engagement from schools is increasing exponentially each year, with many schools now travelling a considerable distance to attend our events. Our first large-scale celebrity author visit also took place, where we welcomed over 1,200 children to Wolverhampton's Grand Theatre to meet David Baddiel for the launch of his latest children's book, 'The Taylor Turbochaser'. As part of our work to make reading accessible for all children, funding from Merchant Taylors' Company was sourced and enabled us to gift 1,200 signed copies of David's book to every child in attendance.

In addition to the author events, the School's Librarian led a Read Well training session. This was planned in collaboration with Custom Training and offered 6 local state schools the opportunity to enhance their mental health first aid training. In addition, schools who attended this free workshop received information and resources to create wellbeing book displays in their own libraries.

The School Librarian Network Group, run from WGS, continues to offer training and support for librarians from local and regional state schools. We now welcome representatives from 18 schools to these termly meetings where good practice is shared and resources linked to the Wolverhampton Children's Book Award are distributed. These schools all participated in the 2019 Wolverhampton Children's Book Award, where 600 young people aged 9 -13 voted for the award with Humza Arshad emerging as their winning author.

Throughout the pandemic, we increased our offering to the School Librarian Network Group by sharing digital resources and risk assessments via virtual meetings. As a result of this work, schools were able to continue

**Objectives and activities (continued)**

operating a library service whilst promoting reading remotely.

Other outreach opportunities have continued to be organised by the school, although major events such as the Year 5 Discovery Day were unable to take place due to lockdown. Similarly, we were due again to host a national staff training event, but this had to be cancelled.

Students in the Junior School support workshops at Severndale Specialist Academy. The Junior School also run a rugby festival, two cross country festivals and a Festival of Sport, where local state schools are encouraged to make the most of the School's grounds, facilities and teaching expertise.

Both Senior and Junior Schools raise funds which are divided amongst local and national charities: in this respect, in 2019-20 the School raised funds for Compton Hospice, WaterAid, Buddy Bear Foundation and Birmingham Children's Hospital. The total raised was £2352 which was significantly less than in recent years; owing to the pandemic, the School was not able to hold a number of the usual fundraising events in the second half of the academic year. Among these, the annual Coast 2 Coast run, normally run in May, was delayed this year but run in a different format in October 2020.

The School actively supports the attainment of the highest standards in the Independent Schools sector through networking with other schools and membership of the appropriate bodies concerned with such standards. The Head is an elected member of The Headmasters' and Headmistresses' Conference (HMC). The Warwick Group of HMC schools provides a forum for the Head, the Deputy Heads and Heads of all academic departments to meet and consider matters of mutual interest and importance. The School is a member of the Independent Schools' Bursars Association which provides relevant advice for the effective administration of the School. The outgoing Bursar was elected as Chair of the ISBA Executive Committee. The School was also shortlisted and won the TES Senior Leadership Team of the Year 2018. Three of the School's leaders and management serve the wider educational community by acting as School governors in regional state primary schools.

In the furtherance of the aims of the School, the Trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published and relevant sub sector guidance concerning the operation of the Public Benefit requirement under that Act.

Fundraising and Volunteer Activities

The School continues to promote the Independence Appeals Fund for the collection of donations and legacies for augmenting bursary funds. During the year, an Emergency Appeals Fund was launched in order to support families in short term financial difficulties as a result of Covid-19. The fund raised £116,965, £50k in matched funding was provided by the Independence Appeals fund and £50k was transferred from the Sports Scholarship Fund at the express wish of the donor. The EAF supported 25 students, who would otherwise have had to leave WGS, with fees contributions of £71,920 in the Summer term. The remainder of the fund is expected to be used for support during 2020/21.

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

Many parents, friends of the school and Old Wulfrunians help with fundraising, cultural and sporting activities and careers events providing many hours of voluntary service during the year. The Directors very much appreciate their continuing and valuable support.

## Objectives and activities (continued)

### Strategic report

### Achievements and performance

#### a. Key performance indicators

The Directors consider that the key financial performance indicators are pupil numbers; full fee equivalent pupil numbers; teaching staff: pupil ratios; investment surplus (profit before depreciation as a percentage of net fee income); salary costs as a percentage of net fee income; bursary and scholarship concessions as a percentage of gross fee income; percentage fee rises; level of annual capital expenditure and reserves levels.

The key performance indicators are set during the budget process and reviewed at least once a term by the Finance and General Purposes Committee through the production of monthly management accounts and the annual SORP accounts.

#### b. Review of activities

The surplus for the year (before transfers between funds and movements on investment assets) amounted to £173k (2019: £993k). The deficit for the year after transfers between funds and gains on investment assets amounted to £103k (2019: £868k surplus) and has been transferred to reserves. Total funds amounted to £17,911k (2019: £18,015k). The overall cash surplus for the year amounted to £223k (2019: £1,297k).

During the year, fee income after bursaries and discounts decreased by £508k; equivalent to a 5.8% decrease (2019: £416k equivalent to a 5.0% increase), due to significant discounts to Summer Term fees as a response to the pandemic and the financial impact on parents. This was partially offset by Government Grants of £258k received to support operations during lockdown. In addition, whilst the School continues to maintain a good level of means tested bursary assistance, the level of non means tested Scholarship concessions have been reduced. The donations and legacies received during the year were £250k for bursary support. The School has continued to work to increase awareness of the benefits that a child obtains through the award of a bursary and is very grateful to its alumni body both in the UK and abroad for their continued bursary donations to the Independence Appeal Fund.

Total resources expended have increased to £9,048k (2019: £9,141k) with greater funds being spent on teaching resources for the benefit of pupils in the School whilst operating costs have continued to be kept firmly under control.

The value of the investments held have decreased, with realised and unrealised losses amounting to £102k (2019: £103k gain). Whilst the latter is largely beyond the control of Directors, there is a strong expectation that operating costs will continue to be driven down in order to optimise the incoming resources for the main aim of the charity, the education of its students. The ongoing aim of the School is to increase cash surpluses to enable the School to invest in an ongoing capital expenditure plan to allow buildings to be updated and to increase the level of reserves to provide security for the School in the current uncertain political and economic climate. Whilst a small cash surplus was generated during the year, the program of capital expenditure was put on hold during the Summer Term due to the economic uncertainty introduced by lockdown.

**Strategic report (continued)**

**Achievements and performance (continued)**

**Reserves Policy**

The School aims to build up and maintain its unrestricted free reserves in order to accommodate longer term plans for capital investment and other strategic objectives as well as provide an emergency fund to manage the risks and uncertainty for an educational charity in the current political and economic climate. In addition the Directors recognise the need to increase the restricted and endowment reserves held, in particular the Independence Appeals Fund, to help fund future transformational bursaries.

Consolidated reserves at 31 August 2020 amounted to £17,911k (2019: £18,015k). At 31 August 2020 the consolidated free reserves were £2,540k (2019: £2,338k). Details of the specific reserves held are provided in note 22 to the accounts.

Total unrestricted funds as shown in the financial statements include a notional funding deficit of £1,194k (2019: £821k) calculated under the FRS102 Charity SORP in respect of the School's defined benefit scheme for support staff. The Directors believe that this notional funding calculation, which can vary considerably between surplus and deficit according to the assumptions made at each year end, has no material effect on the School's short term cashflow and that in the longer term, its effects are sustainable out of future income. For this reason it is considered that it should be disregarded for reserves policy purposes.

The Directors are satisfied that they have sufficient resources available to meet liabilities and any unscheduled future costs and review their policy on an annual basis.

**c. Investment policy and performance**

The Trustees of the Appeals Funds have appointed Investment Managers to manage the investment portfolio on a discretionary basis in accordance with the agreed strategy. The Trustees monitor the returns on a regular basis. The main investment objectives are:

- The creation of a sufficient financial return to enable the Charity to carry out its purposes effectively and without interruption;
- The maintenance and enhancement of the investment funds over the long term;
- To obtain a reasonable balance between capital growth and income so that the Charity can meet future as well as current needs;
- To avoid investments that are unduly risky.

The investment performance for the majority of the School's accounts is measured against the MSCI WMA/PIMFA Balanced Index, which rose by 2.26% during the year to 31st August 2020. By contrast, the 1958 investments achieved a gain of 9.9%; the Independence Appeal Fund returned 2.25% and the Restricted Fund rose by 2.44%. The Ivy Jones Endowed Fund, which has an income orientated benchmark, rose by 2.89% while the MSCI WMA/PIMFA Income Index gained 2.31%.

The general policy is to maintain and grow investment capital levels, generating returns to provide the hardship bursary support to students who would otherwise be unable to attend the School. In addition, the returns are used to fund specific means tested awards through donations received for these purposes such as the Sports Scholarship and Ivy Jones Award, and the Foundation Bursaries.

## Strategic report (continued)

### Financial review

#### a. Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements. The Directors have also assessed the potential impact on the future operations of the Company with regard to the Covid-19 outbreak. The Company is considered to be well positioned given the current environment with no impact on the going concern basis of the financial statements.

#### b. Principal risks and uncertainties

The Directors believe that the principal risks and uncertainties to the business are:

- Operational – attracting and maintaining pupil numbers in today's difficult economic environment;
- Environmental – ability to expand and build an Infant School on the current School site due to planning considerations;
- Technological – keeping up to date in a world of fast moving digital technology advances and in particular the impact of social media;
- Political – the threat to charitable status and charitable tax reliefs.
- Economic – the increase (and possible further future increases) in employer contribution to the Teachers' Pension Scheme.

Whilst these risks and uncertainties are considered and regularly reviewed, the Directors manage these at an acceptable level through their robust risk management policy and associated reserves position.

### Structure, governance and management

#### a. Constitution

The School is a charity and company limited by guarantee, and is governed by its memorandum and articles of association by its Board of Directors. The associated Trusts, The Independence Appeals Fund and The 1958 Appeal Fund are administered in conformity with their Trust Deeds by their Boards of Trustees. Wolverhampton Grammar School Foundation is administered in conformity with its revised Scheme of Government dated 16 February 2018 by Wolverhampton Grammar School Limited, who has been appointed the Corporate Trustee of the Foundation.

The consolidated accounts comprise Wolverhampton Grammar School Ltd (registered charity number 1125268), Wolverhampton Grammar School Foundation (registered charity number 529006), Wolverhampton Grammar School Independence Appeal Fund (registered charity number 507487) and Wolverhampton Grammar School 1958 Appeal Fund (registered charity number 1090885). The School was set up to run the operational and trading activities, the Foundation was set up to manage the specie endowed land and buildings and the two Appeal Funds were set up to support the School in its aims and to provide financial help wherever possible to students who would not otherwise have been able to attend Wolverhampton Grammar School.

**Structure, governance and management (continued)**

**b. Methods of appointment or election of Directors**

The Board of Directors is appointed at the AGM under the terms of the memorandum and articles. A small working group made up of a committee of Directors appointed by the Chairman, carries out reviews of possible new members, in readiness for vacancies arising through retirements of Directors. They also carefully consider the range of skills which are needed on the Board, and names of potential Directors are recommended to the Board when appropriate.

The Trustees of the Trust Funds are appointed by Deed of Appointment by the current/outgoing Trustees, who carefully consider the range of skills required on the boards.

**c. Organisational structure and decision-making policies**

The Directors are responsible for the overall management of the School and meet as a board at least three times a year. The Finance and General Purposes, Education and Estates Committees meet on a termly basis as a minimum and these committees are empowered on behalf of the Board to ensure that the policies as agreed by them are carried out. A copy of the minutes of these meetings and accounts are sent to all Directors.

The day to day management of the School is delegated to the Head supported by the Senior Management Team. The Head and Bursar attend all meetings of the Trustees' and the full Board, Education and Finance and General Purposes Committees, in addition the Finance Director attends the Estates Committee meetings. The Senior School Deputy Heads and Head of the Junior School attend meetings of the full Board and the Education Committee, with the Assistant Heads attending the Education Committee only. The Annual General Meeting of the School (held in October) is attended by all members of the School (the Council of Members) and includes staff, parents and other stakeholder representatives.

**d. Policies adopted for the induction and training of Directors**

New Directors are provided with an induction pack, which contains details of the memorandum and articles of association of the School and other relevant documents, together with the Association of Governing Bodies induction resources. Before taking up post, they meet with the Chairman of the Board and the Head. Once appointed, a meeting with the Company Secretary is arranged, to provide more detailed information and to identify appropriate training courses for individuals to attend.

All Directors take part in annual training which provides relevant and up to date information on governance and school inspections with outside speakers being brought in as and when appropriate. Directors are also encouraged to attend training events run for the not for profit and school sector by external bodies.

**e. Pay policy for key management personnel**

The Directors' Remuneration Committee meets annually to review the pay and remuneration of the Head and the Bursar, with the Head also reviewing the pay of other members of the senior management team on an annual basis. Any proposed adjustments to the pay of the senior management team are confirmed by the Remuneration Committee. The review of all senior staff pay is with reference to their agreed annual objectives and performance.

**Structure, governance and management (continued)**

**f. Financial risk management**

During the year the Directors have examined the principal areas of the School's operations and considered the major risks in each of these areas. In the opinion of the Directors, the School has established systems which, under normal circumstances, should allow these risks to be managed at an acceptable level in its day to day operations. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed. A risk register is held and updated on a regular basis. Much of the operational work in this area is managed by the Risk Management Group, which comprises the Head and his Senior Management Team.

The Directors continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. They monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate, by which those risks already identified by the Directors can best be managed.

The key controls used by the School include:

- Formal agendas for all Committee and Board activity,
- Detailed terms of reference for all Committees,
- Comprehensive strategic planning, budgeting and management accounting,
- Established organisational structure and lines of reporting,
- Formal written policies,
- Clear authorisation and approval levels, and
- Vetting procedures as required by law for the protection of the students.

**Plans for future periods**

The School continues to regard teaching and learning to be of the highest importance and intends to make further progress and improvements in this area. Plans for the coming year include progressing the new digital strategy to support and enhance each student's educational experience as well as preparing them for the future; improving the pastoral system to further develop the community of the School; improving Sixth Form teaching to ensure students' aspirations are stretched; and reviewing the specialist support offered by our Opportunities for Assisted Learning Department.

The School will continue with a long term programme of work to refurbish and maintain its School buildings, in particular a science laboratory refurbishment scheme.

The School will continue to build on the Fundraising Strategy that has been launched focusing on bursary funding as well as new capital projects, supporting both the long term aim of being able to offer a greater number of bursaries as well as provide the infrastructure needed in a forward thinking modern School.

## DIRECTORS' REPORT (CONTINUED)
## FOR THE YEAR ENDED 31 AUGUST 2020

### Statement of Directors' responsibilities

The Directors (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditors

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

- so far as that Director is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

### Auditors

The auditors, WR Partners, have indicated their willingness to continue in office. The designated Directors will propose a motion reappointing the auditors at a meeting of the Directors.

Approved by order of the members of the board of Directors on 9 December 2020 and signed on their behalf by:

**Mr J E Sage**
Chairman

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WOLVERHAMPTON GRAMMAR SCHOOL LIMITED

## Opinion

We have audited the financial statements of Wolverhampton Grammar School Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2020 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated 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 Group's and of the parent charitable company's affairs as at 31 August 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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

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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent 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 Directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' 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.

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

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

- the information given in the Directors' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' report and the Strategic report have been prepared in accordance with applicable legal requirements.

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

In the light of our 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 Directors' report including the Strategic report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WOLVERHAMPTON GRAMMAR SCHOOL LIMITED (CONTINUED)

### Responsibilities of trustees

As explained more fully in the Directors' responsibilities statement, the Directors (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 Directors 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 Directors are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### Auditors' 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 Auditors' 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 Auditors' report.

### Use of our report

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

WR Partners

Andrew Malpass BA FCA (Senior statutory auditor)
for and on behalf of
**WR Partners**
Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

11 December 2020

WOLVERHAMPTON GRAMMAR SCHOOL LIMITED

(A company limited by guarantee)

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2020

| | Note | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Endowment funds 2020 £000 | Total funds 2020 £000 | *Total funds 2019 £000* |
|---|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | | |
| Donations and legacies | 4 | **342** | **167** | **-** | **509** | *351* |
| Charitable activities | 5 | **8,595** | **-** | **-** | **8,595** | *9,552* |
| Other trading activities | 7 | **40** | **-** | **-** | **40** | *67* |
| Investments | 8 | **77** | **57** | **-** | **134** | *123* |
| Other income | 9 | **48** | **-** | **-** | **48** | *64* |
| **Total income and endowments** | | **9,102** | **224** | **-** | **9,326** | *10,157* |
| **Expenditure on:** | | | | | | |
| Raising funds | 10 | **12** | **9** | **1** | **22** | *23* |
| Charitable activities | 11 | **8,811** | **237** | **-** | **9,048** | *9,141* |
| **Total expenditure** | | **8,823** | **246** | **1** | **9,070** | *9,164* |
| Net (losses)/gains on investments | | **(59)** | **(20)** | **(4)** | **(84)** | *5* |
| **Net movement in funds before other recognised gains/(losses)** | | **220** | **(42)** | **(5)** | **173** | *998* |
| **Other recognised gains/(losses):** | | | | | | |
| Actuarial losses on defined benefit pension schemes | 25 | **(257)** | **-** | **-** | **(257)** | *(228)* |
| Other gains/(losses) on Investments | 17 | **15** | **(24)** | **(10)** | **(18)** | *98* |
| **Net movement in funds** | | **(22)** | **(66)** | **(15)** | **(103)** | *868* |

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
## FOR THE YEAR ENDED 31 AUGUST 2020

| | Note | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Endowment funds 2020 £000 | Total funds 2020 £000 | *Total funds 2019 £000* |
|---|---|---|---|---|---|---|
| **Reconciliation of funds:** | | | | | | |
| Total funds brought forward | | **15,206** | **2,307** | **501** | **18,015** | *17,147* |
| Net movement in funds | | **(22)** | **(66)** | **(15)** | **(103)** | *868* |
| **Total funds carried forward** | | **15,184** | **2,241** | **486** | **17,911** | *18,015* |

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

The notes on pages 24 to 50 form part of these financial statements.

WOLVERHAMPTON GRAMMAR SCHOOL LIMITED
(A company limited by guarantee)

## CONSOLIDATED BALANCE SHEET
## AS AT 31 AUGUST 2020

| | Note | | 2020 £000 | | *2019 £000* |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 15 | | **12,016** | | *12,248* |
| Investments | 17 | | **4,183** | | *4,280* |
| Investment property | 16 | | **620** | | *620* |
| | | | **16,819** | | *17,148* |
| **Current assets** | | | | | |
| Stocks | 18 | **10** | | *8* | |
| Debtors | 19 | **235** | | *401* | |
| Cash at bank and in hand | | **3,371** | | *3,148* | |
| | | **3,616** | | *3,557* | |
| Creditors: amounts falling due within one year | 20 | **(1,298)** | | *(1,838)* | |
| **Net current assets** | | | **2,318** | | *1,719* |
| **Total assets less current liabilities** | | | **19,137** | | *18,867* |
| Creditors: amounts falling due after more than one year | 21 | | **(32)** | | *(32)* |
| **Net assets excluding pension liability** | | | **19,105** | | *18,835* |
| Defined benefit pension scheme liability | 25 | | **(1,194)** | | *(821)* |
| **Total net assets** | | | **17,911** | | *18,014* |

## CONSOLIDATED BALANCE SHEET (CONTINUED)
## AS AT 31 AUGUST 2020

| | Note | | 2020 £000 | | *2019 £000* |
|---|---|---|---|---|---|
| **Charity funds** | | | | | |
| Endowment funds | 22 | | **486** | | *501* |
| Restricted funds | 22 | | **2,242** | | *2,307* |
| Unrestricted funds | | | | | |
| Unrestricted funds excluding pension asset | 22 | **16,377** | | *16,027* | |
| Pension reserve | 22 | **(1,194)** | | *(821)* | |
| Total unrestricted funds | 22 | | **15,183** | | *15,206* |
| **Total funds** | | | **17,911** | | *18,014* |

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

The financial statements were approved and authorised for issue by the Directors on 09 December 2020 and signed on their behalf by:

**Mr J E Sage**
Chairman

**Mr C I Bill**
Chair of Finance Committee

The notes on pages 24 to 50 form part of these financial statements.

WOLVERHAMPTON GRAMMAR SCHOOL LIMITED
(A company limited by guarantee)

## COMPANY STATEMENT OF FINANCIAL POSITION
## AS AT 31 AUGUST 2020

| | Note | | 2020 £000 | | 2019 £000 |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 15 | | **11,919** | | *12,151* |
| Investments | 17 | | **293** | | *320* |
| | | | **12,212** | | *12,471* |
| **Current assets** | | | | | |
| Stocks | 18 | **10** | | *8* | |
| Debtors | 19 | **247** | | *374* | |
| Cash at bank and in hand | | **2,790** | | *2,636* | |
| | | **3,047** | | *3,018* | |
| Creditors: amounts falling due within one year | 20 | **(1,293)** | | *(1,833)* | |
| **Net current assets** | | | **1,754** | | *1,185* |
| **Total assets less current liabilities** | | | **13,966** | | *13,656* |
| Creditors: amounts falling due after more than one year | 21 | | **(32)** | | *(32)* |
| **Net assets excluding pension liability** | | | **13,934** | | *13,624* |
| Defined benefit pension scheme liability | 25 | | **(1,194)** | | *(821)* |
| **Total net assets** | | | **12,740** | | *12,803* |

## COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
## AS AT 31 AUGUST 2020

| | Note | | 2020 £000 | | *2019 £000* |
|---|---|---|---|---|---|
| **Charity funds** | | | | | |
| Endowment funds | 22 | | **212** | | *212* |
| Restricted funds | 22 | | **561** | | *591* |
| Unrestricted funds | | | | | |
| Unrestricted funds excluding pension liability | 22 | **12,674** | | *12,821* | |
| Pension reserve | 22 | **(1,194)** | | *(821)* | |
| Total unrestricted funds | 22 | | **11,967** | | *12,000* |
| **Total funds** | | | **12,740** | | *12,803* |

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

The financial statements were approved and authorised for issue by the Directors on 09 December 2020 and signed on their behalf by:

**Mr J E Sage**
Chairman

**Mr C I Bill**

The notes on pages 24 to 50 form part of these financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 AUGUST 2020

| | Note | 2020 £000 | *2019 £000* |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net cash used in operating activities | | **256** | *1,815* |
| **Cash flows from investing activities** | | | |
| Dividends, interests and rents from investments | | **123** | *122* |
| Purchase of tangible fixed assets | | **(221)** | *(736)* |
| Proceeds from sale of investments | | **946** | *490* |
| Purchase of investments | | **(879)** | *(394)* |
| **Net cash used in investing activities** | | **(31)** | **(518)** |
| Cash and cash equivalents at the beginning of the year | | **3,148** | *1,851* |
| Change in cash and cash equivalents in the year | | **223** | *1,297* |
| **Cash and cash equivalents at the end of the year** | | **3,371** | *3,148* |

The notes on pages 24 to 50 form part of these financial statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

### 1. General information

Wolverhampton Grammar School Limited is a charity and company limited by guarantee and registered in England. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarentee is limited to £10 per member of the company.

The address of the registered office is given in the charity information on page 1 of these financial statements.

The nature of the School's operations and principal activities are that of an educational establishment.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the second edition of 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) (issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Wolverhampton Grammar School Limited 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.

Under a uniting direction issued by the Charities Comission Wolverhampton Grammar School Foundation is treated as forming part of Wolverhampton Grammar School Limited which is to be the reporting charity for the purposes of part 4 (registration) and part 8 (accounting) of the Charities Act 2011.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the School and its subsidiary undertakings. The results of the subsidiary are consolidated on a line by line basis.

The School has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

#### 2.2 Basis of consolidation

The financial statements consolidate the accounts of Wolverhampton Grammar School and all of its subsidiary undertakings ('subsidiaries').

The School has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure account.

The income and expenditure account for the year dealt with in the accounts of the School was £63k deficit (2019 - £762k surplus).

## 2. Accounting policies (continued)

### 2.3 Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements. The Directors have also assessed the potential impact on the future operations of the Company with regard to the Covid-19 outbreak. The Company is considered to be well positioned given the current environment with no impact on the going concern basis of the financial statements.

### 2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

### 2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

## 2. Accounting policies (continued)

### 2.5 Expenditure (continued)

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

All expenditure is inclusive of irrecoverable VAT.

### 2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

### 2.7 Tangible fixed assets and depreciation

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.

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

Depreciation is provided on the following bases:

| | |
|---|---|
| Freehold property | - 0-10% straight line |
| Plant and machinery | - 10-25% straight line |
| Motor vehicles | - 20% straight line |

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities

### 2.8 Revaluation of Investment Properties

The School has adopted the revaluation model to revalue Investment Property whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of Financial Activities and accumulated in equity.

The 2020 valuations were made by the Directors, on an open market value for existing use basis.

## 2. Accounting policies (continued)

### 2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

### 2.10 Stocks

Wolverhampton Grammar School holds stocks of cleaning products, food and clothing to which are all valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stock

### 2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### 2.12 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.

### 2.13 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

### 2.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## 2. Accounting policies (continued)

### 2.15 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

### 2.16 Pensions

The School operates three pension schemes for its support staff; a defined contribution pension scheme, provided by Peoples' Pension and the pension charge represents the amounts payable by the School to the fund in respect of the year; a defined benefits pension scheme provided by the Local Government Pension Scheme (LGPS) and the pension charge is based on a full actuarial valuation dated 31 August 2020; and a pension scheme provided by The Independent Schools' Pension Scheme (ISPS) which is treated as a defined contribution scheme and the pension charge is based on the latest actuarial valuation.

The School also contributes to a defined benefit pension scheme (final salary scheme) for the academic staff, which is a national scheme operated for the Department for Children, Schools and Families. The pension charge represents amounts payable by the School to the fund in respect of the year.

Retirement benefits to employees of the School are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the School.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the School in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

## 2. Accounting policies (continued)

### 2.17 Fund accounting

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

Endowment funds comprise of investments established by a foundation that makes consistent withdrawals from invested capital.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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 estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

## 4. Income from donations and legacies

| | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Total funds 2020 £000 | *Total funds 2019 £000* |
|---|---|---|---|---|
| Donations | 29 | - | **29** | *100* |
| Legacies | 55 | 167 | **222** | *251* |
| Government grants | 258 | - | **258** | - |
| | 342 | 167 | **509** | *351* |
| *Total 2019* | *18* | *333* | *351* | |

## 5. Income from charitable activities

| | Unrestricted funds 2020 £000 | Total funds 2020 £000 | *Total funds 2019 £000* |
|---|---|---|---|
| School fees - see note 6 below | 7,995 | **7,995** | *8,729* |
| Catering ,Music & travel Income | 426 | **426** | *573* |
| Other Educational Income | 174 | **174** | *250* |
| **Total 2020** | 8,595 | **8,595** | *9,552* |
| *Total 2019* | *9,552* | *9,552* | |

## 6. Charitable Activities - School Fees

| | 2020 £000 | *2019 £000* |
|---|---|---|
| Gross Fees | **8,705** | *9,587* |
| Bursaries, scholarships & other awards | **(710)** | *(858)* |
| | **7,995** | *8,729* |

## 7. Income from other trading activities

### Income from fundraising events

| | Unrestricted funds 2020 £000 | Total funds 2020 £000 | *Total funds 2019 £000* |
|---|---|---|---|
| Lettings | 40 | **40** | *67* |
| *Total 2019* | *67* | *67* | |

## 8. Investment income

| | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Total funds 2020 £000 | *Total funds 2019 £000* |
|---|---|---|---|---|
| Rental income from investment properties | 15 | - | **15** | *17* |
| Income from investments listed on a recognised stock exchange | 52 | 57 | **109** | *106* |
| Investment income - local cash | 10 | - | **10** | *-* |
| | 77 | 57 | **134** | *123* |
| *Total 2019* | *72* | *51* | *123* | |

## 9. Other incoming resources

| | Unrestricted funds 2020 £000 | Total funds 2020 £000 | *Total funds 2019 £000* |
|---|---|---|---|
| Miscellaneous income | 48 | **48** | *64* |
| *Total 2019* | *64* | *64* | |

## 10. Investment management costs

| | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Endowment funds 2020 £000 | Total funds 2020 £000 | *Total funds 2019 £000* |
|---|---|---|---|---|---|
| Investment management fees | 1 | - | - | **1** | *1* |
| Expenditure on investment management | 11 | 9 | 1 | **21** | *23* |
| | 12 | 9 | 1 | **22** | *24* |
| *Total 2019* | *12* | *10* | *2* | *24* | |

## 11. Analysis of expenditure on charitable activities

### Summary by fund type

| | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Total funds 2020 £000 | *Total funds 2019 £000* |
|---|---|---|---|---|
| Teaching and scholastic resources | 5,952 | 19 | **5,971** | *5,738* |
| Estates | 1,061 | 178 | **1,239** | *1,288* |
| Welfare and Catering | 433 | - | **433** | *578* |
| Support costs and governance | 1,365 | 40 | **1,405** | *1,536* |
| | 8,811 | 237 | **9,048** | *9,140* |
| *Total 2019* | *8,997* | *143* | *9,140* | |

## 12. Net income/expenditure

This is stated after charging:

| | Group 2020 £000 | *Group 2019 £000* |
|---|---|---|
| Operating lease rentals | **21** | *21* |
| Depreciation of tangible fixed assets | **453** | *401* |
| Auditors remuneration | **10** | *9* |
| Other services | **5** | *5* |
| | **489** | *436* |

## 13. Staff costs

| | Group 2020 £000 | *Group 2019 £000* | Company 2020 £000 | *Company 2019 £000* |
|---|---|---|---|---|
| Wages and salaries | **4,614** | *4,490* | **4,614** | *4,490* |
| Social security costs | **444** | *432* | **444** | *432* |
| Contribution to defined contribution pension schemes | **1,099** | *790* | **1,099** | *790* |
| | **6,157** | *5,712* | **6,157** | *5,712* |

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

| | Group 2020 No. | *Group 2019 No.* |
|---|---|---|
| Teaching | **121** | *117* |
| Estates | **27** | *27* |
| Administration | **21** | *20* |
| | **169** | *164* |

## 13. Staff costs (continued)

The average headcount expressed as full-time equivalents was:

| | Group 2020 No. | *Group 2019 No.* |
|---|---|---|
| Teaching | **92** | *90* |
| Estates | **18** | *17* |
| Administration | **19** | *17* |
| | **129** | *124* |

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

| | Group 2020 No. | *Group 2019 No.* |
|---|---|---|
| In the band £60,001 - £70,000 | **2** | *1* |
| In the band £70,001 - £80,000 | **2** | *1* |
| In the band £80,001 - £90,000 | **-** | *2* |
| In the band £90,001 - £100,000 | **2** | *1* |
| In the band £100,001 - £200,000 | **2** | *2* |

## 14. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits *(2019 - £NIL)*.

During the year ended 31 August 2020, no Director expenses have been incurred *(2019 - £NIL)*.

## 15. Tangible fixed assets

### Group

| | Freehold property £000 | Plant and machinery £000 | Motor vehicles £000 | Total £000 |
|---|---|---|---|---|
| **Cost or valuation** | | | | |
| At 1 September 2019 | **15,030** | **1,379** | **33** | **16,442** |
| Additions | **114** | **107** | **-** | **221** |
| At 31 August 2020 | **15,144** | **1,486** | **33** | **16,663** |
| **Depreciation** | | | | |
| At 1 September 2019 | **3,282** | **879** | **33** | **4,194** |
| Charge for the year | **278** | **176** | **-** | **454** |
| At 31 August 2020 | **3,560** | **1,055** | **33** | **4,648** |
| **Net book value** | | | | |
| At 31 August 2020 | **11,584** | **431** | **-** | **12,015** |
| *At 31 August 2019* | *11,748* | *500* | *-* | *12,248* |

15. Tangible fixed assets (continued)

Group (continued)

Company

| | Freehold property £000 | Plant and machinery £000 | Motor vehicles £000 | Total £000 |
|---|---|---|---|---|
| **Cost or valuation** | | | | |
| At 1 September 2019 | 14,934 | 1,379 | 33 | 16,346 |
| Additions | 114 | 107 | - | 221 |
| At 31 August 2020 | 15,048 | 1,486 | 33 | 16,567 |
| **Depreciation** | | | | |
| At 1 September 2019 | 3,282 | 879 | 33 | 4,194 |
| Charge for the year | 278 | 176 | - | 454 |
| At 31 August 2020 | 3,560 | 1,055 | 33 | 4,648 |
| **Net book value** | | | | |
| At 31 August 2020 | 11,488 | 431 | - | 11,919 |
| *At 31 August 2019* | *11,651* | *500* | - | *12,151* |

## 16. Investment property

### Group

| | Freehold investment property £000 |
|---|---|
| **Valuation** | |
| At 1 September 2019 | 620 |
| At 31 August 2020 | 620 |

The 2020 valuations were made by the Directors, on an open market value for existing use basis.

Investment properties in Wolverhampton Grammar School 1958 Appeal Fund have been valued by the Directors at open market value as at 31 August 2020. The historic costs of revalued investment properties are £393k (2018: £393k).

## 17. Fixed asset investments

| Group | Listed investments £000 | Other fixed asset investments £000 | Total £000 |
|---|---|---|---|
| **Cost or valuation** | | | |
| At 1 September 2019 | 4,107 | 173 | 4,280 |
| Additions | 879 | - | 879 |
| Disposals | (959) | - | (959) |
| Revaluations | 50 | (68) | (18) |
| **At 31 August 2020** | 4,078 | 105 | 4,183 |
| **Net book value** | | | |
| **At 31 August 2020** | 4,078 | 105 | 4,183 |
| *At 31 August 2019* | *4,107* | *173* | *4,280* |

## 17. Fixed asset investments (continued)

| Company | Listed investments £000 |
|---|---|
| **Cost or valuation** | |
| At 1 September 2019 | **320** |
| Disposals | **(13)** |
| Revaluations | **(14)** |
| **At 31 August 2020** | **293** |
| **Net book value** | |
| **At 31 August 2020** | **293** |
| *At 31 August 2019* | *320* |

## 18. Stocks

| | Group 2020 £000 | *Group 2019 £000* | Company 2020 £000 | *Company 2019 £000* |
|---|---|---|---|---|
| Stocks | **10** | *8* | **10** | *8* |

## 19. Debtors

| | Group 2020 £000 | *Group 2019 £000* | Company 2020 £000 | *Company 2019 £000* |
|---|---|---|---|---|
| **Due within one year** | | | | |
| Trade debtors | **89** | *174* | **83** | *165* |
| Other debtors | **51** | *43* | **50** | *25* |
| Prepayments and accrued income | **95** | *184* | **114** | *184* |
| | **235** | *401* | **247** | *374* |

## 20. Creditors: Amounts falling due within one year

| | Group 2020 £000 | *Group 2019 £000* | Company 2020 £000 | *Company 2019 £000* |
|---|---|---|---|---|
| Fees in advance | **676** | *713* | **676** | *713* |
| Trade creditors | **186** | *458* | **184** | *456* |
| Other taxation and social security | **110** | *108* | **110** | *108* |
| Other creditors | **145** | *136* | **147** | *136* |
| Accruals | **181** | *423* | **176** | *420* |
| | **1,298** | *1,838* | **1,293** | *1,833* |

## 21. Creditors: Amounts falling due after more than one year

| | Group 2020 £000 | *Group 2019 £000* | Company 2020 £000 | *Company 2019 £000* |
|---|---|---|---|---|
| Payments received on account | **32** | *32* | **32** | *32* |

A fixed charge is in place as security against BACS and Direct Debit Facility requirements of Wolverhampton Grammar School Limited.

## 22. Statement of funds

### Statement of funds - current year

| | Balance at 1 September 2019 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 August 2020 £000 |
|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | |
| Undesignated | 13,353 | 9,048 | (8,646) | 14 | 13,769 |
| IAF General | 2,176 | 51 | (49) | (49) | 2,129 |
| Revaluation Reserve | 324 | - | - | - | 324 |
| Wilson Fund | 88 | 2 | - | (9) | 81 |
| Designated - Foundation Bursary | 86 | - | (12) | - | 74 |
| Pension reserve | (821) | - | (116) | (257) | (1,194) |
| | 15,206 | 9,101 | (8,823) | (301) | 15,183 |
| **Endowment funds** | | | | | |
| Specie Funds | 212 | - | - | - | 212 |
| IAF Ivy Jones Endowed Fund | 289 | - | (1) | (14) | 274 |
| | 501 | - | (1) | (14) | 486 |
| **Restricted funds** | | | | | |
| General Prize Fund | 127 | 3 | - | 2 | 132 |
| Wolfson Fund | 242 | 7 | (19) | (20) | 210 |
| Gym Refurb Donation | 2 | - | - | - | 2 |
| Martin Bequest | 174 | 62 | (15) | (2) | 219 |
| OW Sports Scholarship | 882 | 16 | (21) | (20) | 857 |
| IAF Bursary | 151 | 120 | (105) | (4) | 162 |
| Catering Capital Donation | 50 | - | (27) | - | 23 |
| WGS Lab Donation | 170 | - | (13) | - | 157 |
| Ivy Jones Award Fund | 19 | 8 | (5) | - | 22 |
| Foundation Bursary Fund | 490 | 8 | (40) | - | 458 |
| | 2,307 | 224 | (245) | (44) | 2,242 |
| **Total of funds** | 18,014 | 9,325 | (9,069) | (359) | 17,911 |

## 22. Statement of funds (continued)

### Statement of funds - prior year

| | *Balance at 1 September 2018 £000* | *Income £000* | *Expenditure £000* | *Gains/ (Losses) £000* | *Balance at 31 August 2019 £000* |
|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | |
| Undesignated | *12,471* | *9,707* | *(8,835)* | *10* | *13,353* |
| IAF General | *2,114* | *63* | *(56)* | *55* | *2,176* |
| Revaluation Reserve | *324* | - | - | - | *324* |
| Wilson Fund | *89* | *2* | *(1)* | *(2)* | *88* |
| Designated - Foundation Bursary | *100* | - | *(14)* | - | *86* |
| Pension reserve | *(490)* | - | *(103)* | *(228)* | *(821)* |
| | 14,608 | 9,772 | (9,009) | *(165)* | *15,206* |
| **Endowment funds** | | | | | |
| Specie Funds | *212* | - | - | - | *212* |
| IAF Ivy Jones Endowed Fund | *287* | - | *(2)* | *4* | *289* |
| | 499 | - | (2) | *4* | *501* |

## 22. Statement of funds (continued)

### Statement of funds - prior year (continued)

| | *Balance at 1 September 2018 £000* | *Income £000* | *Expenditure £000* | *Gains/ (Losses) £000* | *Balance at 31 August 2019 £000* |
|---|---|---|---|---|---|
| **Restricted funds** | | | | | |
| General Prize Fund | *119* | *3* | - | *5* | *127* |
| Wolfson Fund | *254* | *5* | *(19)* | *2* | *242* |
| Gym Refurb Donation | *2* | - | - | - | *2* |
| Martin Bequest | *170* | *4* | *(1)* | *1* | *174* |
| OW Sports Scholarship | *875* | - | *(14)* | *21* | *882* |
| IAF Bursary | *90* | *62* | *(15)* | *14* | *151* |
| Catering Capital Donation | *120* | - | *(70)* | - | *50* |
| WGS Lab Donation | *86* | *95* | *(4)* | *(7)* | *170* |
| Ivy Jones Award Fund | *18* | *8* | *(7)* | - | *19* |
| Foundation Bursary Fund | *306* | *207* | *(23)* | - | *490* |
| | 2,040 | 384 | (153) | *36* | *2,307* |
| **Total of funds** | *17,147* | *10,156* | *(9,164)* | *(125)* | *18,014* |

## 23. Statement of funds (continued)

### Unrestricted Funds

Unrestricted Funds are held with the intention that they fund ongoing general purpose expenditure.

The Wilson Fund - a designated fund for the benefit of students at the discretion of the Head.

Independence Appeals Fund (IAF): (General) – These monies were raised by appeal when the school was given notice by local government of their intention to cease to maintain the school. The purposes of the appeal were to raise £180,000 for new buildings and the balance of sums raised to provide financial assistance for children who otherwise would be unable to attend Wolverhampton Grammar School.

### Endowment Funds

IAF Ivy Jones Endowed Fund - an endowed fund under the terms of Professor Douglas Jones' (Old Wulfrunian) will. A legacy has been left to the Appeals Funds for the express purpose of providing bursary assistance for able pupils whose parents could not otherwise afford to send their children to the School. Any bursary awarded is to be designated as an 'Ivy Jones Award' in honour of Prof Jones' late wife. Under the terms of the will, the capital of the legacy is required to be maintained unless certain circumstances are reached whereby some or all of the capital may be spent.

The Specie Endowment Fund - relates to the historical costs of land and buildings held by the Foundation as specified in the 1979 Scheme of Government.

### Restricted Funds

General Prize Funds – These represent a large number of individual donations given for the purpose of awarding prizes for achievement.

The Wolfson Fund – This fund is for the purpose of the award of bursaries to sixth form pupils.

Independence Appeals Fund (IAF): (Bursary) – These monies were raised by appeal when the school was given notice by local government of their intention to cease to maintain the school. The purposes of the appeal were to raise £180,000 for new buildings and the balance of sums raised to provide financial assistance for children who otherwise would be unable to attend Wolverhampton Grammar School.

The Sharing The Vision Appeal was launched in 1998 in response to the government's decision to phase out the Assisted Places Scheme. The purpose of this appeal was to provide financial assistance with fees to those children who would previously have benefited from the Assisted Places Scheme and who without such help would be unable to attend Wolverhampton Grammar School. This appeal forms part of the Independence Appeals Fund.

Independence Appeals Fund: (The Martin Bequest)
The Martin Bequest is a restricted fund which has been set up to provide a bursary prize or prizes for students studying for or proceeding to Allied Medical Sciences or such other subjects as the governing body of the school shall at its discretion think fit.

Independence Appeals Fund: (The Old Wulfrunian Sports Scholarship Fund)
The Old Wulfrunian Sports Scholarship Fund is a restricted fund which has been donated to provide a means tested Sports Scholarship to a student (or students) living in the Wolverhampton postcode area who joins the school into the Sixth Form and who is able to demonstrate considerable sporting achievement.

Catering Capital Donation Fund:
The School's catering contractors provided a donation towards the refurbishment of the dining areas at the commencement a five year contract with them in September 2015. Depreciation is being charged against the donation fund over the expected life of the refurbishment in accordance with the deprecation policy.

WGS Lab Refurbishment Fund:
Donations have been received from the Old Wulfrunians in America specifically for the refurbishment of the Chemistry Laboratories, which were completed at the end of August 2018 Depreciation is being charged against the donation fund from over the expected life of the refurbishment in accordance with the deprecation policy.

Ivy Jones Award Fund:
Income generated from the IAF Ivy Jones Endowed Fund is credited to the Ivy Jones Award Fund, a restricted fund, which is used for bursary assistance.

Foundation Bursary Fund:
These monies were raised as part of the current fundraising strategy to provide 100% bursaries to students in financial need entering Year 7, making full provision for a full 7 years of education at Wolverhampton Grammar School if required.

## 24. Analysis of net assets between funds

### Analysis of net assets between funds - current period

| | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Endowment funds 2020 £000 | Total funds 2020 £000 |
|---|---|---|---|---|
| Tangible fixed assets | 11,816 | - | 200 | **12,016** |
| Fixed asset investments | 2,091 | 1,806 | 286 | **4,183** |
| Investment property | 620 | - | - | **620** |
| Current assets | 3,180 | 436 | - | **3,616** |
| Creditors due within one year | (1,300) | - | - | **(1,300)** |
| Creditors due in more than one year | (32) | - | - | **(32)** |
| Provisions for liabilities and charges | (1,194) | - | - | **(1,194)** |
| **Total** | 15,181 | 2,242 | 486 | **17,909** |

## 24. Analysis of net assets between funds (continued)

### Analysis of net assets between funds - prior period

| | *Unrestricted funds 2019 £000* | *Restricted funds 2019 £000* | *Endowment funds 2019 £000* | *Total funds 2019 £000* |
|---|---|---|---|---|
| Tangible fixed assets | 12,036 | - | 212 | *12,248* |
| Fixed asset investments | 1,999 | 1,992 | 289 | *4,280* |
| Investment property | 620 | - | - | *620* |
| Current assets | 3,241 | 315 | - | *3,556* |
| Creditors due within one year | (1,837) | - | - | *(1,837)* |
| Creditors due in more than one year | (32) | - | - | *(32)* |
| Provisions for liabilities and charges | (821) | - | - | *(821)* |
| **Total** | 15,206 | 2,307 | 501 | *18,014* |

## 25. Pension commitments

Certain of the school's employees belong to the Teacher's Pension Scheme England and Wales (TPS), the West Midlands Metropolitan Authorities Pension Fund (LGPS) and The Independent Schools' Pension Scheme (ISPS). These schemes are defined benefit schemes.

From July 2014, the School introduced a new scheme to the members of the Support Staff not currently in a pension run by the Peoples Pension. This is a defined contribution scheme.

### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy).

the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £767,942 (2019 - £523,995).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

### Independent Schools Pension Scheme

The School participates in the TPT Retirement Solutions - Independent Schools' Pension Scheme, a multi-employer scheme which provides benefits to associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

## 25. Pension commitments (continued)

The scheme is subject to the funding legislation outlined in the Pension Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

During the accounting period, Wolverhampton Grammar School paid a joint contribution rate of 23.1%, comprising employer contributions of 15.7% and member contributions range from 3.5% to 6.6%.

The total contribution made for the year ended 31 August 2020 was £48,004 (2019: £44,152), of which the total employer's contributions totalled £37,450 (2019: £33,550), the employees' contributions totalled £10,554 (2019: £10,602) and past service costs of £53,512 (2019: £54,074).

The Group operates a defined benefit pension scheme.

**Local Government Pension Scheme (LGPS)**

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee- administered funds. The total contribution made for the year ended 31 August 2019 was £119,000 (2019: £101,000), of which employer's contributions totalled £86,000 (2019: £72,000) and employees' contributions totalled £33,000 (2019: £29,000).

At the year end £10,781 (2019: £8,859) was accrued in respect of contributions to this scheme.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the LGPS was 31 March 2019.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

| | **At 31 August 2020** % | *At 31 August 2019* % |
|---|---|---|
| Discount rate | **1.60** | *1.80* |
| Future salary increases | **3.30** | *3.80* |
| Future pension increases | **2.30** | *2.30* |

## 25. Pension commitments (continued)

| | At 31 August 2020 Years | *At 31 August 2019 Years* |
|---|---|---|
| Mortality rates (in years) | | |
| - for a male aged 65 now | **21.9** | *20.9* |
| - at 65 for a male aged 65 now | **23.8** | *22.6* |
| - for a female aged 65 now | **24.1** | *23.2* |
| - at 65 for a female aged 65 now | **26.0** | *25.1* |

The Group's share of the assets in the scheme was:

| | At 31 August 2020 £000 | *At 31 August 2019 £000* |
|---|---|---|
| Equities | **1,718** | *1,801* |
| Gilts | **332** | *284* |
| Other bonds | **119** | *113* |
| Property | **231** | *245* |
| Cash and other liquid assets | **203** | *108* |
| Other | **457** | *445* |
| **Total fair value of assets** | **3,060** | *2,996* |

The actual return on scheme assets was £290,000 *(2019 - £182,000)*.

The amounts recognised in the Consolidated statement of financial activities are as follows:

| | 2020 £000 | *2019 £000* |
|---|---|---|
| Current service cost | **186** | *163* |
| Interest cost | **14** | *11* |
| Administrative expenses | **2** | *1* |
| **Total amount recognised in the Consolidated statement of financial activities** | **202** | *175* |

## 25. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

| | 2020 £000 |
|---|---|
| Opening defined benefit obligation | 3,817 |
| Interest cost | 69 |
| Contributions by scheme participants | 33 |
| Benefits paid | (50) |
| Current service cost | 186 |
| Past service cost | - |
| Actuarial gains | 199 |
| **Closing defined benefit obligation** | 4,254 |

Movements in the fair value of the Group's share of scheme assets were as follows:

| | 2020 £000 |
|---|---|
| Opening fair value of scheme assets | 2,996 |
| Interest income | 55 |
| Contributions by employer | 86 |
| Contributions by scheme participants | 33 |
| Benefits paid | (50) |
| Administration expenses | (2) |
| Actuarial losses | (58) |
| **Closing fair value of scheme assets** | 3,060 |

## 26. Operating lease commitments

At 31 August 2020 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group 2020 £000 | *Group 2019 (As Restated) £000* | Company 2020 £000 | *Company 2019 (As Restated) £000* |
|---|---|---|---|---|
| Not later than 1 year | **26** | *21* | **26** | *21* |
| Later than 1 year and not later than 5 years | **50** | *65* | **50** | *65* |
| Later than 5 years | **34** | *36* | **34** | *36* |
| | **110** | *122* | **110** | *122* |

## 27. Related party transactions

During the year, the School provided tuition to 7 pupils related to the Directors and 4 pupils related to key management personnel (2019: 6 related to the Directors, 4 related to key management personnel).

Fees receivable were £79,851 (2019: £100,827). The amount outstanding to Wolverhampton Grammar School at the year end was £Nil (2019: £Nil).