



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)

Mr N Anderson (Appointed 1 September 2023)

Independent auditors

**WR Partners
Chartered Accountants
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG**

Bankers

**Lloyds Bank Plc
28a High Street
Tettenhall
Wolverhampton
WV6 8QT**

Solicitors

**FBC Manby Bowdler LLP
6-8 George Street
Snow Hill
Wolverhampton
WV2 4DN**

Investment Managers

**M&G Securities Limited
Laurence Pountney Hill
London
EC4R 0HH**

**Evelyn Partners
3rd Floor, 9 Colmore Row
Birmingham, B3 2BJ**

**CCLA Investment Management Limited
80 Cheapside, London
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 was 13.7 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 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

| | | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Endowment funds 2023 £000 | Total funds 2023 £000 | As restated Total funds 2022 £000 |
|---|------|---------------------------------------|-------------------------------------|------------------------------------|--------------------------------|---|
| | Note | | | | | |
| 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 |

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

The Charity'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 | 2022 |
|---|--------------|--------------|
| | £000 | £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 guarantee 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 | <i>Total funds 2022 £000</i> |
|-------------------|---|---|--|--|
| Legacies | 11 | 198 | 209 | 58 |
| <i>Total 2022</i> | 4 | 54 | 58 | |

5. Income from charitable activities

| | Unrestricted funds 2023 £000 | Total funds 2023 £000 | <i>Total funds 2022 £000</i> |
|---------------------------------|---|--|--|
| 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 |
| <i>Total 2022</i> | 9,872 | 9,872 | |

6. Charitable Activities - School Fees

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

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 |
| <i>Total 2022</i> | 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 |
| <i>Total 2022</i> | 83 | 91 | 174 | |

9. Other Incoming resources

| | Unrestricted funds 2023 £000 | Total funds 2023 £000 | Total funds 2022 £000 |
|----------------------|---------------------------------------|--------------------------------|--------------------------------|
| Miscellaneous income | 65 | 65 | 31 |
| <i>Total 2022</i> | 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 |
| | <u>22</u> | <u>1</u> | <u>2</u> | <u>25</u> | <u>27</u> |
| <i>Total 2022</i> | <u>15</u> | <u>10</u> | <u>2</u> | <u>27</u> | |

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 | - |
| | <u>10,494</u> | <u>199</u> | <u>10,693</u> | <u>9,963</u> |
| <i>Total 2022</i> | <u>9,813</u> | <u>150</u> | <u>9,963</u> | |

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 |
| | <u>3</u> | <u>3</u> |

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 | - |
| | <u>(580)</u> | <u>(210)</u> |

14. Exceptional expenditure

| | Unrestricted funds 2023 £000 | Total funds 2023 £000 | Total funds 2022 £000 |
|---------------------|---|--|--|
| Restructuring Costs | 275 | 275 | - |
| | <u>275</u> | <u>275</u> | <u>-</u> |

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

15. Staff costs

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

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. | <i>Group 2022 No.</i> |
|----------------|-------------------------------|-------------------------------|
| Teaching | 134 | <i>122</i> |
| Estates | 31 | <i>30</i> |
| Administration | 30 | <i>25</i> |
| | 195 | <i>177</i> |

The average headcount expressed as full-time equivalents was:

| | Group 2023 No. | <i>Group 2022 No.</i> |
|----------------|-------------------------------|-------------------------------|
| Teaching | 102 | <i>97</i> |
| Estates | 22 | <i>21</i> |
| Administration | 23 | <i>23</i> |
| | 147 | <i>141</i> |

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 | <u>16,013</u> | <u>1,727</u> | <u>49</u> | <u>17,789</u> |
| 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 | <u>3,878</u> | <u>1,457</u> | <u>37</u> | <u>5,372</u> |
| Net book value | | | | |
| At 31 August 2023 | <u>12,135</u> | <u>270</u> | <u>12</u> | <u>12,417</u> |
| At 31 August 2022 | <u>11,977</u> | <u>358</u> | <u>-</u> | <u>12,335</u> |

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 |
| | <hr/> |
| At 31 August 2023 | 745 |
| | <hr/> |

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) |
| | <hr/> | <hr/> | <hr/> |
| At 31 August 2023 | 4,518 | 15 | 4,533 |
| | <hr/> | <hr/> | <hr/> |
| Net book value | | | |
| At 31 August 2023 | 4,518 | 15 | 4,533 |
| | <hr/> | <hr/> | <hr/> |
| At 31 August 2022 | 4,482 | 180 | 4,662 |
| | <hr/> | <hr/> | <hr/> |

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 | <i>Group</i> <i>As restated</i> | Company | <i>Company</i> <i>As restated</i> |
|------------------------------------|--------------|------------------------------------|----------------|--------------------------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £000 | £000 | £000 | £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 | <i>Group</i> <i>As restated</i> | Company | <i>Company</i> <i>As restated</i> |
|-----------------|--------------|------------------------------------|----------------|--------------------------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £000 | £000 | £000 | £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 | - |
| | <u>16,024</u> | <u>10,052</u> | <u>(9,827)</u> | <u>1,245</u> | <u>17,494</u> |

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 |
| | <u>539</u> | <u>-</u> | <u>(2)</u> | <u>(24)</u> | <u>513</u> |

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 |
| | <u>2,385</u> | <u>247</u> | <u>(200)</u> | <u>59</u> | <u>(51)</u> | <u>2,440</u> |
| Total of funds | <u>20,392</u> | <u>10,767</u> | <u>(10,993)</u> | <u>-</u> | <u>145</u> | <u>20,311</u> |

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 | At 31 August 2022 |
|----------------------------------|------------------------------|------------------------------|
| | Years | 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 £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 2023 £000 | <i>Group 2022 £000</i> | Company 2023 £000 | <i>Company 2022 £000</i> |
|--|--------------------------------|--------------------------------|----------------------------------|----------------------------------|
| Not later than 1 year | 36 | <i>33</i> | 36 | <i>33</i> |
| Later than 1 year and not later than 5 years | 105 | <i>47</i> | 105 | <i>47</i> |
| Later than 5 years | 25 | <i>28</i> | 25 | <i>28</i> |
| | 166 | <i>108</i> | 166 | <i>108</i> |

33. Related party transactions

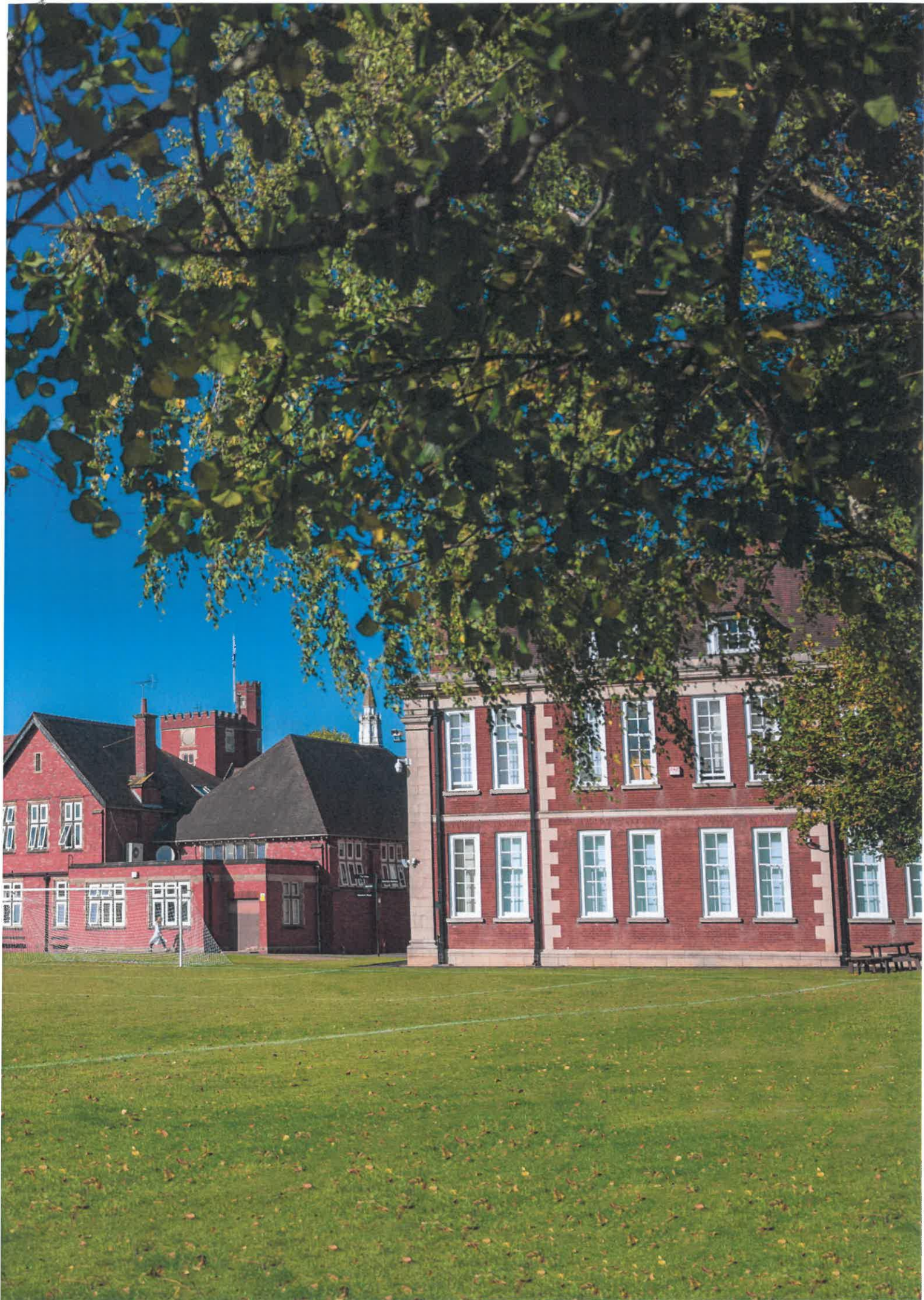
During the year, the School provided tuition to 6 pupils related to the Directors and 5 pupils related to key management personnel (2022: 5 related to the Directors, 3 related to key management personnel).

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.








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