

# THE RGSW AND AOS FOUNDATION

England & Wales - Charity number 1170217

## Details

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Status	Registered
Legal form	Charitable company
Company number	<a href="#">10326313</a>
Registered	2016-11-16
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Website	<a href="http://www.rgsw.org.uk">www.rgsw.org.uk</a>

## Activities

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**Objects:** 2.1 THE CHARITY'S OBJECTS ARE RESTRICTED SPECIFICALLY, IN EACH CASE ONLY FOR THE PUBLIC BENEFIT, TO: (A) ADVANCING THE EDUCATION OF THE PUPILS AT THE SCHOOLS BY: (I) PROVIDING AND ASSISTING IN THE PROVISION OF FACILITIES AND RESOURCES (INCLUDING PREMISES, EQUIPMENT AND SERVICES) FOR EDUCATION AT THE SCHOOLS; (II) AWARDED TO PUPILS AT THE SCHOOLS (OR FOR THEIR BENEFIT) BURSARIES, SCHOLARSHIPS, MAINTENANCE ALLOWANCES OR GRANTS, OR MAKING LOANS TO PUPILS OR FOR THEIR BENEFIT, OR PROVIDING PUPILS WITH BOOKS, EQUIPMENT OR CLOTHING FOR THE PURPOSES OF THEIR EDUCATION; (III) PROVIDING ANY PART OF THEIR EDUCATION (INCLUDING THE STUDY OF MUSIC OR OTHER ARTS OR SOCIAL OR PHYSICAL EDUCATION); (IV) ASSISTING THEM TO UNDERTAKE TRAVEL IN FURTHERANCE OF THEIR EDUCATION; (V) HELPING THEM TO PREPARE FOR ENTRY INTO ANY OTHER EDUCATIONAL ESTABLISHMENT OR INTO ANY OCCUPATION, TRADE OR PROFESSION ON LEAVING THE SCHOOLS; (VI) DEVELOPING THEIR MENTAL, PHYSICAL AND MORAL CAPABILITIES THROUGH LEISURE TIME ACTIVITIES. (B) ADVANCING THE EDUCATION OF PERSONS WHO ARE EDUCATED BY OR WITH THE SUPPORT OF THE SCHOOLS CHARITY BY SUPPORTING THE CHARITABLE OBJECTS OF THE SCHOOLS CHARITY, BY: (I) MAKING GRANTS OR LOANS OR OTHERWISE PROVIDING FINANCIAL SUPPORT TO THE SCHOOLS CHARITY FOR ITS GENERAL CHARITABLE PURPOSES OR FOR SPECIFIC CHARITABLE PURPOSES; (II) DOING IN RELATION TO THE SCHOOLS CHARITY AND ITS CHARITY BENEFICIARIES ANY OF THE THINGS WHICH ARE PERMITTED IN RELATION TO THE SCHOOLS AND THEIR PUPILS BY ARTICLE 2.1(A); (C) IN CONNECTION WITH THE SCHOOLS OR THE SCHOOLS CHARITY, PROMOTING THE EDUCATION OF PEOPLE UNDER THE AGE OF 25 YEARS IN THE COUNTY OF WORCESTERSHIRE IN SUCH WAYS AS THE TRUSTEES THINK FIT, INCLUDING BY: (I) ENABLING THEM TO HAVE ACCESS TO AND TO MAKE USE OF EDUCATIONAL FACILITIES AND RESOURCES OF THE SCHOOLS OR OF THE SCHOOLS CHARITY; OR (II) ATTENDING THE SCHOOLS. 2.2 IN ARTICLE 2.1 EDUCATION INCLUDES: (A) THE STUDY OF MUSIC OR OTHER ARTS; (B) SOCIAL AND PHYSICAL EDUCATION; (C) DEVELOPING MENTAL, PHYSICAL AND MORAL CAPABILITIES THROUGH LEISURE TIME ACTIVITIES; IN EACH CASE ANCILLARY TO OR AT THE SAME TIME AS GENERAL EDUCATION WHETHER OR NOT SUCH GENERAL EDUCATION IS PROVIDED BY OR THROUGH THE SCHOOLS, THE SCHOOLS CHARITY OR THE CHARITY, BUT IN EACH CASE PROVIDED THAT THE PROMOTION OF SUCH EDUCATION IS CHARITABLE IN LAW AND FOR THE PUBLIC BENEFIT. 2.3 IN DECIDING WHETHER ANY ACTIVITY IS FOR THE PUBLIC BENEFIT, THE TRUSTEES SHALL HAVE REGARD TO ANY STATUTORY GUIDANCE ON PUBLIC BENEFIT FOR THE TIME BEING PUBLISHED BY THE CHARITY COMMISSION.

**Activities:** The RGSW and AOS Foundation operates within Worcestershire to advance the education of pupils at RGS Worcester. It undertakes fundraising to support bursary provision and to assist with capital projects at the School.

## Classification

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- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** Education/training
- **Who:** Children/young People

## Geography

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- Worcestershire

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£564,732	£460,049	£1,565,876	0
2024-08-31	£530,127	£383,367	£1,504,230	0
2023-08-31	£381,426	£318,800	-	-
2022-08-31	£745,721	£214,195	£1,290,253	0
2021-08-31	£463,886	£447,882	-	-

## Trustees

Name	Role	Appointed
<b>TIMOTHY STEPHEN CURTIS</b>	Chair	2018-05-10
Gary Paul ROUSE		2018-05-10
JOHN MARK GIBSON		2019-10-24
Katharine Mary Wormington		2019-10-24
Michael William Bourne		2023-11-23
Yvonne Wood		2022-05-26

**THE RGSW AND AOS FOUNDATION**

England & Wales - Charity number 1170217

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# Accounts

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Company registration number: 10326313  
Charity registration number: 1170217

The RGSW and AOS Foundation  
(A company limited by guarantee)  
Annual Report and Financial Statements  
for the Year Ended 31 August 2025

## The RGSW and AOS Foundation

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## The RGSW and AOS Foundation

### Reference and Administrative Details

<b>Chairman</b>	Timothy Stephen Curtis
<b>Trustees</b>	Mrs Rosemary Frances Ham (resigned 20 November 2025) Mr Andrew Hampden Greenway (resigned 21 November 2024) Mr Michael William Bourne Mr Mark Heric Beardmore (appointed 13 March 2025) Mrs Yvonne Wood Mrs Katharine Mary Wormington Mr John Mark Gibson Mr Gary Paul Rouse
<b>Principal Office</b>	The Royal Grammar School Worcester Upper Tything Worcester Worcestershire WR1 1HP
<b>Company Registration Number</b>	10326313
<b>Charity Registration Number</b>	1170217
<b>Solicitors</b>	Stallard March and Edwards (SME Solicitors) 8 Sansome Walk Worcester Worcestershire WR1 1LW
<b>Bankers</b>	Lloyds Bank 4 The Cross Worcester WR1 1LW
<b>Auditor</b>	Ballards LLP Oakmoore Court 11c Kingswood Road Droitwich Spa Worcestershire WR9 0QH

## The RGSW and AOS Foundation

### Trustees' Report

The Trustees present their annual report together with the audited financial statements of the Company for the 1 September 2024 to 31 August 2025. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees 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).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

### Objectives and activities

#### a. Policies and objectives

The Foundation is a separate charity to RGS Worcester (the 'School') which comprises RGS Worcester, RGS Springfield, RGS The Grange and RGS Dodderhill. Reference to the School(s), RGS or RGSW in the following report should be taken to mean any and/or all of the four RGSW schools. The Foundation undertakes activities solely to support the School and its pupils. The Foundation is governed by its Articles of Association. It also has policies to cover its operation including the recruitment of suitable trustees, their ongoing fitness to be a trustee, conflicts of interest, the running of decision making meetings, and its ethical approach to fundraising. Trustees are bound by its Code of Practice and submit declarations of interest. All trustees are subject to DBS checks. The Foundation's Objects from the Articles of Association are:

- (a) advancing the education of the pupils at the Schools by:
  - (i) providing and assisting in the provision of facilities and resources (including premises, equipment and services) for education at the Schools;
  - (ii) awarding to pupils at the Schools (or for their benefit) bursaries, scholarships, maintenance allowances or grants, or making loans to pupils or for their benefit, or providing pupils with books, equipment or clothing for the purposes of their education;
  - (iii) providing any part of their education (including the study of music or other arts or social or physical education);
  - (iv) assisting them to undertake travel in furtherance of their education;
  - (v) helping them to prepare for entry into any other educational establishment or into any occupation, trade or profession on leaving the Schools;
  - (vi) developing their mental, physical and moral capabilities through leisure time activities.
  
- (b) advancing the education of persons who are educated by or with the support of the Schools Charity by supporting the charitable objects of the Schools Charity, by:
  - (i) making grants or loans or otherwise providing financial support to the Schools Charity for its general charitable purposes or for specific charitable purposes;
  - (ii) doing in relation to the Schools Charity and its charity beneficiaries any of the things which are permitted in relation to the Schools and their pupils by article 2.1(a);

## The RGSW and AOS Foundation

### Trustees' Report

- (c) in connection with the Schools or the Schools Charity, promoting the education of people under the age of 25 years in the county of Worcestershire in such ways as the Trustees think fit, including by:
- (i) enabling them to have access to and to make use of educational facilities and resources of the Schools or of the Schools Charity; or
  - (ii) attending the Schools.

#### **b. Activities for achieving objectives**

To support the School with financial donations to provide:

- additional means-tested Bursary Awards and hardship grants;
- improvements to the RGS Schools' estate;
- the ability to undertake other smaller projects to further education provision within the Schools.

The Trustees have tasked the Foundation Office led by the Foundation Director to instigate fundraising across the following areas:

- directing fundraising appeals to alumni, ex-staff and parents with the request they support the provision of additional Bursary Awards at RGS Schools to enable children whose families who could not otherwise afford the fees to receive an RGS education;
- directing fundraising appeals to alumni, parents and ex-staff seeking donations towards the development of Capital Projects;
- requesting parents of each Upper Sixth leaving group donate their child's refundable joining deposit to support Bursary Awards or hardship grants or other initiatives identified by the Headmaster;
- directing fundraising appeals to alumni, ex-staff and parents with the request they make a legacy gift to the Foundation in order to provide funding in support of Bursary Awards at the School or other aspects they would most like to support in the School;
- applying for grants from awarding foundations and organisations in support of the Foundation's objectives;
- publishing an annual Impact Report that explains what funds have been raised and how they have been applied to generate outcomes aligned to the Charity's Objects.

#### **c. Main activities undertaken to further the charity's purposes for the public benefit**

In setting objectives and planning activities, the School's Governors have given careful consideration to the Charity Commission's general guidance on Public Benefit. The Foundation works to advance the education of pupils at the RGS Worcester Family of Schools and in doing so, actively helps to deliver the Public Benefit delivered by RGS. It will do this by widening access to the School through the provision of additional bursary supported places. These will be available to children from local families who meet the academic entrance requirements but would not otherwise be able to afford the school fees. Places funded by donations will be in addition to those funded by the School. Bursaries will be means-tested to ensure all recipients are in genuine need of the financial support. The Foundation will also raise funds to support capital projects at RGS Worcester that will further the provision of education and where appropriate will benefit the local community. For example, the Foundation Office raised funds for the Worcester International Hockey Centre that has been developed by RGS in partnership with Worcester Hockey Club, with the full support of Worcester City Council. The new facility opened in November 2021 and offers international standard pitches that will attract top coaches and will widen community access to the sport. This Centre is used by RGS pupils and is also available to Worcester Hockey Club members, pupils from other local schools and students from the University of Worcester.

## The RGSW and AOS Foundation

### Trustees' Report

#### Achievements and performance

##### a. Review of activities

Tim Curtis continued as Chair of the Foundation and Gary Rouse continued to chair the Finance Committee. Mark Beardmore joined the Board of Trustees after becoming a Governor of RGS Worcester bringing legal expertise to the Board. At the 2025 AGM in November, Rosemary Ham formally stepped down as a Trustee having served the maximum nine years permitted within the Articles of Association. Rosemary is one of the inaugural Trustees from when the Foundation was established in 2016 and her commitment to growing philanthropy to support pupils and the School has been integral to successful delivery of funds to support additional Bursary Awards.

The Trustees have identified 12 as being the optimal number of Trustees on the Board and will appoint new Board members when suitable candidates have been identified. The Trustees have undertaken a skills audit to identify areas of expertise that would be helpful to address when appointing new Trustees.

During 2024-25 the use of online and hybrid meetings enabled the charity to fulfil its role on behalf of the School and its pupils. Hybrid working remains an option to maximise Trustee participation at meetings and to offer convenience to the Trustees, all of whom are volunteers.

The Foundation Office team was reduced in capacity with the four team members becoming three with the departure of the Development and Alumni Relations Manager in December 2024 to relocate overseas. A recruitment process was undertaken ahead of the role becoming vacant and a suitable candidate was identified but unfortunately budget pressures created by the imposition of VAT on school fees meant that RGS was not in a position to fund the appointment of the preferred candidate. Recruitment was put on hold pending until the end of the academic year. It has since been determined that funding will not be available from RGS during 2025-26 to recruit a replacement for the role. The team therefore comprises three who equate to 2 Full Time Equivalents and capacity to deliver targets has been reduced. The Trustees are mindful of the long-term implications of and will continue to monitor the situation closely.

Bursary Awards remained the priority fundraising objective for the Foundation to support the School.

The dinner in November 2024 with prospective major donors in London sponsored by a former pupil was very well supported with almost £250,000 raised from supporters and in June 2025 a significant six figure legacy gift was received for Bursary Awards. In addition, to these sources of funds there was the ongoing work to recruit regular donors and to secure legacy gifts.

## The RGSW and AOS Foundation

### Trustees' Report

#### **b. Fundraising activities**

The Foundation charity is run by the Foundation Office which is part of the School and its staff are employees of RGS Worcester. The Foundation Office seeks donations from the alumni of RGS Worcester, the Alice Ottley School (AOS) and Dodderhill School, as well as from parents of pupils at the four RGS schools. Grant applications are made when appropriate and relevant to awarding bodies that can help the Foundation to support the work of the School. Prospective donors are asked to support Bursary Awards though support is also sought for Capital Projects and the provision of smaller items to further the education of pupils at RGS.

The Foundation Office manages an alumni website ([www.rgswandaos.foundation](http://www.rgswandaos.foundation)) which provides details of the areas for which funds are required and provides an online giving facility that incorporates Gift Aid, where applicable. Opportunities to donate were also outlined in the annual Impact Report which was circulated in December 2024, as well as in direct mailing requests, on social media posts and in person at alumni events and reunions.

The Trustees provide the oversight and set the strategic fundraising objectives for the charity. The Foundation subscribes to the Fundraising Regulator. The Foundation Office conducts fundraising for the charity and abides by the Fundraising Code published by the Fundraising Regulator. There were no failures to report from the reporting period.

In February and March 2025, eight unsolicited donations were received directly into the Foundation's bank account from a member of the public who was not known to the Foundation Office and who had no direct link to the School. In consultation with the Trustees, the Foundation Director reported this to the Charity Commission and reported it as Serious Incident. The Foundation Director established contact with the donor and a meeting was arranged with the donor, two Trustees and the Foundation Director. When the full facts were established the Trustees were satisfied that no criminal intent or money laundering was attached to the donations but because of other circumstances it was unanimously agreed by the Board to return the donations in full to the donor. This was done with the gratitude of the donor and was reported to the Charity Commission thereby enabling the Serious Incident to be closed and no further action was required.

Trustees regularly review the activities of the Foundation Office and meet with its staff formally each term to discuss fundraising activities and priorities. Trustees also speak with the Foundation Office staff between formal Board meetings through the Finance Committee and Working Groups meetings or individual contact when relevant.

No complaints have been received to date regarding the Foundation, the Foundation Office staff or the Trustees.

The Foundation Office provides mechanisms for alumni, ex-staff and parents to change their communication preferences which include enabling anyone to stop further contact from the Foundation Office within all its communications. As soon as an individual makes a request to cease receiving contact from the Foundation Office either via a particular channel or from all channels, this is actioned and recorded to prevent staff in the future from inadvertently making contact. When made aware, the Foundation Office promptly ceases communications with anyone who may not have the capacity to understand a fundraising request (e.g. when an individual moves into a care home or a parent/partner/child informs of a health issue impacting someone who would otherwise wish to receive communications).

## The RGSW and AOS Foundation

### Trustees' Report

#### c. Investment policy and performance

The Trustees have maintained a cautious approach to investments during a period of considerable global market uncertainty, due largely to the war in Ukraine and the Middle East, the US Presidential election result and fluctuating UK inflation. The Foundation's Investment Policy frames the Board's approach to investing, reviewing performance and decision making. All investments will be made with ethical considerations being central to the decision-making process.

The Board retained the charity's investments in CCLA's Charities Ethical Investment Fund throughout the year.

The COIF Charities Ethical Investment Fund has a number of exclusions to its portfolio, for example: Companies that derive more than 5% of their income from the extraction of oil sands or energy coal; Companies that derive more than 10% of their revenue from extracting and refining coal, oil or gas; Investment is prohibited if companies are involved in the production of nuclear weapons, landmines or cluster munitions; no Sovereign Debt from countries identified by the Ethical Fund Advisory Committee as being the most oppressive; Companies that derive 10% or more from tobacco, alcohol or gambling. A full list of exclusion criteria can be viewed on the fund factsheet which is available on the website ([www.CCLA.co.uk](http://www.CCLA.co.uk)).

Performance will continue to be monitored by the Finance Committee in line the Foundation's Investment Policy. In June 2025, the Trustees invited the Foundation's account manager at CCLA to meet ahead of the Board meeting to understand more fully the implications of CCLA being purchased by Jupiter Fund Management plc. This provided Trustees with useful insight to the reason for the sale and reassurance for the investment objectives of the new owners. The Board has continued to place funds with CCLA.

The Trustees have committed to investing endowed funds in products that actively pursue ethical investing policies because this reflects the values of the Trustees, as well as of the School which the Foundation exists to support. The Finance Committee tracks the value of invested funds and reviews the investment strategy regularly to ensure it satisfies a medium-low risk approach and meets ethical and responsible investment criteria.

The Alice Ottley Bursary Fund. In December 2017, 1,718 units held in COIF Charities Investment Fund (valued at £25,266) which had been purchased with donations for the AO Bursary fund were transferred from The Royal Grammar School Worcester to The RGSW and AOS Foundation. Additional units were purchased in the year and funds of £73,785 were held in COIF Charities Ethical Investment Fund as at 31 August 2025.

The Anthony Reay Wheeler Bursary Fund. This fund was designated in May 2013 with the legacy from a former Master of the School. In December 2017, 24,163 units held in COIF Charities Investment Fund (valued at £355,335) including some restricted funds were transferred from The Royal Grammar School Worcester to The RGSW and AOS Foundation. The funds were transferred as unrestricted funds and designated by the Trustees of The RGSW and AOS Foundation. It was agreed by Trustees at the June Board meeting to convert the designated funds to become restricted so that all units will be restricted for Bursary Awards. Additional units were purchased in the year and funds of £842,808 were held in COIF Charities Ethical Investment Fund as at 31 August 2025.

## **The RGSW and AOS Foundation**

### **Trustees' Report**

The Chris and Dorothy Dyer Science & Technology Bursary Fund. Trustees opened a new account with CCLA to invest the funds raised from the sale of the house in Malvern that Chris so generously donated to the Foundation. £400,000 was used to purchase units in the COIF Charities Investment Fund in September 2024.

CCLA Deposit Account. Trustees approved the opening of accounts within the CCLA Deposit Account for holding funds prior to their being granted to RGS for spending. The interest rate is significantly higher than the Lloyds deposit accounts previously used and the Trustees regard it as essential to generate as much interest from funds held.

#### **Financial review**

##### **a. Going Concern**

The School implemented VAT on school fees in January 2025 which led to a 14.5% increase in fees during the academic year. This had been trailed by the Labour Party as a priority policy change so robust planning was in place at RGS to prepare for this change. The removal of charity business rate relief in April 2025 was anticipated and budgeted for by the School. However, the increase in employer NI Contributions was not anticipated and coupled with the increase in minimum wages and Teachers Pension contribution rate, it has necessitated fee increases which increases the need for Bursary Awards. The RGS Governors agreed to convert RGS Springfield to a dedicated nursery setting from September 2025 as part of cost reductions with affected families offered places at RGS The Grange. Despite these challenges, pupil numbers have remained stable and the School remains in a sound financial position, carrying no debt.

The impact of VAT on School fees will be monitored closely by the School Governors. HMRC has issued guidance that confirms where Bursary Awards are funded by a grant awarding body such as the charity then VAT will not be applicable. This means that the level of funds agreed by Trustees to be awarded to RGS can be met on existing projections for 2025-26.

RGS Worcester remains fully committed to growing the number of Bursary Awards it can offer through the funds raised by the Foundation Office. The RGS Board of Governors is continuing to provide resources needed to run the fundraising activities for the Foundation, less the cost of the vacant role.

The Foundation Trustees continue to monitor the Foundation's ability to conduct fundraising operations. Despite the current circumstances, the Trustees believe that the charity's financial resources and contingency planning is sufficient to ensure the ability of the company to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

Please see the Risk Management section of this report for more details of the projected impact on the Foundation.

## The RGSW and AOS Foundation

### Trustees' Report

#### **b. Financial review**

The Trustees consider the Foundation to be in a sound financial position with sufficient reserves.

#### **c. Reserves policy**

The Trustees will endeavour to transfer to the School as much of the funds raised as soon as possible while committing to a sustainable amount over a three year period that is reviewed regularly and to growing the endowment funds to build a longer term predictable income. This commitment will help the School to plan its Bursary Award allocation

Trustees observe the constraints placed on restricted gifts and any statement of wishes made on unrestricted gifts. Where gifts have been received for either of the named bursary funds (the A R Wheeler Bursary Fund and the Alice Ottley Bursary Fund) these will be added to grow the capital base treating these as endowment funds. The annual income earned from the capital will be transferred to fund bursary places at the School. Donations to the Foundation Bursary Fund which is not an endowment fund will be normally be transferred to the School within 18 months to support Bursary Awards on an ongoing basis. The gifts received to support Hardship will be allocated as awards for specific pupils to the School as needed, usually within twelve months of receipt.

Bursary gifts covering multiple years that are donated in advance by sponsors for particular pupils will be held by the Foundation and drawn from investments as required each year for transfer to RGS.

At the year end the Foundation had restricted funds of £1,542,885 (2024: £1,126,534) and designated funds of £Nil (2024: £354,154). Unrestricted and free reserves at the year-end are £22,991 (2024: £23,542). This is set out in note 13 on page 26.

The Foundation is able to maintain unrestricted and free reserves as £nil as The Royal Grammar School Worcester meets all costs of running the Foundation Office, including the costs of events and publications and the salaries of the Foundation Office staff.

#### **Structure, governance and management**

##### **a. Constitution**

The company is constituted under a Memorandum of Association dated 11 August 2016 and is a registered charity number 1170217.

The company was incorporated on 11 August 2016 and commenced trading on that date.

The principal object of the company is to advance the education of pupils at RGS Worcester. It undertakes fundraising to support Bursary Awards provision and to assist with capital projects across the RGS Schools.

## **The RGSW and AOS Foundation**

### **Trustees' Report**

#### **b. Methods of appointment or election of Trustees**

New Trustees are normally appointed at termly meetings on the basis of nominations from a committee of Trustees. All nominations are made on the basis of eligibility, personal competence, specialist skills and availability.

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Policies adopted for the induction and training of Trustees.

New Trustees undertake a formal induction process under the guidance of a fellow Trustee and the Foundation Director which covers the workings of the Charity, including Policies, Procedures, Finances and Governance. Trustees are required to be DBS checked.

#### **c. Pay policy for key management personnel**

No payments have been made by the Foundation to any of the Trustees and the Foundation Office staff remain employed by RGS Worcester so are subject to the policy implemented by the School.

#### **d. Organisational structure and decision making**

The Board of Trustees convenes formally once per school term to review the work of the Foundation Office and to formally make decisions to enable the Foundation grow. In between these Board meetings smaller working groups or sub committees (e.g. the Finance Committee) can and do meet. If time critical decisions need to be taken the Chair circulates the information electronically to Trustees to enable agreement to be reached. This is then conveyed to the Foundation Director for implementation.

Hybrid working has led to the use of video conferencing and this has worked well for the Trustees. Trustees are appointed for a three year term and minimum of three RGS Governors will serve as Trustees. The Trustees are aware of the charity governance code and the Foundation voluntarily subscribes to the Fundraising Regulator code of practice.

Periodically, Trustees will review the guidance in order to ensure that the Charity is working in line with the code, in all ways where it is practical to do so.

#### **e. Related party relationships**

The Foundation exists to advance education at the RGS Worcester Family of Schools. At least three Trustees are also Governors of the School to ensure strategic alignment is maintained between the two entities. The School finances and staffs the Foundation Office and the Headmasters and Headmistresses of the three RGS Schools (excluding RGS Springfield) attend the Trustee Board meeting, as does the Director of Finance and Operations.

## **The RGSW and AOS Foundation**

### **Trustees' Report**

#### **f. Risk management**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate its exposure to the major risks. The Trustees are mindful of the need to maximise the income generated from the capital base of the two endowment bursary funds held within the Foundation, as well as to preserve the value of other donations ahead of them being transferred to RGS. This must be done against the backdrop of volatile market conditions, so the Board tasked members of the Finance Committee to review and monitor the choice of investments held in COIF units and to consider alternative options to mitigate against stock market fluctuations. The Finance Committee reported to the Board that CCLA is a recognised provider within the market place for what the charity required but that they will remain alert to alternative providers and to the impact of the Jupiter Fund Management plc takeover.

#### **Plans for future periods**

##### **Future developments**

The Board will recruit additional Trustees to help further the work of the Foundation Office and will seek guidance where necessary to help them to fulfil their roles for the Foundation.

The full findings from the Review of the Foundation Office undertaken by Graham Pelton (UK) Ltd Consultants will continue to be implemented by the Foundation Office now that staffing levels are commensurate with the recommendations for increasing fundraising activity and alumni engagement.

The Case for Support for Bursary Awards at RGS has been widely circulated along with the annual Impact Report which featured testimonials from Bursary Award recipients. Further testimonials will be gathered and shared across communication channels to encourage giving. The Case for Support will be revisited during 2025.

Long term fundraising targets linked to the School's revised Strategic Development Plan have been set by the Trustees for the Foundation Office. These targets were shared with the School Community in the 'Change a Life' Bursary brochure that was circulated in December 2022. A comprehensive financial tracking and forecasting model has been adopted to enable progress to be tracked alongside a range of engagement KPIs for the Foundation Office.

The primary focus for fundraising in 2025-26 will remain on Bursary Awards in order to widen access to the School. Following the extremely successful Giving Day held in April 2024, the Foundation Office took a tactical pause on this format of fundraising in 2025 to allow the VAT on fees to be embedded. This approach is in line with many independent schools. There has been a shift in focus to major gifts and regular giving to replace funds that the Giving Day would generate.

To help recruit donors the number of alumni engagement events will continue to increase significantly during 2025-26 with a rolling programme of gatherings designed to solicit gifts and to inform alumni about the impact the Foundation is making on young lives. The third Old Elizabethans Weekend in September 2025 where alumni participated in a range of events was very well received and this is now firmly established in the School calendar. Trustees will support the Foundation Office team and School Leadership at a number of these events.

## **The RGSW and AOS Foundation**

### **Trustees' Report**

Targeted engagement with current and prospective major donors will be undertaken by the Foundation Director to solicit major gifts which will complement increasing the donor pool by recruiting a number of additional regular donors. This will include engaging with high net worth individuals in London and in Worcestershire.

Legacy pledges will continue to be solicited to ensure future donations are in the pipeline and there will be a continuing appeal to supporters during the year to increase the number of known pledges, as well as to steward them through a Legacy Society.

#### **Statement of Trustees' responsibilities**

The trustees (who are also the directors of The RGSW and AOS Foundation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

#### **Disclosure of information to auditor**

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

- so far as that the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

**The RGSW and AOS Foundation**

**Trustees' Report**

**Reappointment of auditor**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Ballards LLP as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

18 Mar 2026

The annual report was approved by the trustees of the charity on ..... and signed on its behalf by:



.....  
Mr Timothy Stephen Curtis  
Chair of Trustees

## The RGSW and AOS Foundation

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of The RGSW and AOS Foundation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

18 Mar 2026

Approved by the trustees of the charity on ..... and signed on its behalf by:



.....  
Mr Timothy Stephen Curtis  
Chair of Trustees

## **The RGSW and AOS Foundation**

### **Independent Auditor's Report to the Members of The RGSW and AOS Foundation**

#### **Opinion**

We have audited the financial statements of The RGSW and AOS Foundation (the 'charity') for the year ended 31 August 2025, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2025 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

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

## **The RGSW and AOS Foundation**

### **Independent Auditor's Report to the Members of The RGSW and AOS Foundation**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 13], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

## The RGSW and AOS Foundation

### Independent Auditor's Report to the Members of The RGSW and AOS Foundation

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



M A Skellum (Senior Statutory Auditor)  
For and on behalf of Ballards LLP, Statutory Auditor

Oakmoore Court  
11c Kingswood Road  
Droitwich Spa  
Worcestershire  
WR9 0QH

Date: 23 March 2026

The RGSW and AOS Foundation

**Statement of Financial Activities for the Year Ended 31 August 2025  
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	156,077	377,739	533,816
Investment income	4	30,916	-	30,916
Total Income		<u>186,993</u>	<u>377,739</u>	<u>564,732</u>
<b>Expenditure on:</b>				
Raising funds	5	(144,507)	-	(144,507)
Charitable activities	6	-	(315,542)	(315,542)
Total Expenditure		<u>(144,507)</u>	<u>(315,542)</u>	<u>(460,049)</u>
Gains/losses on investment assets		<u>(43,037)</u>	<u>-</u>	<u>(43,037)</u>
Net (expenditure)/income		(551)	62,197	61,646
Transfers between funds		<u>(354,154)</u>	<u>354,154</u>	<u>-</u>
Net movement in funds		(354,705)	416,351	61,646
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>377,696</u>	<u>1,126,534</u>	<u>1,504,230</u>
Total funds carried forward	13	<u>22,991</u>	<u>1,542,885</u>	<u>1,565,876</u>

**The RGSW and AOS Foundation**

**Statement of Financial Activities for the Year Ended 31 August 2025  
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	178,209	324,346	502,555
Investment income	4	-	27,572	27,572
Total Income		<u>178,209</u>	<u>351,918</u>	<u>530,127</u>
<b>Expenditure on:</b>				
Raising funds	5	(159,749)	-	(159,749)
Charitable activities	6	(16,267)	(207,351)	(223,618)
Total Expenditure		<u>(176,016)</u>	<u>(207,351)</u>	<u>(383,367)</u>
Gains/losses on investment assets		<u>35,654</u>	<u>26,712</u>	<u>62,366</u>
Net income		<u>37,847</u>	<u>171,279</u>	<u>209,126</u>
Net movement in funds		37,847	171,279	209,126
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>339,849</u>	<u>955,255</u>	<u>1,295,104</u>
Total funds carried forward	13	<u><u>377,696</u></u>	<u><u>1,126,534</u></u>	<u><u>1,504,230</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The Statement of financial activities includes all gains and losses recognised in the year.  
The funds breakdown for 2024 is shown in note 13.

**The RGSW and AOS Foundation**  
**(Registration number: 10326313)**  
**Balance Sheet as at 31 August 2025**

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Investments	10	1,534,737	688,199
<b>Current assets</b>			
Debtors	11	330	330
Cash at bank and in hand	12	<u>30,809</u>	<u>815,701</u>
		<u>31,139</u>	<u>816,031</u>
<b>Net assets</b>		<u>1,565,876</u>	<u>1,504,230</u>
<b>Funds of the charity:</b>			
<b>Restricted funds</b>		1,542,885	1,126,534
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>22,991</u>	<u>377,696</u>
<b>Total funds</b>	13	<u>1,565,876</u>	<u>1,504,230</u>

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 17 to 32 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:



.....  
Mr Timothy Stephen Curtis  
Chair of Trustees

**The RGSW and AOS Foundation**

**Statement of Cash Flows for the Year Ended 31 August 2025**

	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Net cash income		61,646	209,126
<b>Adjustments to cash flows from non-cash items</b>			
Investment income	4	(30,916)	(19,739)
Revaluation of investments		43,037	(62,366)
		<u>73,767</u>	<u>127,021</u>
<b>Working capital adjustments</b>			
Increase in debtors	11	-	(330)
Decrease in creditors		-	(22,951)
		<u>-</u>	<u>(22,951)</u>
Net cash flows from operating activities		<u>73,767</u>	<u>103,740</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	4	30,916	19,739
Sale of tangible fixed assets		-	460,000
Purchase of investments	10	(889,575)	(73,000)
Sale of investments		-	114,942
		<u>-</u>	<u>114,942</u>
Net cash flows from investing activities		<u>(858,659)</u>	<u>521,681</u>
Net (decrease)/increase in cash and cash equivalents		(784,892)	625,421
Cash and cash equivalents at 1 September		<u>815,701</u>	<u>190,280</u>
Cash and cash equivalents at 31 August		<u><u>30,809</u></u>	<u><u>815,701</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

## The RGSW and AOS Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2025

#### 1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

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

##### Basis of preparation

The RGSW and AOS Foundation 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 notes.

##### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### Income and endowments

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

##### *Donations and legacies*

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

##### *Donated services and facilities*

Where services or facilities are provided to the charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

##### *Investment income*

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

## The RGSW and AOS Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2025

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### **Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Grant provisions**

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

## The RGSW and AOS Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2025

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

## The RGSW and AOS Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2025

#### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### ***Investments***

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

#### ***Derivative financial instruments***

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

#### ***Fair value measurement***

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

The RGSW and AOS Foundation

Notes to the Financial Statements for the Year Ended 31 August 2025

**3 Income from donations and legacies**

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Donations and legacies;				
Donations from individuals	11,677	377,739	389,416	327,695
Donated services and facilities	<u>144,400</u>	-	<u>144,400</u>	<u>174,860</u>
	<u>156,077</u>	<u>377,739</u>	<u>533,816</u>	<u>502,555</u>

**4 Investment income**

	Unrestricted funds £	Total 2025 £	Total 2024 £
Interest receivable and similar income;			
Interest receivable on bank deposits	30,916	30,916	7,833
Income from COIF Units	-	-	19,739
	<u>30,916</u>	<u>30,916</u>	<u>27,572</u>

**5 Expenditure on raising funds**

**a) Costs of trading activities**

	Note	Unrestricted funds £	Total 2025 £	Total 2024 £
Events, publications and software		31,350	31,350	28,605
Staff Costs		<u>113,050</u>	<u>113,050</u>	<u>131,144</u>
		<u>144,400</u>	<u>144,400</u>	<u>159,749</u>

**b) Investment management costs**

	Note	Unrestricted funds £	Total 2025 £
Allocated support costs		<u>107</u>	<u>107</u>
		<u>107</u>	<u>107</u>

## The RGSW and AOS Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2025

#### 6 Expenditure on charitable activities

	Note	Restricted funds £	Total 2025 £	Total 2024 £
Grants to RGS Worcester		315,542	315,542	208,507
Establishment, management and administration costs		-	-	15,111
		<u>315,542</u>	<u>315,542</u>	<u>223,618</u>

#### 7 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
<b>Staff costs during the year were:</b>		
Wages and salaries	<u>113,050</u>	<u>131,144</u>

No employee received emoluments of more than £60,000 during the year.

All staff are employed by and paid for by The Royal Grammar School Worcester. These costs are shown as donated services and facilities.

Key management personnel are considered to be the Trustees and Senior Management. Total remuneration of key management personnel amounted to £68,297 (2024: £65,692) of which all costs were met by The Royal Grammar School Worcester.

#### 8 Auditors' remuneration

The auditor's remuneration amounts to an auditor fee of £4,200 (2024: £4,500), and a fee for the preparation of the financial statements of £750 (2024: £800).

The RGSW and AOS Foundation

Notes to the Financial Statements for the Year Ended 31 August 2025

**9 Taxation**

The charity is a registered charity and is therefore exempt from taxation.

**10 Fixed asset investments**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Other investments	<u>1,534,737</u>	<u>688,199</u>

**Other investments**

	<b>Unlisted investments</b>
	<b>£</b>
<b>Cost or Valuation</b>	
At 1 September 2024	688,199
Revaluation	(43,037)
Additions	<u>889,575</u>
At 31 August 2025	<u>1,534,737</u>
<b>Net book value</b>	
At 31 August 2025	<u>1,534,737</u>
At 31 August 2024	<u>688,199</u>

**11 Debtors**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Other debtors	<u>330</u>	<u>330</u>

**12 Cash and cash equivalents**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Cash at bank	<u>30,809</u>	<u>815,701</u>

The RGSW and AOS Foundation

Notes to the Financial Statements for the Year Ended 31 August 2025

13 Funds

	Balance at 1 September 2024 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 August 2025 £
<b>Unrestricted funds</b>						
<i>General</i>						
General Funds - all funds	23,542	186,993	(144,507)	-	(43,037)	22,991
<i>Designated</i>						
A R Wheeler Bursary Fund	354,154	-	-	(354,154)	-	-
<b>Total Unrestricted funds</b>	<b>377,696</b>	<b>186,993</b>	<b>(144,507)</b>	<b>(354,154)</b>	<b>(43,037)</b>	<b>22,991</b>
<b>Restricted funds</b>						
A R Wheeler Bursary Fund	226,870	1,026	(16,806)	354,154	-	565,244
Alice Ottley Bursary Fund	65,526	1,374	(2,654)	-	-	64,246
Hardship Fund	1,995	127	(1,382)	-	-	740
Alumni Sponsorship Foundation Bursary Fund	149,750	48,551	(85,801)	-	-	112,500
Parent Music Scholarship	-	660	(660)	-	-	-
The Christopher and Dorothy Dyer Science and Technology Bursary Fund	429,206	375	(22,998)	-	-	406,583
Contemplation Area	2,000	-	(2,000)	-	-	-
<b>Total restricted funds</b>	<b>1,126,534</b>	<b>377,739</b>	<b>(315,542)</b>	<b>354,154</b>	<b>-</b>	<b>1,542,885</b>
<b>Total funds</b>	<b>1,504,230</b>	<b>564,732</b>	<b>(460,049)</b>	<b>-</b>	<b>(43,037)</b>	<b>1,565,876</b>

The RGSW and AOS Foundation

Notes to the Financial Statements for the Year Ended 31 August 2025

	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2024 £
<b>Unrestricted funds</b>					
<i>General</i>					
General Funds - all funds	21,349	178,209	(176,016)	-	23,542
<i>Designated</i>					
A R Wheeler Bursary Fund	<u>318,500</u>	<u>-</u>	<u>-</u>	<u>35,654</u>	<u>354,154</u>
<b>Total unrestricted funds</b>	<u>339,849</u>	<u>178,209</u>	<u>(176,016)</u>	<u>35,654</u>	<u>377,696</u>
<b>Restricted funds</b>					
A R Wheeler Bursary Fund	192,877	28,022	(15,620)	21,591	226,870
Alice Ottley Bursary Fund	57,873	4,229	(1,697)	5,121	65,526
Hardship Fund	468	2,027	(500)	-	1,995
Alumni Sponsorship	101,570	141,163	(92,983)	-	149,750
Foundation Bursary Fund	161,657	172,142	(82,612)	-	251,187
Parent Music Scholarship	-	504	(504)	-	-
The Christopher and Dorothy Dyer Science and Technology Bursary Fund	438,810	3,831	(13,435)	-	429,206
Contemplation Area	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,000</u>
<b>Total restricted funds</b>	<u>955,255</u>	<u>351,918</u>	<u>(207,351)</u>	<u>26,712</u>	<u>1,126,534</u>
<b>Total funds</b>	<u>1,295,104</u>	<u>530,127</u>	<u>(383,367)</u>	<u>62,366</u>	<u>1,504,230</u>

The specific purposes for which the funds are to be applied are as follows:

Designated funds:

The A R Wheeler Bursary Fund (ARW Bursary Fund) was set up in 2013 and has been designated by the Governors as a fund to generate bursarial support. This Fund was transferred to The RGSW and AOS Foundation on its formation.

## The RGSW and AOS Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2025

Restricted funds:

The Anthony Reay Wheeler Bursary Fund (ARW Bursary Fund): monies received for investing in the ARW Bursary Fund.

The Alice Ottley Bursary Fund: monies received for investing in the Alice Ottley Bursary Fund.

The Foundation Bursary Fund: for donations given in support of bursaries at RGS but unlike gifts to the two bursary endowment funds, these monies are to be transferred to the School within 18 months of being donated. Fundraising activities will ensure that the fund is continually replenished.

The Parent Music Scholarship: an annual donation given by an RGS family to cover the musical instrument tuition fees for a bursary recipient pupil.

The Christopher and Dorothy Dyer Science and Technology Bursary Fund: uses funds from the sale of Laurel Cottage to provide bursary places at RGS. Chris Dyer was a former pupil of RGS Worcester. Chris lived in the USA with his wife Dorothy and Laurel Cottage was his UK family home which he gifted to the Foundation to help children access education at RGS. Chris stipulated that up to two bursaries per year may be awarded at 50% of school fees until the funds are exhausted.

The Contemplation Area: a one-off gift from Kenneth Armson who wishes to provide a dedicated area in the grounds at RGS Worcester for pupils and staff who may value a space for quiet reflection.

Hardship Fund: this is used to make smaller, one off 'in year' grants to pupils whose families have often unexpected financial constraints. The grants can be used to assist with fees to help prevent disruption to the education of pupils affected. The grants can also be applied to further the education of pupils in these circumstances by helping to fund activities such as: academic field trips or study courses; uniform purchases; provision of necessary individual classroom materials/equipment; the purchase of sports equipment; contributions towards the costs of sports tours and other co-curricular events.

Alumni Sponsorship: these are donations made to fund means-tested bursary places at the School for individual pupils.

On Thursday the 12th of June 2025 it was unanimously voted by the Trustees that the Designated A R Wheeler Bursary Fund was to be transferred to the Restricted A R Wheeler Bursary Fund in order best express the wishes of the intention of the fund when it was first created following the passing of Anthony Reay Wheeler before it was donated to the Foundation at its inception.

The RGSW and AOS Foundation

Notes to the Financial Statements for the Year Ended 31 August 2025

**14 Analysis of net assets between funds**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Fixed asset investments	-	1,534,737	1,534,737
Current assets	22,991	8,148	31,139
Total net assets	<u>22,991</u>	<u>1,542,885</u>	<u>1,565,876</u>

**15 Analysis of net funds**

	<b>At 1 September 2024 £</b>	<b>Cash flow £</b>	<b>At 31 August 2025 £</b>
Cash at bank and in hand	815,701	(784,892)	30,809
Net debt	<u>815,701</u>	<u>(784,892)</u>	<u>30,809</u>

**16 Financial instruments**

Financial assets measured at fair value through income and expenditure comprise investments, 2025 £1,534,737 (2024: £688,199)

## The RGSW and AOS Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2025

#### 17 Connected parties

The Foundation exists to advance education at the RGS Worcester Family of Schools. A minimum of three Trustees are also Governors of the Schools to ensure strategic alignment is maintained between the two entities. The School funds and staffs the Foundation Office and the Headmasters and Headmistresses of the RGS Schools attend the Trustee Board meetings, as does the Director of Finance and Operations.

In December 2017, the A R Wheeler Bursary Fund and the restricted element of the Alice Ottley Bursary Fund were transferred from the School to the Foundation. The A R Wheeler Bursary Fund was valued at £355,335 and the Alice Ottley Bursary Fund was valued at £25,266. £5,800 of other restricted funds were also transferred to the foundation.

Members of the RGS Worcester alumni association voted to dissolve the organisation at its AGM in May 2024. Prior to dissolution, in 2023, members agreed that the Association's assets should be transferred to the School as a restricted gift to be used for specified purposes, including supporting Bursary Awards at RGS Worcester. The RGS Leadership honoured this commitment by donating £60,000 from the association's assets gift to the Foundation for Trustees to apply as support the 2024 Giving Day appeal.

The Foundation made grants to the School in the year totalling £315,542 (2024: £208,507).

An amount of £Nil (2024: £Nil) was owing from the Foundation to the School at 31st August 2025.

The School paid for the running costs of the Foundation Office, including:

- salaries amounting to £113,050 (2024: £131,144) - *this is for the time that RGS Worcester employees give to Foundation related activities*
- events and publications amounting to £10,395 (2024: £18,482).
- software costs amounting to £11,837 (2024: £10,122).
- establishment, management and administration costs amounting to £9,117 (2024: £15,111).

Company registration number: 10326313  
Charity registration number: 1170217

The RGSW and AOS Foundation  
(A company limited by guarantee)  
Annual Report and Financial Statements  
for the Year Ended 31 August 2025

## The RGSW and AOS Foundation

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## The RGSW and AOS Foundation

### Reference and Administrative Details

<b>Chairman</b>	Timothy Stephen Curtis
<b>Trustees</b>	Mrs Rosemary Frances Ham (resigned 20 November 2025) Mr Andrew Hampden Greenway (resigned 21 November 2024) Mr Michael William Bourne Mr Mark Heric Beardmore (appointed 13 March 2025) Mrs Yvonne Wood Mrs Katharine Mary Wormington Mr John Mark Gibson Mr Gary Paul Rouse
<b>Principal Office</b>	The Royal Grammar School Worcester Upper Tything Worcester Worcestershire WR1 1HP
<b>Company Registration Number</b>	10326313
<b>Charity Registration Number</b>	1170217
<b>Solicitors</b>	Stallard March and Edwards (SME Solicitors) 8 Sansome Walk Worcester Worcestershire WR1 1LW
<b>Bankers</b>	Lloyds Bank 4 The Cross Worcester WR1 1LW
<b>Auditor</b>	Ballards LLP Oakmoore Court 11c Kingswood Road Droitwich Spa Worcestershire WR9 0QH

## The RGSW and AOS Foundation

### Trustees' Report

The Trustees present their annual report together with the audited financial statements of the Company for the 1 September 2024 to 31 August 2025. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees 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).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

### Objectives and activities

#### a. Policies and objectives

The Foundation is a separate charity to RGS Worcester (the 'School') which comprises RGS Worcester, RGS Springfield, RGS The Grange and RGS Dodderhill. Reference to the School(s), RGS or RGSW in the following report should be taken to mean any and/or all of the four RGSW schools. The Foundation undertakes activities solely to support the School and its pupils. The Foundation is governed by its Articles of Association. It also has policies to cover its operation including the recruitment of suitable trustees, their ongoing fitness to be a trustee, conflicts of interest, the running of decision making meetings, and its ethical approach to fundraising. Trustees are bound by its Code of Practice and submit declarations of interest. All trustees are subject to DBS checks. The Foundation's Objects from the Articles of Association are:

- (a) advancing the education of the pupils at the Schools by:
  - (i) providing and assisting in the provision of facilities and resources (including premises, equipment and services) for education at the Schools;
  - (ii) awarding to pupils at the Schools (or for their benefit) bursaries, scholarships, maintenance allowances or grants, or making loans to pupils or for their benefit, or providing pupils with books, equipment or clothing for the purposes of their education;
  - (iii) providing any part of their education (including the study of music or other arts or social or physical education);
  - (iv) assisting them to undertake travel in furtherance of their education;
  - (v) helping them to prepare for entry into any other educational establishment or into any occupation, trade or profession on leaving the Schools;
  - (vi) developing their mental, physical and moral capabilities through leisure time activities.
  
- (b) advancing the education of persons who are educated by or with the support of the Schools Charity by supporting the charitable objects of the Schools Charity, by:
  - (i) making grants or loans or otherwise providing financial support to the Schools Charity for its general charitable purposes or for specific charitable purposes;
  - (ii) doing in relation to the Schools Charity and its charity beneficiaries any of the things which are permitted in relation to the Schools and their pupils by article 2.1(a);

## The RGSW and AOS Foundation

### Trustees' Report

- (c) in connection with the Schools or the Schools Charity, promoting the education of people under the age of 25 years in the county of Worcestershire in such ways as the Trustees think fit, including by:
- (i) enabling them to have access to and to make use of educational facilities and resources of the Schools or of the Schools Charity; or
  - (ii) attending the Schools.

#### **b. Activities for achieving objectives**

To support the School with financial donations to provide:

- additional means-tested Bursary Awards and hardship grants;
- improvements to the RGS Schools' estate;
- the ability to undertake other smaller projects to further education provision within the Schools.

The Trustees have tasked the Foundation Office led by the Foundation Director to instigate fundraising across the following areas:

- directing fundraising appeals to alumni, ex-staff and parents with the request they support the provision of additional Bursary Awards at RGS Schools to enable children whose families who could not otherwise afford the fees to receive an RGS education;
- directing fundraising appeals to alumni, parents and ex-staff seeking donations towards the development of Capital Projects;
- requesting parents of each Upper Sixth leaving group donate their child's refundable joining deposit to support Bursary Awards or hardship grants or other initiatives identified by the Headmaster;
- directing fundraising appeals to alumni, ex-staff and parents with the request they make a legacy gift to the Foundation in order to provide funding in support of Bursary Awards at the School or other aspects they would most like to support in the School;
- applying for grants from awarding foundations and organisations in support of the Foundation's objectives;
- publishing an annual Impact Report that explains what funds have been raised and how they have been applied to generate outcomes aligned to the Charity's Objects.

#### **c. Main activities undertaken to further the charity's purposes for the public benefit**

In setting objectives and planning activities, the School's Governors have given careful consideration to the Charity Commission's general guidance on Public Benefit. The Foundation works to advance the education of pupils at the RGS Worcester Family of Schools and in doing so, actively helps to deliver the Public Benefit delivered by RGS. It will do this by widening access to the School through the provision of additional bursary supported places. These will be available to children from local families who meet the academic entrance requirements but would not otherwise be able to afford the school fees. Places funded by donations will be in addition to those funded by the School. Bursaries will be means-tested to ensure all recipients are in genuine need of the financial support. The Foundation will also raise funds to support capital projects at RGS Worcester that will further the provision of education and where appropriate will benefit the local community. For example, the Foundation Office raised funds for the Worcester International Hockey Centre that has been developed by RGS in partnership with Worcester Hockey Club, with the full support of Worcester City Council. The new facility opened in November 2021 and offers international standard pitches that will attract top coaches and will widen community access to the sport. This Centre is used by RGS pupils and is also available to Worcester Hockey Club members, pupils from other local schools and students from the University of Worcester.

## The RGSW and AOS Foundation

### Trustees' Report

#### Achievements and performance

##### a. Review of activities

Tim Curtis continued as Chair of the Foundation and Gary Rouse continued to chair the Finance Committee. Mark Beardmore joined the Board of Trustees after becoming a Governor of RGS Worcester bringing legal expertise to the Board. At the 2025 AGM in November, Rosemary Ham formally stepped down as a Trustee having served the maximum nine years permitted within the Articles of Association. Rosemary is one of the inaugural Trustees from when the Foundation was established in 2016 and her commitment to growing philanthropy to support pupils and the School has been integral to successful delivery of funds to support additional Bursary Awards.

The Trustees have identified 12 as being the optimal number of Trustees on the Board and will appoint new Board members when suitable candidates have been identified. The Trustees have undertaken a skills audit to identify areas of expertise that would be helpful to address when appointing new Trustees.

During 2024-25 the use of online and hybrid meetings enabled the charity to fulfil its role on behalf of the School and its pupils. Hybrid working remains an option to maximise Trustee participation at meetings and to offer convenience to the Trustees, all of whom are volunteers.

The Foundation Office team was reduced in capacity with the four team members becoming three with the departure of the Development and Alumni Relations Manager in December 2024 to relocate overseas. A recruitment process was undertaken ahead of the role becoming vacant and a suitable candidate was identified but unfortunately budget pressures created by the imposition of VAT on school fees meant that RGS was not in a position to fund the appointment of the preferred candidate. Recruitment was put on hold pending until the end of the academic year. It has since been determined that funding will not be available from RGS during 2025-26 to recruit a replacement for the role. The team therefore comprises three who equate to 2 Full Time Equivalents and capacity to deliver targets has been reduced. The Trustees are mindful of the long-term implications of and will continue to monitor the situation closely.

Bursary Awards remained the priority fundraising objective for the Foundation to support the School.

The dinner in November 2024 with prospective major donors in London sponsored by a former pupil was very well supported with almost £250,000 raised from supporters and in June 2025 a significant six figure legacy gift was received for Bursary Awards. In addition, to these sources of funds there was the ongoing work to recruit regular donors and to secure legacy gifts.

## The RGSW and AOS Foundation

### Trustees' Report

#### **b. Fundraising activities**

The Foundation charity is run by the Foundation Office which is part of the School and its staff are employees of RGS Worcester. The Foundation Office seeks donations from the alumni of RGS Worcester, the Alice Ottley School (AOS) and Dodderhill School, as well as from parents of pupils at the four RGS schools. Grant applications are made when appropriate and relevant to awarding bodies that can help the Foundation to support the work of the School. Prospective donors are asked to support Bursary Awards though support is also sought for Capital Projects and the provision of smaller items to further the education of pupils at RGS.

The Foundation Office manages an alumni website ([www.rgswandaos.foundation](http://www.rgswandaos.foundation)) which provides details of the areas for which funds are required and provides an online giving facility that incorporates Gift Aid, where applicable. Opportunities to donate were also outlined in the annual Impact Report which was circulated in December 2024, as well as in direct mailing requests, on social media posts and in person at alumni events and reunions.

The Trustees provide the oversight and set the strategic fundraising objectives for the charity. The Foundation subscribes to the Fundraising Regulator. The Foundation Office conducts fundraising for the charity and abides by the Fundraising Code published by the Fundraising Regulator. There were no failures to report from the reporting period.

In February and March 2025, eight unsolicited donations were received directly into the Foundation's bank account from a member of the public who was not known to the Foundation Office and who had no direct link to the School. In consultation with the Trustees, the Foundation Director reported this to the Charity Commission and reported it as Serious Incident. The Foundation Director established contact with the donor and a meeting was arranged with the donor, two Trustees and the Foundation Director. When the full facts were established the Trustees were satisfied that no criminal intent or money laundering was attached to the donations but because of other circumstances it was unanimously agreed by the Board to return the donations in full to the donor. This was done with the gratitude of the donor and was reported to the Charity Commission thereby enabling the Serious Incident to be closed and no further action was required.

Trustees regularly review the activities of the Foundation Office and meet with its staff formally each term to discuss fundraising activities and priorities. Trustees also speak with the Foundation Office staff between formal Board meetings through the Finance Committee and Working Groups meetings or individual contact when relevant.

No complaints have been received to date regarding the Foundation, the Foundation Office staff or the Trustees.

The Foundation Office provides mechanisms for alumni, ex-staff and parents to change their communication preferences which include enabling anyone to stop further contact from the Foundation Office within all its communications. As soon as an individual makes a request to cease receiving contact from the Foundation Office either via a particular channel or from all channels, this is actioned and recorded to prevent staff in the future from inadvertently making contact. When made aware, the Foundation Office promptly ceases communications with anyone who may not have the capacity to understand a fundraising request (e.g. when an individual moves into a care home or a parent/partner/child informs of a health issue impacting someone who would otherwise wish to receive communications).

## The RGSW and AOS Foundation

### Trustees' Report

#### c. Investment policy and performance

The Trustees have maintained a cautious approach to investments during a period of considerable global market uncertainty, due largely to the war in Ukraine and the Middle East, the US Presidential election result and fluctuating UK inflation. The Foundation's Investment Policy frames the Board's approach to investing, reviewing performance and decision making. All investments will be made with ethical considerations being central to the decision-making process.

The Board retained the charity's investments in CCLA's Charities Ethical Investment Fund throughout the year.

The COIF Charities Ethical Investment Fund has a number of exclusions to its portfolio, for example: Companies that derive more than 5% of their income from the extraction of oil sands or energy coal; Companies that derive more than 10% of their revenue from extracting and refining coal, oil or gas; Investment is prohibited if companies are involved in the production of nuclear weapons, landmines or cluster munitions; no Sovereign Debt from countries identified by the Ethical Fund Advisory Committee as being the most oppressive; Companies that derive 10% or more from tobacco, alcohol or gambling. A full list of exclusion criteria can be viewed on the fund factsheet which is available on the website ([www.CCLA.co.uk](http://www.CCLA.co.uk)).

Performance will continue to be monitored by the Finance Committee in line the Foundation's Investment Policy. In June 2025, the Trustees invited the Foundation's account manager at CCLA to meet ahead of the Board meeting to understand more fully the implications of CCLA being purchased by Jupiter Fund Management plc. This provided Trustees with useful insight to the reason for the sale and reassurance for the investment objectives of the new owners. The Board has continued to place funds with CCLA.

The Trustees have committed to investing endowed funds in products that actively pursue ethical investing policies because this reflects the values of the Trustees, as well as of the School which the Foundation exists to support. The Finance Committee tracks the value of invested funds and reviews the investment strategy regularly to ensure it satisfies a medium-low risk approach and meets ethical and responsible investment criteria.

The Alice Ottley Bursary Fund. In December 2017, 1,718 units held in COIF Charities Investment Fund (valued at £25,266) which had been purchased with donations for the AO Bursary fund were transferred from The Royal Grammar School Worcester to The RGSW and AOS Foundation. Additional units were purchased in the year and funds of £73,785 were held in COIF Charities Ethical Investment Fund as at 31 August 2025.

The Anthony Reay Wheeler Bursary Fund. This fund was designated in May 2013 with the legacy from a former Master of the School. In December 2017, 24,163 units held in COIF Charities Investment Fund (valued at £355,335) including some restricted funds were transferred from The Royal Grammar School Worcester to The RGSW and AOS Foundation. The funds were transferred as unrestricted funds and designated by the Trustees of The RGSW and AOS Foundation. It was agreed by Trustees at the June Board meeting to convert the designated funds to become restricted so that all units will be restricted for Bursary Awards. Additional units were purchased in the year and funds of £842,808 were held in COIF Charities Ethical Investment Fund as at 31 August 2025.

## **The RGSW and AOS Foundation**

### **Trustees' Report**

The Chris and Dorothy Dyer Science & Technology Bursary Fund. Trustees opened a new account with CCLA to invest the funds raised from the sale of the house in Malvern that Chris so generously donated to the Foundation. £400,000 was used to purchase units in the COIF Charities Investment Fund in September 2024.

CCLA Deposit Account. Trustees approved the opening of accounts within the CCLA Deposit Account for holding funds prior to their being granted to RGS for spending. The interest rate is significantly higher than the Lloyds deposit accounts previously used and the Trustees regard it as essential to generate as much interest from funds held.

#### **Financial review**

##### **a. Going Concern**

The School implemented VAT on school fees in January 2025 which led to a 14.5% increase in fees during the academic year. This had been trailed by the Labour Party as a priority policy change so robust planning was in place at RGS to prepare for this change. The removal of charity business rate relief in April 2025 was anticipated and budgeted for by the School. However, the increase in employer NI Contributions was not anticipated and coupled with the increase in minimum wages and Teachers Pension contribution rate, it has necessitated fee increases which increases the need for Bursary Awards. The RGS Governors agreed to convert RGS Springfield to a dedicated nursery setting from September 2025 as part of cost reductions with affected families offered places at RGS The Grange. Despite these challenges, pupil numbers have remained stable and the School remains in a sound financial position, carrying no debt.

The impact of VAT on School fees will be monitored closely by the School Governors. HMRC has issued guidance that confirms where Bursary Awards are funded by a grant awarding body such as the charity then VAT will not be applicable. This means that the level of funds agreed by Trustees to be awarded to RGS can be met on existing projections for 2025-26.

RGS Worcester remains fully committed to growing the number of Bursary Awards it can offer through the funds raised by the Foundation Office. The RGS Board of Governors is continuing to provide resources needed to run the fundraising activities for the Foundation, less the cost of the vacant role.

The Foundation Trustees continue to monitor the Foundation's ability to conduct fundraising operations. Despite the current circumstances, the Trustees believe that the charity's financial resources and contingency planning is sufficient to ensure the ability of the company to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

Please see the Risk Management section of this report for more details of the projected impact on the Foundation.

## The RGSW and AOS Foundation

### Trustees' Report

#### **b. Financial review**

The Trustees consider the Foundation to be in a sound financial position with sufficient reserves.

#### **c. Reserves policy**

The Trustees will endeavour to transfer to the School as much of the funds raised as soon as possible while committing to a sustainable amount over a three year period that is reviewed regularly and to growing the endowment funds to build a longer term predictable income. This commitment will help the School to plan its Bursary Award allocation

Trustees observe the constraints placed on restricted gifts and any statement of wishes made on unrestricted gifts. Where gifts have been received for either of the named bursary funds (the A R Wheeler Bursary Fund and the Alice Ottley Bursary Fund) these will be added to grow the capital base treating these as endowment funds. The annual income earned from the capital will be transferred to fund bursary places at the School. Donations to the Foundation Bursary Fund which is not an endowment fund will be normally be transferred to the School within 18 months to support Bursary Awards on an ongoing basis. The gifts received to support Hardship will be allocated as awards for specific pupils to the School as needed, usually within twelve months of receipt.

Bursary gifts covering multiple years that are donated in advance by sponsors for particular pupils will be held by the Foundation and drawn from investments as required each year for transfer to RGS.

At the year end the Foundation had restricted funds of £1,542,885 (2024: £1,126,534) and designated funds of £Nil (2024: £354,154). Unrestricted and free reserves at the year-end are £22,991 (2024: £23,542). This is set out in note 13 on page 26.

The Foundation is able to maintain unrestricted and free reserves as £nil as The Royal Grammar School Worcester meets all costs of running the Foundation Office, including the costs of events and publications and the salaries of the Foundation Office staff.

#### **Structure, governance and management**

##### **a. Constitution**

The company is constituted under a Memorandum of Association dated 11 August 2016 and is a registered charity number 1170217.

The company was incorporated on 11 August 2016 and commenced trading on that date.

The principal object of the company is to advance the education of pupils at RGS Worcester. It undertakes fundraising to support Bursary Awards provision and to assist with capital projects across the RGS Schools.

## **The RGSW and AOS Foundation**

### **Trustees' Report**

#### **b. Methods of appointment or election of Trustees**

New Trustees are normally appointed at termly meetings on the basis of nominations from a committee of Trustees. All nominations are made on the basis of eligibility, personal competence, specialist skills and availability.

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Policies adopted for the induction and training of Trustees.

New Trustees undertake a formal induction process under the guidance of a fellow Trustee and the Foundation Director which covers the workings of the Charity, including Policies, Procedures, Finances and Governance. Trustees are required to be DBS checked.

#### **c. Pay policy for key management personnel**

No payments have been made by the Foundation to any of the Trustees and the Foundation Office staff remain employed by RGS Worcester so are subject to the policy implemented by the School.

#### **d. Organisational structure and decision making**

The Board of Trustees convenes formally once per school term to review the work of the Foundation Office and to formally make decisions to enable the Foundation grow. In between these Board meetings smaller working groups or sub committees (e.g. the Finance Committee) can and do meet. If time critical decisions need to be taken the Chair circulates the information electronically to Trustees to enable agreement to be reached. This is then conveyed to the Foundation Director for implementation.

Hybrid working has led to the use of video conferencing and this has worked well for the Trustees. Trustees are appointed for a three year term and minimum of three RGS Governors will serve as Trustees. The Trustees are aware of the charity governance code and the Foundation voluntarily subscribes to the Fundraising Regulator code of practice.

Periodically, Trustees will review the guidance in order to ensure that the Charity is working in line with the code, in all ways where it is practical to do so.

#### **e. Related party relationships**

The Foundation exists to advance education at the RGS Worcester Family of Schools. At least three Trustees are also Governors of the School to ensure strategic alignment is maintained between the two entities. The School finances and staffs the Foundation Office and the Headmasters and Headmistresses of the three RGS Schools (excluding RGS Springfield) attend the Trustee Board meeting, as does the Director of Finance and Operations.

## **The RGSW and AOS Foundation**

### **Trustees' Report**

#### **f. Risk management**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate its exposure to the major risks. The Trustees are mindful of the need to maximise the income generated from the capital base of the two endowment bursary funds held within the Foundation, as well as to preserve the value of other donations ahead of them being transferred to RGS. This must be done against the backdrop of volatile market conditions, so the Board tasked members of the Finance Committee to review and monitor the choice of investments held in COIF units and to consider alternative options to mitigate against stock market fluctuations. The Finance Committee reported to the Board that CCLA is a recognised provider within the market place for what the charity required but that they will remain alert to alternative providers and to the impact of the Jupiter Fund Management plc takeover.

#### **Plans for future periods**

##### **Future developments**

The Board will recruit additional Trustees to help further the work of the Foundation Office and will seek guidance where necessary to help them to fulfil their roles for the Foundation.

The full findings from the Review of the Foundation Office undertaken by Graham Pelton (UK) Ltd Consultants will continue to be implemented by the Foundation Office now that staffing levels are commensurate with the recommendations for increasing fundraising activity and alumni engagement.

The Case for Support for Bursary Awards at RGS has been widely circulated along with the annual Impact Report which featured testimonials from Bursary Award recipients. Further testimonials will be gathered and shared across communication channels to encourage giving. The Case for Support will be revisited during 2025.

Long term fundraising targets linked to the School's revised Strategic Development Plan have been set by the Trustees for the Foundation Office. These targets were shared with the School Community in the 'Change a Life' Bursary brochure that was circulated in December 2022. A comprehensive financial tracking and forecasting model has been adopted to enable progress to be tracked alongside a range of engagement KPIs for the Foundation Office.

The primary focus for fundraising in 2025-26 will remain on Bursary Awards in order to widen access to the School. Following the extremely successful Giving Day held in April 2024, the Foundation Office took a tactical pause on this format of fundraising in 2025 to allow the VAT on fees to be embedded. This approach is in line with many independent schools. There has been a shift in focus to major gifts and regular giving to replace funds that the Giving Day would generate.

To help recruit donors the number of alumni engagement events will continue to increase significantly during 2025-26 with a rolling programme of gatherings designed to solicit gifts and to inform alumni about the impact the Foundation is making on young lives. The third Old Elizabethans Weekend in September 2025 where alumni participated in a range of events was very well received and this is now firmly established in the School calendar. Trustees will support the Foundation Office team and School Leadership at a number of these events.

## **The RGSW and AOS Foundation**

### **Trustees' Report**

Targeted engagement with current and prospective major donors will be undertaken by the Foundation Director to solicit major gifts which will complement increasing the donor pool by recruiting a number of additional regular donors. This will include engaging with high net worth individuals in London and in Worcestershire.

Legacy pledges will continue to be solicited to ensure future donations are in the pipeline and there will be a continuing appeal to supporters during the year to increase the number of known pledges, as well as to steward them through a Legacy Society.

#### **Statement of Trustees' responsibilities**

The trustees (who are also the directors of The RGSW and AOS Foundation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

#### **Disclosure of information to auditor**

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

- so far as that the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

**The RGSW and AOS Foundation**

**Trustees' Report**

**Reappointment of auditor**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Ballards LLP as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

18 Mar 2026

The annual report was approved by the trustees of the charity on ..... and signed on its behalf by:



.....  
Mr Timothy Stephen Curtis  
Chair of Trustees

## The RGSW and AOS Foundation

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of The RGSW and AOS Foundation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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18 Mar 2026

Approved by the trustees of the charity on ..... and signed on its behalf by:



.....  
Mr Timothy Stephen Curtis  
Chair of Trustees

## **The RGSW and AOS Foundation**

### **Independent Auditor's Report to the Members of The RGSW and AOS Foundation**

#### **Opinion**

We have audited the financial statements of The RGSW and AOS Foundation (the 'charity') for the year ended 31 August 2025, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2025 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

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

## **The RGSW and AOS Foundation**

### **Independent Auditor's Report to the Members of The RGSW and AOS Foundation**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 13], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

## The RGSW and AOS Foundation

### Independent Auditor's Report to the Members of The RGSW and AOS Foundation

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



M A Skellum (Senior Statutory Auditor)  
For and on behalf of Ballards LLP, Statutory Auditor

Oakmoore Court  
11c Kingswood Road  
Droitwich Spa  
Worcestershire  
WR9 0QH

Date: 23 March 2026

The RGSW and AOS Foundation

**Statement of Financial Activities for the Year Ended 31 August 2025  
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	156,077	377,739	533,816
Investment income	4	30,916	-	30,916
Total Income		<u>186,993</u>	<u>377,739</u>	<u>564,732</u>
<b>Expenditure on:</b>				
Raising funds	5	(144,507)	-	(144,507)
Charitable activities	6	-	(315,542)	(315,542)
Total Expenditure		<u>(144,507)</u>	<u>(315,542)</u>	<u>(460,049)</u>
Gains/losses on investment assets		<u>(43,037)</u>	<u>-</u>	<u>(43,037)</u>
Net (expenditure)/income		(551)	62,197	61,646
Transfers between funds		<u>(354,154)</u>	<u>354,154</u>	<u>-</u>
Net movement in funds		(354,705)	416,351	61,646
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>377,696</u>	<u>1,126,534</u>	<u>1,504,230</u>
Total funds carried forward	13	<u>22,991</u>	<u>1,542,885</u>	<u>1,565,876</u>

**The RGSW and AOS Foundation**

**Statement of Financial Activities for the Year Ended 31 August 2025  
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	178,209	324,346	502,555
Investment income	4	-	27,572	27,572
Total Income		<u>178,209</u>	<u>351,918</u>	<u>530,127</u>
<b>Expenditure on:</b>				
Raising funds	5	(159,749)	-	(159,749)
Charitable activities	6	(16,267)	(207,351)	(223,618)
Total Expenditure		<u>(176,016)</u>	<u>(207,351)</u>	<u>(383,367)</u>
Gains/losses on investment assets		<u>35,654</u>	<u>26,712</u>	<u>62,366</u>
Net income		<u>37,847</u>	<u>171,279</u>	<u>209,126</u>
Net movement in funds		37,847	171,279	209,126
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>339,849</u>	<u>955,255</u>	<u>1,295,104</u>
Total funds carried forward	13	<u><u>377,696</u></u>	<u><u>1,126,534</u></u>	<u><u>1,504,230</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The Statement of financial activities includes all gains and losses recognised in the year.  
The funds breakdown for 2024 is shown in note 13.

**The RGSW and AOS Foundation**  
**(Registration number: 10326313)**  
**Balance Sheet as at 31 August 2025**

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Investments	10	1,534,737	688,199
<b>Current assets</b>			
Debtors	11	330	330
Cash at bank and in hand	12	<u>30,809</u>	<u>815,701</u>
		<u>31,139</u>	<u>816,031</u>
<b>Net assets</b>		<u>1,565,876</u>	<u>1,504,230</u>
<b>Funds of the charity:</b>			
<b>Restricted funds</b>		1,542,885	1,126,534
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>22,991</u>	<u>377,696</u>
<b>Total funds</b>	13	<u>1,565,876</u>	<u>1,504,230</u>

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 17 to 32 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:



.....  
Mr Timothy Stephen Curtis  
Chair of Trustees

**The RGSW and AOS Foundation**

**Statement of Cash Flows for the Year Ended 31 August 2025**

	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Net cash income		61,646	209,126
<b>Adjustments to cash flows from non-cash items</b>			
Investment income	4	(30,916)	(19,739)
Revaluation of investments		<u>43,037</u>	<u>(62,366)</u>
		73,767	127,021
<b>Working capital adjustments</b>			
Increase in debtors	11	-	(330)
Decrease in creditors		<u>-</u>	<u>(22,951)</u>
Net cash flows from operating activities		<u>73,767</u>	<u>103,740</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	4	30,916	19,739
Sale of tangible fixed assets		-	460,000
Purchase of investments	10	(889,575)	(73,000)
Sale of investments		<u>-</u>	<u>114,942</u>
Net cash flows from investing activities		<u>(858,659)</u>	<u>521,681</u>
Net (decrease)/increase in cash and cash equivalents		(784,892)	625,421
Cash and cash equivalents at 1 September		<u>815,701</u>	<u>190,280</u>
Cash and cash equivalents at 31 August		<u><u>30,809</u></u>	<u><u>815,701</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

## The RGSW and AOS Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2025

#### 1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

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

##### Basis of preparation

The RGSW and AOS Foundation 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 notes.

##### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### Income and endowments

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

##### *Donations and legacies*

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

##### *Donated services and facilities*

Where services or facilities are provided to the charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

##### *Investment income*

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

## The RGSW and AOS Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2025

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### **Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Grant provisions**

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

## The RGSW and AOS Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2025

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

## The RGSW and AOS Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2025

#### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### ***Investments***

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

#### ***Derivative financial instruments***

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

#### ***Fair value measurement***

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

The RGSW and AOS Foundation

Notes to the Financial Statements for the Year Ended 31 August 2025

**3 Income from donations and legacies**

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Donations and legacies;				
Donations from individuals	11,677	377,739	389,416	327,695
Donated services and facilities	<u>144,400</u>	<u>-</u>	<u>144,400</u>	<u>174,860</u>
	<u>156,077</u>	<u>377,739</u>	<u>533,816</u>	<u>502,555</u>

**4 Investment income**

	Unrestricted funds £	Total 2025 £	Total 2024 £
Interest receivable and similar income;			
Interest receivable on bank deposits	30,916	30,916	7,833
Income from COIF Units	<u>-</u>	<u>-</u>	<u>19,739</u>
	<u>30,916</u>	<u>30,916</u>	<u>27,572</u>

**5 Expenditure on raising funds**

**a) Costs of trading activities**

	Note	Unrestricted funds £	Total 2025 £	Total 2024 £
Events, publications and software		31,350	31,350	28,605
Staff Costs		<u>113,050</u>	<u>113,050</u>	<u>131,144</u>
		<u>144,400</u>	<u>144,400</u>	<u>159,749</u>

**b) Investment management costs**

	Note	Unrestricted funds £	Total 2025 £
Allocated support costs		<u>107</u>	<u>107</u>
		<u>107</u>	<u>107</u>

## The RGSW and AOS Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2025

#### 6 Expenditure on charitable activities

	Note	Restricted funds £	Total 2025 £	Total 2024 £
Grants to RGS Worcester		315,542	315,542	208,507
Establishment, management and administration costs		-	-	15,111
		<u>315,542</u>	<u>315,542</u>	<u>223,618</u>

#### 7 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
<b>Staff costs during the year were:</b>		
Wages and salaries	<u>113,050</u>	<u>131,144</u>

No employee received emoluments of more than £60,000 during the year.

All staff are employed by and paid for by The Royal Grammar School Worcester. These costs are shown as donated services and facilities.

Key management personnel are considered to be the Trustees and Senior Management. Total remuneration of key management personnel amounted to £68,297 (2024: £65,692) of which all costs were met by The Royal Grammar School Worcester.

#### 8 Auditors' remuneration

The auditor's remuneration amounts to an auditor fee of £4,200 (2024: £4,500), and a fee for the preparation of the financial statements of £750 (2024: £800).

The RGSW and AOS Foundation

Notes to the Financial Statements for the Year Ended 31 August 2025

**9 Taxation**

The charity is a registered charity and is therefore exempt from taxation.

**10 Fixed asset investments**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Other investments	<u>1,534,737</u>	<u>688,199</u>

**Other investments**

	<b>Unlisted investments</b>
	<b>£</b>
<b>Cost or Valuation</b>	
At 1 September 2024	688,199
Revaluation	(43,037)
Additions	<u>889,575</u>
At 31 August 2025	<u>1,534,737</u>
<b>Net book value</b>	
At 31 August 2025	<u>1,534,737</u>
At 31 August 2024	<u>688,199</u>

**11 Debtors**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Other debtors	<u>330</u>	<u>330</u>

**12 Cash and cash equivalents**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Cash at bank	<u>30,809</u>	<u>815,701</u>

The RGSW and AOS Foundation

Notes to the Financial Statements for the Year Ended 31 August 2025

13 Funds

	Balance at 1 September 2024 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 August 2025 £
<b>Unrestricted funds</b>						
<i>General</i>						
General Funds - all funds	23,542	186,993	(144,507)	-	(43,037)	22,991
<i>Designated</i>						
A R Wheeler Bursary Fund	354,154	-	-	(354,154)	-	-
<b>Total Unrestricted funds</b>	<b>377,696</b>	<b>186,993</b>	<b>(144,507)</b>	<b>(354,154)</b>	<b>(43,037)</b>	<b>22,991</b>
<b>Restricted funds</b>						
A R Wheeler Bursary Fund	226,870	1,026	(16,806)	354,154	-	565,244
Alice Ottley Bursary Fund	65,526	1,374	(2,654)	-	-	64,246
Hardship Fund	1,995	127	(1,382)	-	-	740
Alumni Sponsorship Foundation Bursary Fund	149,750	48,551	(85,801)	-	-	112,500
Parent Music Scholarship	-	660	(660)	-	-	-
The Christopher and Dorothy Dyer Science and Technology Bursary Fund	429,206	375	(22,998)	-	-	406,583
Contemplation Area	2,000	-	(2,000)	-	-	-
<b>Total restricted funds</b>	<b>1,126,534</b>	<b>377,739</b>	<b>(315,542)</b>	<b>354,154</b>	<b>-</b>	<b>1,542,885</b>
<b>Total funds</b>	<b>1,504,230</b>	<b>564,732</b>	<b>(460,049)</b>	<b>-</b>	<b>(43,037)</b>	<b>1,565,876</b>

The RGSW and AOS Foundation

Notes to the Financial Statements for the Year Ended 31 August 2025

	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2024 £
<b>Unrestricted funds</b>					
<i>General</i>					
General Funds - all funds	21,349	178,209	(176,016)	-	23,542
<i>Designated</i>					
A R Wheeler Bursary Fund	<u>318,500</u>	<u>-</u>	<u>-</u>	<u>35,654</u>	<u>354,154</u>
<b>Total unrestricted funds</b>	<u>339,849</u>	<u>178,209</u>	<u>(176,016)</u>	<u>35,654</u>	<u>377,696</u>
<b>Restricted funds</b>					
A R Wheeler Bursary Fund	192,877	28,022	(15,620)	21,591	226,870
Alice Ottley Bursary Fund	57,873	4,229	(1,697)	5,121	65,526
Hardship Fund	468	2,027	(500)	-	1,995
Alumni Sponsorship	101,570	141,163	(92,983)	-	149,750
Foundation Bursary Fund	161,657	172,142	(82,612)	-	251,187
Parent Music Scholarship	-	504	(504)	-	-
The Christopher and Dorothy Dyer Science and Technology Bursary Fund	438,810	3,831	(13,435)	-	429,206
Contemplation Area	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,000</u>
<b>Total restricted funds</b>	<u>955,255</u>	<u>351,918</u>	<u>(207,351)</u>	<u>26,712</u>	<u>1,126,534</u>
<b>Total funds</b>	<u>1,295,104</u>	<u>530,127</u>	<u>(383,367)</u>	<u>62,366</u>	<u>1,504,230</u>

The specific purposes for which the funds are to be applied are as follows:

Designated funds:

The A R Wheeler Bursary Fund (ARW Bursary Fund) was set up in 2013 and has been designated by the Governors as a fund to generate bursarial support. This Fund was transferred to The RGSW and AOS Foundation on its formation.

## The RGSW and AOS Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2025

Restricted funds:

The Anthony Reay Wheeler Bursary Fund (ARW Bursary Fund): monies received for investing in the ARW Bursary Fund.

The Alice Ottley Bursary Fund: monies received for investing in the Alice Ottley Bursary Fund.

The Foundation Bursary Fund: for donations given in support of bursaries at RGS but unlike gifts to the two bursary endowment funds, these monies are to be transferred to the School within 18 months of being donated. Fundraising activities will ensure that the fund is continually replenished.

The Parent Music Scholarship: an annual donation given by an RGS family to cover the musical instrument tuition fees for a bursary recipient pupil.

The Christopher and Dorothy Dyer Science and Technology Bursary Fund: uses funds from the sale of Laurel Cottage to provide bursary places at RGS. Chris Dyer was a former pupil of RGS Worcester. Chris lived in the USA with his wife Dorothy and Laurel Cottage was his UK family home which he gifted to the Foundation to help children access education at RGS. Chris stipulated that up to two bursaries per year may be awarded at 50% of school fees until the funds are exhausted.

The Contemplation Area: a one-off gift from Kenneth Armson who wishes to provide a dedicated area in the grounds at RGS Worcester for pupils and staff who may value a space for quiet reflection.

Hardship Fund: this is used to make smaller, one off 'in year' grants to pupils whose families have often unexpected financial constraints. The grants can be used to assist with fees to help prevent disruption to the education of pupils affected. The grants can also be applied to further the education of pupils in these circumstances by helping to fund activities such as: academic field trips or study courses; uniform purchases; provision of necessary individual classroom materials/equipment; the purchase of sports equipment; contributions towards the costs of sports tours and other co-curricular events.

Alumni Sponsorship: these are donations made to fund means-tested bursary places at the School for individual pupils.

On Thursday the 12th of June 2025 it was unanimously voted by the Trustees that the Designated A R Wheeler Bursary Fund was to be transferred to the Restricted A R Wheeler Bursary Fund in order best express the wishes of the intention of the fund when it was first created following the passing of Anthony Reay Wheeler before it was donated to the Foundation at its inception.

The RGSW and AOS Foundation

Notes to the Financial Statements for the Year Ended 31 August 2025

**14 Analysis of net assets between funds**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Fixed asset investments	-	1,534,737	1,534,737
Current assets	22,991	8,148	31,139
Total net assets	<u>22,991</u>	<u>1,542,885</u>	<u>1,565,876</u>

**15 Analysis of net funds**

	<b>At 1 September 2024 £</b>	<b>Cash flow £</b>	<b>At 31 August 2025 £</b>
Cash at bank and in hand	815,701	(784,892)	30,809
Net debt	<u>815,701</u>	<u>(784,892)</u>	<u>30,809</u>

**16 Financial instruments**

Financial assets measured at fair value through income and expenditure comprise investments, 2025 £1,534,737 (2024: £688,199)

## The RGSW and AOS Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2025

#### 17 Connected parties

The Foundation exists to advance education at the RGS Worcester Family of Schools. A minimum of three Trustees are also Governors of the Schools to ensure strategic alignment is maintained between the two entities. The School funds and staffs the Foundation Office and the Headmasters and Headmistresses of the RGS Schools attend the Trustee Board meetings, as does the Director of Finance and Operations.

In December 2017, the A R Wheeler Bursary Fund and the restricted element of the Alice Ottley Bursary Fund were transferred from the School to the Foundation. The A R Wheeler Bursary Fund was valued at £355,335 and the Alice Ottley Bursary Fund was valued at £25,266. £5,800 of other restricted funds were also transferred to the foundation.

Members of the RGS Worcester alumni association voted to dissolve the organisation at its AGM in May 2024. Prior to dissolution, in 2023, members agreed that the Association's assets should be transferred to the School as a restricted gift to be used for specified purposes, including supporting Bursary Awards at RGS Worcester. The RGS Leadership honoured this commitment by donating £60,000 from the association's assets gift to the Foundation for Trustees to apply as support the 2024 Giving Day appeal.

The Foundation made grants to the School in the year totalling £315,542 (2024: £208,507).

An amount of £Nil (2024: £Nil) was owing from the Foundation to the School at 31st August 2025.

The School paid for the running costs of the Foundation Office, including:

- salaries amounting to £113,050 (2024: £131,144) - *this is for the time that RGS Worcester employees give to Foundation related activities*
- events and publications amounting to £10,395 (2024: £18,482).
- software costs amounting to £11,837 (2024: £10,122).
- establishment, management and administration costs amounting to £9,117 (2024: £15,111).

# Audit Findings Report for The RGSW and AOS Foundation

## Year ended 31 August 2025

**Mark Skellum**

Partner

T 01905 975613

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**Jo Harris**

Senior Manager

T 01905 975648

E [jo.harris@ballardsllp.com](mailto:jo.harris@ballardsllp.com)

Dear Sirs

**Audit Findings Report for the RGSW and AOS Foundation for year ended 31 August 2025**

This Audit Findings report highlights the significant findings arising from the audit for the benefit of those charged with governance, as required by International Standard on Auditing (UK & Ireland) 260. Its contents have been discussed with management.

As auditors we are responsible for performing the audit, in accordance with International Standards on Auditing (UK & Ireland), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

We would like to take this opportunity to record our appreciation for the kind assistance provided by the finance team and other staff during our audit.

Yours faithfully

**Ballards LLP**



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# 1. AUDIT SUMMARY

## 1.1 Purpose

The purpose of this report is to record the overall results of our work and to assist Management by commenting on those matters that have come to our attention during the course of the audit. These matters cover:

- Independence
- Materiality and audit approach
- Comments on the accounting policies and practices applied when preparing the charity accounts
- Suggestions for improvement to the charity's accounting and financial control systems
- Summary of adjusted and unadjusted errors in the financial statements

Our responsibilities as auditors are set out in the International Standards on Auditing (UK and Ireland) ("ISAs"). We are responsible for forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

We have carried out our audit in accordance with the terms of our engagement letter in order to express an audit opinion for the UK statutory purposes on the financial statements.

## 1.2 Objectivity and Independence

We conducted our audit in accordance with the Code of Ethics of the Institute of Chartered Accountants in England and Wales (ICAEW) and the Ethical Standards published by the Financial Reporting Council (FRC).

At planning stage, we identified that the firm prepare the financial statements. We confirm that sufficient safeguards have been put in place throughout the audit process, including the use of separate reviewers, to ensure that the objectivity of the audit engagement Partner and audit staff.

We confirm that no other independence issues need to be brought to your attention.



### **1.3 Accounting policies and Practices**

In preparing the financial statements of the charity, directors are required under FRS 102 and the Charities SORP to review the charity's accounting policies on an annual basis to ensure that they remain appropriate to the charity's circumstances and are being properly applied.

We have reviewed the accounting policies and practices selected by the charity and are satisfied that the charity operates acceptable accounting policies and practices.

### **1.4 Accounting estimates and judgments**

There are certain areas within the financial statements that rely on significant accounting estimates and judgment. We have not identified that any of these estimates amount to being key accounting estimates.

### **1.5 Accounting and financial control systems**

During our audit we examined the design and implementation of the internal controls relevant to the accounting systems and procedures.

The review of internal controls was carried out with a view to expressing an opinion on the financial statements for the year and was not directed primarily towards discovering weaknesses or towards the detection of fraud. Therefore, our comments on these systems include only those matters that have come to our attention as a result of our normal procedures, and consequently our comments should not be regarded as a comprehensive record of all weaknesses that may exist or of all improvements that might be made.

We have set out our feedback within section 5 of the report.

### **1.6 Fraud, non-compliance and litigation**

We did not identify any instances or indications of fraud, non-compliance or legal pursuits throughout the audit engagement.

## **1.7 Management representations**

There are certain specific representations which we are required, by auditing standards, to obtain from management as part of our audit procedures. In addition, we are required to obtain other representations on matters material to the financial statements where other sufficient appropriate audit evidence cannot be reasonably expected to exist.

There are no specific representations that we propose to include.

## **1.8 Identified misstatements**

We are required to report to you all misstatements identified during the audit, other than those that are clearly trivial.

These have been summarised in section 6.

## **1.9 Audit opinion**

Based upon the findings and conclusions of our work to date and subject to the satisfactory clearance of the matters noted above and the items noted in section 2 we expect to issue an unqualified audit opinion on the financial statements.



## **2. OUTSTANDING INFORMATION**

Our work is substantially completed and there are no matters of which we are aware which would require modification of our current audit opinion, subject to the outstanding matters detailed below.

- Management representation letter (on signing of financial statements)





# 3. AUDIT RISKS

## Response to key risks identified at the planning stage

We have summarised the key risks identified at planning stage below, confirming our audit approach and our audit conclusion based on the work completed. Key accounting estimates identified are discussed in section 4.

Issue and Audit Risk	Audit Approach	Audit Conclusion
<p><b>Revenue Recognition</b> Under ISA 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.</p>	<ul style="list-style-type: none"> <li>• We have reviewed revenue recognition policies and ensured they are in compliance with the applicable financial reporting framework (FRS 102 and Charities SORP).</li> <li>• We have tested a sample of income to supporting documentation. We have reviewed the classification of income between unrestricted and restricted funds.</li> </ul>	<p>No material issues have been identified in respect of revenue recognition.</p>
<p><b>Management Override of Controls</b> Under ISA 240 there is a presumed risk that management personnel have an ability to perpetrate fraud through manipulation of accounting records and overriding controls that otherwise appear to be operating effectively.</p>	<ul style="list-style-type: none"> <li>• We have reviewed accounting estimates, judgements and decisions made by management, such as depreciation and accruals.</li> <li>• We have tested journal entries, including those posted by management.</li> <li>• We have reviewed unusual and/or significant transactions.</li> </ul>	<p>No instances of management override identified.</p>

## Response to key risks identified at the planning stage

We have summarised the key risks identified at planning stage below, confirming our audit approach and our audit conclusion based on the work completed. Key accounting estimates identified are discussed in section 4.

Issue and Audit Risk	Audit Approach	Audit Conclusion
<p><b>Restricted Funds</b> Income or expenditure may be misclassified, resulting in funds being used for purposes outside the donor’s restrictions or reported incorrectly in the financial statements. This risk arises because restricted funds often come with detailed terms, and failure to track these accurately can lead to non-compliance with charity law, donor agreements, or the Charities SORP.</p>	<ul style="list-style-type: none"> <li>• We have reviewed the accounting policies relating to fund accounting to ensure they comply with the Charities SORP</li> <li>• We have reviewed a sample of income and expenditure and ensured it has been recorded in the correct fund</li> </ul>	<p>During the year a large amount of cash was moved from regular bank accounts and invested to generate more income for the charity.</p> <p>Per the reserves policy the annual income from capital investments is transferred to fund bursary places and is therefore presented as unrestricted income. The initial historic donations remain restricted.</p> <p>This means that the valuation of each investment does not agree to the closing balance of each restricted fund. This is not necessarily an issue, but the trustees should ensure they are comfortable with investment income on restricted investments being considered unrestricted.</p>





# **4. OTHER REPORTABLE MATTERS**

#### 4.1 Going Concern

When preparing financial statements, management must assess whether an entity is a 'going concern'. This assessment will typically involve looking at trading forecasts and projections, cashflow forecasts, liquidity, the availability of finance, and any other relevant matters. A period of at least 12 months from the expected date of signing the financial statements should be considered.

Our work included

- Reviewing the level of funds carried forward compared to expected grants payable
- Reviewing post year end information to validate the completeness of creditors and recovery of receivable balances
- Ensuring appropriate disclosures are made in the financial statements

Based on this work, we concluded the following:

- The charity had a net income of £61,646 for the year ended 31 August 2025
- The charity has total funds of £1,565,876 (Unrestricted: £22,991, Restricted: £1,542,885)
- The charity has cash at bank of £30,809 and investments of £1,534,737 which can easily be drawn on should further cash be required
- Creditors are materially complete at year end and there are no expected issues with respect to the recoverability of receivable balances
- Disclosures in the financial statements are appropriate
- The financial statements have been correctly prepared on the going concern basis.





# **5. OTHER AUDIT FINDINGS**

## 5.1 Audit findings

We set out below the significant matters we became aware of during our audit, which relate to the effectiveness of the charity's accounting and financial control systems.

We have used the following grading system to indicate the significance of the issues we have raised and the priority that we believe should be given to our recommendations:



Should be urgently attended to by the directors and management. These are significant issues that may result in a qualification in the audit report in future periods if not satisfactorily addressed.





Issues requiring the attention of directors. These are ranked as moderate and require close monitoring by the Board and senior management to ensure timely resolution





Issues requiring management attention and correction. Issues ranked as low are generally routine in nature and should be resolved by management. The Board and management should be aware of these issues to enable monitoring of progress with their resolution

## 5.2 Issues noted from our audit testing

	Issue	Recommendation	Management Response
	<p><b>VAT Treatment</b> During our fieldwork and review of the trial balance we noticed some codes designated toward students in reference to their year for specific funds. Following the change to VAT rules for private schools, if funding is provided for specific students directly then this becomes a VAT-able supply.</p>	<p>We have been made aware this purely a cosmetic issue in line with how the funds were used previously. We recommend renaming these codes within the trial balance to avoid any confusion in relation the VAT exemption of the funding provided by the Foundation to the Schools.</p>	
	<p><b>Income Reconciliation</b> On reconciling the income per the trial balance to the income schedules, it was noted that there was a difference of £1,271. An unadjusted misstatement has been noted in section 6.</p>	<p>We recommend that the income schedules are reconciled to the trial balance regularly and discrepancies investigated and resolved.</p>	

## 5.2 Issues noted from our audit testing

	Issue	Recommendation	Management Response
	<p><b>Funds Workings</b> During the audit we were not provided with a funds schedule, detailing the movements within each fund for us to review and audit.</p>	<p>Whilst we acknowledge that management monitor the closing balance of each fund, we recommend keeping an up-to-date record of all income and expenditure that is specifically attributable to each fund.</p>	
	<p><b>Opening Balances</b> It was noted that the adjusting journal entries from the prior year accounts preparation had not been posted. Opening funds therefore did not agree to the prior year closing funds.</p>	<p>It is understood that the adjusting entries were not provided to the finance team by the previous accountants.</p> <p>A listing will be provided for the year end 31 August 2025 for the finance team to post.</p>	



# **6. ADJUSTED AND UNADJUSTED** **MISSTATEMENTS**

## 6.1 Adjusted Misstatements

Here we have summarised any adjusted misstatements identified from our testing.

Description	SOFA	Balance Sheet	Increase/(decrease) on funds
Dr Expenditure Cr Income <b>Being recognition of donated services by RGSW</b>	144,400 (144,400)		
Dr Opening Funds Cr SOFA <b>Being posting of opening balance adjustments</b>	(8,867)	8,867	8,867

## 6.2 Unadjusted Misstatements

Here we have summarised any unadjusted misstatements identified from our testing that are above our clearly trivial level.

Description	SOFA	Balance Sheet	Increase/(decrease) on funds
Being difference between income spreadsheets and income per the financial statements	(1,271)	1,271	1,271



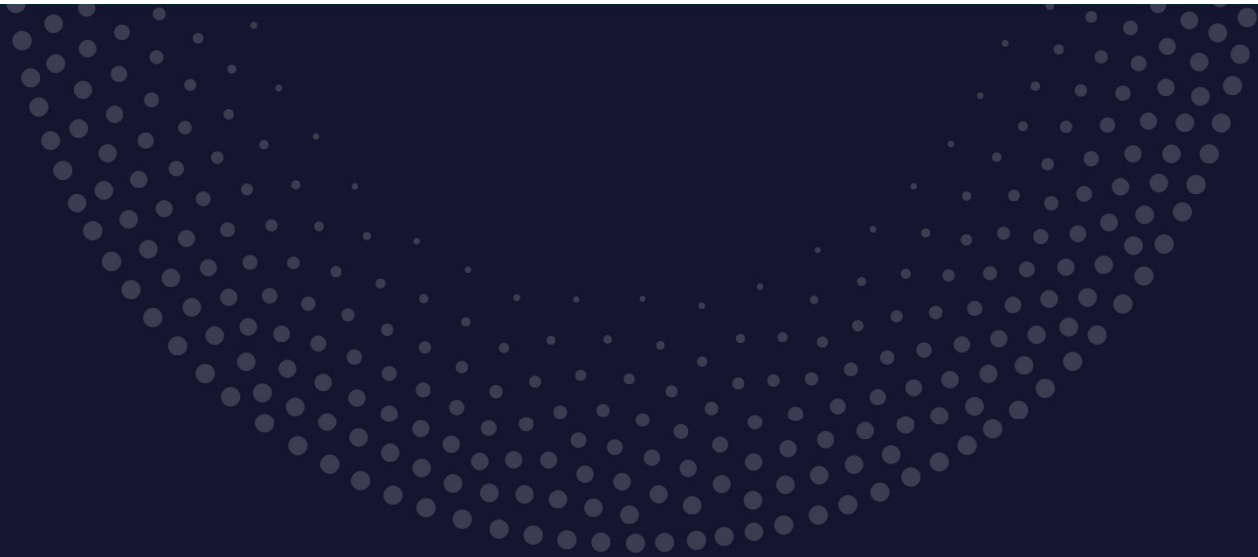


# **7. COMMUNICATION OF AUDIT MATTERS**

## 8.1 Communication of audit matters

ISA 260 prescribes matters which we are required to communicate with those charged with governance, and which we set out in the table below:

Our Communication Plan	Audit Planning	Audit Completion
Respective responsibilities of auditor and management/those charged with governance.	✓	
Overview of the planned scope and timing of the audit. Form, timing and expected general content of communications	✓	
Views about the qualitative aspects of the Charity accounting and financial reporting practices, significant matters and issue arising during the audit and written representations that have been sought		✓
Confirmation of independence and objectivity	✓	
A statement that we have complied with relevant ethical requirements regarding independence. Relationships and other matters which might be thought to bear on independence. Details of safeguards applied to threats to independence.		✓
Material weaknesses in internal control identified during the audit		✓
Identification or suspicion of fraud involving management and/or which results in material misstatement of the financial statements		✓
Noncompliance with laws and regulations		✓
Expected modifications to the auditor's report, or emphasis of matter		✓
Uncorrected misstatements		✓
Significant matters arising in connection with related parties		✓
Significant matters in relation to Going Concern		✓



Ballards LLP is a limited liability partnership registered in England with registered no. OC302548

A list of members of the LLP is displayed at the registered office, together with a list of those non-members who are designated as partners. We use the word 'partner' to refer to a member of the LLP, or an employee or consultant with equivalent standing and qualification.



**THE RGSW AND AOS FOUNDATION**

England & Wales - Charity number 1170217

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# Accounts

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Registered number: 10326313  
Charity number: 1170217

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2024**

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**Trustees**

Mr Timothy Stephen Curtis (Chair)  
Mrs Rosemary Frances Ham  
Mrs Rachel Wyatt (resigned 23 November 2023)  
Mr Jonathan David Arr (Deputy Chair until 23 November 2023) (resigned 13 June 2024)  
Mr Andrew Hampden Greenway (resigned 21 November 2024)  
Mr Gary Paul Rouse (Deputy Chair until 21 November 2024)  
Mr John Mark Gibson  
Mrs Katharine Mary Wormington (Deputy Chair from 21 November 2024)  
Mrs Yvonne Wood  
Mr Michael William Bourne (appointed 23 November 2023)  
Mr Mark Heric Beardmore (appointed 13 March 2025)

**Company registered number**

10326313

**Charity registered number**

1170217

**Registered office**

The Royal Grammar School Worcester  
Upper Tything  
Worcester  
WR1 1HP

**Senior management team**

Scott MacDonald, Foundation Director

**Independent auditor**

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

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Bankers**

Lloyds Bank  
4 The Cross  
Worcester  
WR1 3PY

**Solicitors**

Stallard March and Edwards (SME Solicitors)  
8 Sansome Walk  
Worcester  
WR1 1LW

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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The Trustees present their annual report together with the audited financial statements of the Company for the 1 September 2023 to 31 August 2024. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees 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).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

### **Objectives and activities**

#### **a. Policies and objectives**

The Foundation is a separate charity to RGS Worcester (the 'School') which comprises RGS Worcester, RGS Springfield, RGS The Grange and RGS Dodderhill. Reference to the School(s), RGS or RGSW in the following report should be taken to mean any and/or all of the four RGSW schools. The Foundation undertakes activities solely to support the School and its pupils. The Foundation is governed by its Articles of Association. It also has policies to cover its operation including the recruitment of suitable trustees, their ongoing fitness to be a trustee, conflicts of interest, the running of decision making meetings, and its ethical approach to fundraising. Trustees are bound by its Code of Practice and submit declarations of interest. All trustees are subject to DBS checks. The Foundation's Objects from the Articles of Association are:

- (a) advancing the education of the pupils at the Schools by:
  - (i) providing and assisting in the provision of facilities and resources (including premises, equipment and services) for education at the Schools;
  - (ii) awarding to pupils at the Schools (or for their benefit) bursaries, scholarships, maintenance allowances or grants, or making loans to pupils or for their benefit, or providing pupils with books, equipment or clothing for the purposes of their education;
  - (iii) providing any part of their education (including the study of music or other arts or social or physical education);
  - (iv) assisting them to undertake travel in furtherance of their education;
  - (v) helping them to prepare for entry into any other educational establishment or into any occupation, trade or profession on leaving the Schools;
  - (vi) developing their mental, physical and moral capabilities through leisure time activities.
  
- (b) advancing the education of persons who are educated by or with the support of the Schools Charity by supporting the charitable objects of the Schools Charity, by:
  - (i) making grants or loans or otherwise providing financial support to the Schools Charity for its general charitable purposes or for specific charitable purposes;
  - (ii) doing in relation to the Schools Charity and its charity beneficiaries any of the things which are permitted in relation to the Schools and their pupils by article 2.1(a);
  
- (c) in connection with the Schools or the Schools Charity, promoting the education of people under the age of 25 years in the county of Worcestershire in such ways as the Trustees think fit, including by:
  - (i) enabling them to have access to and to make use of educational facilities and resources of the Schools or of the Schools Charity; or
  - (ii) attending the Schools.

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Objectives and activities (continued)**

**b. Activities for achieving objectives**

To support the School with financial donations to provide:

- additional means-tested Bursary Awards and hardship grants;
- improvements to the RGS Schools' estate;
- the ability to undertake other smaller projects to further education provision within the Schools.

The Trustees have tasked the Foundation Office led by the Foundation Director to instigate fundraising across the following areas:

- directing fundraising appeals to alumni, ex-staff and parents with the request they support the provision of additional Bursary Awards at RGS Schools to enable children whose families who could not otherwise afford the fees to receive an RGS education;
- directing fundraising appeals to alumni, parents and ex-staff seeking donations towards the development of Capital Projects;
- requesting parents of each Upper Sixth leaving group donate their child's refundable joining deposit to support Bursary Awards or hardship grants or other initiatives identified by the Headmaster;
- directing fundraising appeals to alumni, ex-staff and parents with the request they make a legacy gift to the Foundation in order to provide funding in support of Bursary Awards at the School or other aspects they would most like to support in the School;
- applying for grants from awarding foundations and organisations in support of the Foundation's objectives;
- publishing an annual Impact Report that explains what funds have been raised and how they have been applied to generate outcomes aligned to the Charity's Objects.

**c. Main activities undertaken to further the charity's purposes for the public benefit**

In setting objectives and planning activities, the School's Governors have given careful consideration to the Charity Commission's general guidance on Public Benefit. The Foundation works to advance the education of pupils at the RGS Worcester Family of Schools and in doing so, actively helps to deliver the Public Benefit delivered by RGS. It will do this by widening access to the School through the provision of additional bursary supported places. These will be available to children from local families who meet the academic entrance requirements but would not otherwise be able to afford the school fees. Places funded by donations will be in addition to those funded by the School. Bursaries will be means-tested to ensure all recipients are in genuine need of the financial support.

The Foundation will also raise funds to support capital projects at RGS Worcester that will further the provision of education and where appropriate will benefit the local community. For example, the Foundation Office raised funds for the Worcester International Hockey Centre that has been developed by RGS in partnership with Worcester Hockey Club, with the full support of Worcester City Council. The new facility opened in November 2021 and offers international standard pitches that will attract top coaches and will widen community access to the sport. This Centre is used by RGS pupils and is also available to Worcester Hockey Club members, pupils from other local schools and students from the University of Worcester.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Achievements and performance**

**a. Review of activities**

Tim Curtis continued as Chair of the Foundation and Gary Rouse continued to chair the Finance Committee. Michael Bourne, President of the alumni association (AOOEs) became a Trustee in November 2023. Jonny Arr stepped down as a Trustee in June 2024 and Andrew Greenway informed the Board of his intention to step down at the AGM in November 2024 to focus on his role as Chair of Governors for RGS Worcester.

The Trustees have identified 12 as being the optimal number of Trustees on the Board and will appoint new Board members when suitable candidates have been identified. The Trustees have undertaken a skills audit to identify areas of expertise that would be helpful to address when appointing new Trustees.

During 2023-24 the use of online and hybrid meetings enabled the charity to fulfil its role on behalf of the School and its pupils. Hybrid working remains an option to maximise Trustee participation at meetings and to offer convenience to the Trustees, who are all volunteers.

The Foundation Office team remained stable with the four team members continuing in post. The Development and Alumni Relations Manager notified her intention to depart RGS at Christmas 2024 to relocate overseas. RGS has committed to recruiting a successor and there will be Trustee input to the appointment.

Bursary Awards remained the priority fundraising objective for the Foundation to support the School.

There were three major fundraising activities during the year: a dinner in November 2023 with prospective major donors in London sponsored by a former pupil; the sale in December 2023 of the house gifted to the Foundation in June 2022 by a former pupil and to be disposed of to raise funds for Bursary Awards; the second RGS Giving Day in April 2024. In addition, to these events there was the ongoing work to recruit regular donors and to secure legacy gifts. Existing sponsors of Bursary Awards continued to provide support to which they have committed and this included two 100% Bursary Awards.

No major capital projects that require fundraising are planned for the near future, enabling the Foundation to focus on extending Bursary Awards provision.

**b. Fundraising activities**

The Foundation charity is run by the Foundation Office which is part of the School and its staff are employees of RGS Worcester. The Foundation Office seeks donations from the alumni of RGS Worcester, the Alice Ottley School (AOS) and Dodderhill School, as well as from parents of pupils at the four RGS schools. Grant applications are made to awarding bodies that can help the Foundation to support the work of the School. Prospective donors are asked to support bursaries, capital projects and the provision of smaller items to further the education of pupils at RGS.

The Foundation Office manages an alumni website ([www.rgswandaos.foundation](http://www.rgswandaos.foundation)) which provides details of the areas for which funds are required and provides an online giving facility that incorporates Gift Aid, where applicable. Opportunities to donate were also outlined in the annual Impact Report which was circulated in December 2023, as well as in direct mailing requests and on social media posts.

The Trustees provide the oversight and set the strategic fundraising objectives for the charity. The Foundation subscribes to the Fundraising Regulator. The Foundation Office conducts fundraising for the charity and abides by the Fundraising Code published by the Fundraising Regulator. There were no failures to report from the reporting period.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Achievements and performance (continued)**

Trustees regularly review the activities of the Foundation Office and meet with its staff formally each term to discuss fundraising activities and priorities. Trustees also speak with the Foundation Office staff between formal Board meetings through the Finance Committee and Working Groups meetings or individual contact when relevant.

No complaints have been received to date regarding the Foundation, the Foundation Office staff or the Trustees.

The Foundation Office provides mechanisms for alumni, ex-staff and parents to change their communication preferences which include enabling anyone to stop further contact from the Foundation Office within all its communications. As soon as an individual makes a request to cease receiving contact from the Foundation Office either via a particular channel or from all channels, this is actioned and recorded to prevent staff in the future from inadvertently making contact. When made aware, the Foundation Office promptly ceases communications with anyone who may not have the capacity to understand a fundraising request (e.g. when an individual moves into a care home or a parent/partner/child informs of a health issue impacting someone who would otherwise wish to receive communications).

**c. Investment policy and performance**

The Trustees have to strike a balance between growing the capital base of the endowment funds at a rate that exceeds inflation while minimising the risk to the capital donated. The Foundation's Investment Policy does not include specific cash value or percentage growth targets beyond the rate of inflation. Trustees monitor the performance of the funds on a regular basis through the Finance Committee. For funds held on deposit, fixed term investments are used to maximise the interest available while maintaining the necessary level of liquidity.

The Trustees have maintained a cautious approach to investments during a period of considerable global market uncertainty, due largely to the war in Ukraine and the Middle East, the US Presidential election and fluctuating inflation. The Foundation's Investment Policy frames the Board's approach to investing, reviewing performance and decision making. All investments are made with ethical considerations being central to the decision-making process.

The Board retained the charity's investments in CCLA's Charities Ethical Investment Fund throughout the year.

The COIF Charities Ethical Investment Fund has a number of exclusions to its portfolio, for example: Companies that derive more than 5% of their income from the extraction of oil sands or energy coal; Companies that derive more than 10% of their revenue from extracting and refining coal, oil or gas; Investment is prohibited if companies are involved in the production of nuclear weapons, landmines or cluster munitions; no Sovereign Debt from countries identified by the Ethical Fund Advisory Committee as being the most oppressive; Companies that derive 10% or more from tobacco, alcohol or gambling. A full list of exclusion criteria can be viewed on the fund factsheet which is available on the website ([www.CCLA.co.uk](http://www.CCLA.co.uk)).

Performance will continue to be monitored by the Finance Committee in line the Foundation's Investment Policy. The Trustees have committed to investing endowed funds in products that actively pursue ethical investing policies because this reflects the values of the Trustees, as well as of the School which the Foundation exists to support. The Finance Committee tracks the value of invested funds and reviews the investment strategy regularly to ensure it satisfies a medium-low risk approach and meets ethical and responsible investment criteria. The Finance Committee reviewed the Investment Policy during the year and recommended to the Board that the point at which Trustees will engage the services of professional investment specialists to review options and advise the Board to enable decisions to be taken be raised from £1m to £3m.

**The Alice Ottley Bursary Fund.** In December 2017, 1,718 units held in COIF Charities Investment Fund (valued at £25,266) which had been purchased with donations for the AO Bursary fund were transferred from The Royal Grammar School Worcester to The RGSW and AOS Foundation. Funds of £75,279 were held in

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Achievements and performance (continued)**

COIF Charities Ethical Investment Fund as at 31 August 2024.

**The Anthony Reay Wheeler Bursary Fund.** This fund was designated in May 2013 with the legacy from a former Master of the School. In December 2017, 24,163 units held in COIF Charities Investment Fund (valued at £355,335) including some restricted funds were transferred from The Royal Grammar School Worcester to The RGSW and AOS Foundation. The funds were transferred as unrestricted funds and designated by the Trustees of The RGSW and AOS Foundation. Funds of £612,920 were held in COIF Charities Ethical Investment Fund as at 31 August 2024.

**The Foundation Annual Fund.** Trustees endorsed the decision that this fund was to be drawn down and closed with the funds being moved to the Lloyds Bank account and then reinvested.

**The Chris and Dorothy Dyer Science & Technology Bursary Fund.** Trustees opened a new account with CCLA to invest the funds raised from the sale of the house in Malvern that Chris so generously donated to the Foundation. £400,000 was used to purchase units in the COIF Charities Investment Fund in September 2024.

**Financial review**

**a. Going concern**

At the time of reporting, the School is preparing for the introduction of VAT on school fees in January 2025. This had been trailed by the Labour Party as a priority policy change so robust planning was in place at RGS to prepare for this change. The removal of charity business rate relief in April 2025 was anticipated and budgeted for by the School. Despite these challenges, pupil numbers have grown and the School remains in a stable financial position.

The impact of VAT on School fees will be monitored closely by the School Governors. HMRC has issued guidance that confirms where Bursary Awards are funded by a grant awarding body such as the charity then VAT will not be applicable. This means that the level of funds projected to be awarded to RGS can be met on existing projections for 2024-25.

RGS Worcester remains fully committed to growing the number of Bursary Awards it can offer through the funds raised by the Foundation Office. The RGS Board of Governors is continuing to provide the resources needed to run the fundraising activities for the Foundation.

The Foundation Trustees continue to monitor the Foundation's ability to conduct fundraising operations. Despite the current circumstances, the Trustees believe that the charity's financial resources and contingency planning is sufficient to ensure the ability of the company to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**b. Financial review**

During the year income from donations and legacies totalled £502,555 (2023: £361,208) and investment income totalled £27,572 (£20,218). The second Giving Day held in April 2024 was very successful and raised £152k which is reflected in the growth in donations. Expenditure totalled £383,367 (2023: £318,800) of which £223,618 (2023: £170,411) was on charitable activities. The increase was driven by an increase in the value of grants made to RGS Worcester which totalled £208,507 (203: £141,634). Investment gains totalled £62,366 (2023: loss of £57,775). Cash balances increased to £815,701 (2023: £190,280) following the sale of the investment property. The Trustees consider the Foundation to be in a sound financial position with sufficient reserves.

The Trustees consider the Foundation to be in a sound financial position with sufficient reserves.

**c. Reserves policy**

The Trustees will endeavour to transfer to the School as much of the funds raised as soon as possible while committing to a sustainable amount over a three year period that is reviewed regularly and to growing the endowment funds to build a longer term predictable income. This commitment will help the School to plan its Bursary Award allocation.

Trustees observe the constraints placed on restricted gifts and any statement of wishes made on unrestricted gifts. Where gifts have been received for either of the named bursary funds (the A R Wheeler Bursary Fund and the Alice Ottley Bursary Fund) these will be added to grow the capital base treating these as endowment funds. The annual income earned from the capital will be transferred to fund bursary places at the School. Donations to the Foundation Bursary Fund which is not an endowment fund will be normally be transferred to the School within 18 months to support Bursary Awards on an ongoing basis. The gifts received to support Hardship will be allocated as awards for specific pupils to the School as needed, usually within twelve months of receipt.

Bursary gifts covering multiple years that are donated in advance by sponsors for particular pupils will be held by the Foundation and drawn from investments as required each year for transfer to RGS.

At the year end the Foundation had restricted funds of £1,126,534 (2023: £955,255) and designated funds of £354,154 (2023: £318,500). Unrestricted and free reserves at the year-end are £23,542 (2022: £21,349). This is set out in note 14.

The Foundation is able to maintain unrestricted and free reserves as £nil as The Royal Grammar School Worcester meets all costs of running the Foundation Office, including the costs of events and publications and the salaries of the Foundation Office staff.

**Structure, governance and management**

**a. Constitution**

The company is constituted under a Memorandum of Association dated 11 August 2016 and is a registered charity number 1170217.

The company was incorporated on 11 August 2016 and commenced trading on that date.

The principal object of the company is to advance the education of pupils at RGS Worcester. It undertakes fundraising to support Bursary Awards provision and to assist with capital projects across the RGS Schools.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Structure, governance and management (continued)**

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

New Trustees are normally appointed at termly meetings on the basis of nominations from a committee of Trustees. All nominations are made on the basis of eligibility, personal competence, specialist skills and availability.

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Policies adopted for the induction and training of Trustees.

New Trustees undertake a formal induction process under the guidance of a fellow Trustee and the Foundation Director which covers the workings of the Charity, including Policies, Procedures, Finances and Governance. Trustees are required to be DBS checked.

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

No payments have been made by the Foundation to any of the Trustees and the Foundation Office staff remain employed by RGS Worcester so are subject to the policy implemented by the School.

**d. Organisational structure and decision making**

The Board of Trustees convenes formally once per school term to review the work of the Foundation Office and to formally make decisions to enable the Foundation grow. In between these Board meetings smaller working groups or sub committees (e.g. the Finance Committee) can and do meet. If time critical decisions need to be taken the Chair circulates the information electronically to Trustees to enable agreement to be reached. This is then conveyed to the Foundation Director for implementation.

Hybrid working has led to the use of video conferencing and this has worked well for the Trustees. Trustees are appointed for a three year term and minimum of three RGS Governors will serve as Trustees. The Trustees are aware of the charity governance code and the Foundation voluntarily subscribes to the Fundraising Regulator code of practice.

Periodically, Trustees will review the guidance in order to ensure that the Charity is working in line with the code, in all ways where it is practical to do so.

**e. Related party relationships**

The Foundation exists to advance education at the RGS Worcester Family of Schools. At least three Trustees are also Governors of the School to ensure strategic alignment is maintained between the two entities. The School finances and staffs the Foundation Office and the Headmasters and Headmistresses of the four RGS Schools attend the Trustee Board meeting, as does the Director of Finance and Operations.

**f. Risk management**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate its exposure to the major risks. The Trustees are mindful of the need to maximise the income generated from the capital base of the two endowment bursary funds held within the Foundation, as well as to preserve the value of other donations ahead of them being transferred to RGS. This must be done against the backdrop of volatile market conditions, so the Board tasked members of the Finance Committee to review and monitor the choice of investments held in COIF units and to consider alternative options to mitigate against stock market fluctuations.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Structure, governance and management (continued)**

The Finance Committee reported to the Board that CCLA is a solid choice of provider within the market place for what the charity required but that they will remain alert to alternative providers.

**Plans for future periods**

**a. Future developments**

The Board will recruit additional Trustees to help further the work of the Foundation Office and will seek guidance where necessary to help them to fulfil their roles for the Foundation.

The full findings from the Review of the Foundation Office undertaken by Graham Pelton (UK) Ltd Consultants will continue to be implemented by the Foundation Office now that staffing levels are commensurate with the recommendations for increasing fundraising activity and alumni engagement.

The Case for Support for Bursary Awards at RGS has been widely circulated along with the annual Impact Report which featured testimonials from Bursary Award recipients. Further testimonials will be gathered and shared across communication channels to encourage giving. The Case for Support will be revisited during 2025.

Long term fundraising targets linked to the School's revised Strategic Development Plan have been set by the Trustees for the Foundation Office. These targets were shared with the School Community in the 'Change a Life' Bursary brochure that was circulated in December 2022. A comprehensive financial tracking and forecasting model has been adopted to enable progress to be tracked alongside a range of engagement KPIs for the Foundation Office.

The primary focus for fundraising in 2024-25 will remain on Bursary Awards in order to widen access to the School. Following the extremely successful Giving Day held in April 2024, the Foundation Office will take a tactical pause on this format of fundraising in 2025 to allow the VAT on fees to be embedded. This approach is in line with many independent schools. There will be a focus on major gifts and regular giving to replace funds that the Giving Day would generate.

To help recruit donors the number of alumni engagement events will continue to increase significantly during 2024-25 with a rolling programme of gatherings designed to solicit gifts and to inform alumni about the impact the Foundation is making on young lives. The second Old Elizabethans Weekend in September 2024 where over 200 alumni participated in a range of events was very well received and this is now firmly established in the School calendar. Trustees will support the Foundation Office team and School Leadership at a number of these events.

Targeted engagement with current and prospective major donors will be undertaken by the Foundation Director to solicit major gifts which will complement increasing the donor pool by recruiting a number of additional regular donors. This will include engaging with high net worth individuals in London and in Worcestershire.

Legacy pledges will continue to be solicited to ensure future donations are in the pipeline and there will be a campaign during the year to increase the number of known pledges, as well as to steward them through a Legacy Society. A second Legators Lunch was held in June 2024 and this will continue to be an annual stewardship event along with the Gala Night performance of the School's drama production in November 2024.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

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

**Disclosure of information to auditor**

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

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

**Auditor**

The auditor, Crowe U.K. LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



**Mr Timothy Stephen Curtis**

Chair

Date: 11/4/25

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**THE RGSW AND AOS FOUNDATION**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**

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**Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

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

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

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**THE RGSW AND AOS FOUNDATION**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**  
(CONTINUED)

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**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees 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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has 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 Trustees' 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

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**THE RGSW AND AOS FOUNDATION**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**  
**(CONTINUED)**

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**Responsibilities of trustees**

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

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

**Auditor's responsibilities for the audit of the financial statements**

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

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

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

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

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance & General Purpose Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**  
(CONTINUED)

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regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

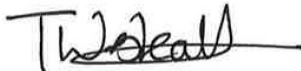
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**Use of our report**

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



**Tara Westcott (Senior statutory auditor)**

for and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

Fourth Floor

St James House

St James Square

Cheltenham

GL50 3PR

Date: 25 April 2025

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
<b>Income from:</b>					
Donations and legacies	3	324,346	178,209	502,555	361,208
Investments	4	27,572	-	27,572	20,218
<b>Total income</b>		<b>351,918</b>	<b>178,209</b>	<b>530,127</b>	<b>381,426</b>
<b>Expenditure on:</b>					
Raising funds	5	-	159,749	159,749	148,389
Charitable activities	6	207,351	16,267	223,618	170,411
<b>Total expenditure</b>		<b>207,351</b>	<b>176,016</b>	<b>383,367</b>	<b>318,800</b>
<b>Net income before net gains/(losses) on investments</b>		<b>144,567</b>	<b>2,193</b>	<b>146,760</b>	<b>62,626</b>
Net gains/(losses) on investments		26,712	35,654	62,366	(57,775)
<b>Net movement in funds</b>		<b>171,279</b>	<b>37,847</b>	<b>209,126</b>	<b>4,851</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward as restated		955,255	339,849	1,295,104	1,290,253
Net movement in funds		171,279	37,847	209,126	4,851
<b>Total funds carried forward</b>		<b>1,126,534</b>	<b>377,696</b>	<b>1,504,230</b>	<b>1,295,104</b>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 20 to 34 form part of these financial statements.

**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 10326313**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Investments	10	688,199	667,775
Investment property	9	-	460,000
		<u>688,199</u>	<u>1,127,775</u>
<b>Current assets</b>			
Debtors	11	330	-
Cash at bank and in hand		815,701	190,280
		<u>816,031</u>	<u>190,280</u>
Creditors: amounts falling due within one year	12	-	(22,951)
<b>Net current assets</b>		<u>816,031</u>	<u>167,329</u>
<b>Total net assets</b>		<u><u>1,504,230</u></u>	<u><u>1,295,104</u></u>
<b>Charity funds</b>			
Restricted funds	14	1,126,534	955,255
Unrestricted funds	14	377,696	339,849
<b>Total funds</b>		<u><u>1,504,230</u></u>	<u><u>1,295,104</u></u>

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 10326313**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2024**

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



**Mr Timothy Stephen Curtis**

Chair

Date: 11/4/25

The notes on pages 20 to 34 form part of these financial statements.

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	17	103,741	66,862
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		19,738	20,218
Proceeds from sale of investments		114,942	-
Purchase of investments		(73,000)	-
Proceeds from sale of investment property		460,000	-
<b>Net cash provided by investing activities</b>		<b>521,680</b>	<b>20,218</b>
<b>Change in cash and cash equivalents in the year</b>		<b>625,421</b>	<b>87,080</b>
Cash and cash equivalents at the beginning of the year		190,280	103,200
<b>Cash and cash equivalents at the end of the year</b>	18	<b>815,701</b>	<b>190,280</b>

The notes on pages 20 to 34 form part of these financial statements

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

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

The RGSW and AOS Foundation 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.

**1.2 Company status**

The company is a company limited by guarantee, registered in England and Wales, number 10326313. The company is also registered as a charity, number 1170217. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. The company's registered office and principal place of business is The Foundation Office, The Royal Grammar School Worcester, Upper Tything, Worcester, WR1 1HP.

**1.3 Going concern**

The Foundation Trustees continue to monitor the Foundation's ability to conduct fundraising operations. Despite the current circumstances, the Trustees believe that the charity's financial resources and contingency planning is sufficient to ensure the ability of the company to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

**1.4 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.

Legacies are accounted for based on settlement of the estate or receipt of payment, whichever is the earlier.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**1. Accounting policies (continued)**

**1.5 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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**1.6 Interest receivable**

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

**1.7 Investments**

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

The Foundation was gifted a property during the year which is held at fair value as an investment property whilst its sale is pending.

**1.8 Debtors**

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

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**1. Accounting policies (continued)**

**1.9 Cash at bank and in hand**

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

**1.10 Financial instruments**

The charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

**Debtors**

Short term debtors are measured at transaction price, less any impairment.

**Creditors**

Short term creditors are measured at transaction price.

**Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

**1.11 Fund accounting**

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

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

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

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

**2. 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:

**Donated services and facilities**

The Foundation received donated services and facilities from the Royal Grammar School Worcester relating to staff costs, fundraising costs, office space and audit fees. The staff costs are calculated based on the percentage of each staff members' time spent on providing services to the charity. Premises costs are estimated by applying a market rate to the size of the office occupied.

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**3. Income from donations and legacies**

	<b>Restricted funds</b>	<b>Unrestricted funds</b>	<b>Total funds</b>
	<b>2024</b>	<b>2024</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Donations and legacies	324,346	3,349	<b>327,695</b>
Donated services and facilities	-	174,860	<b>174,860</b>
	324,346	178,209	<b>502,555</b>
	324,346	178,209	<b>502,555</b>
	<i>Restricted funds</i>	<i>Unrestricted funds</i>	<i>Total funds</i>
	<i>2023</i>	<i>2023</i>	<i>2023</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Donations	207,198	-	207,198
Donated services and facilities	-	154,010	154,010
	207,198	154,010	361,208
	207,198	154,010	361,208

**4. Investment income**

	<b>Restricted funds</b>	<b>Total funds</b>
	<b>2024</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Income from COIF units	19,739	<b>19,739</b>
Bank interest	7,833	<b>7,833</b>
	27,572	<b>27,572</b>
	27,572	<b>27,572</b>
	<i>Restricted funds</i>	<i>Total funds</i>
	<i>2023</i>	<i>2023</i>
	<i>£</i>	<i>£</i>
Income from COIF units	17,040	20,218
	17,040	20,218
	17,040	20,218

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THE RGSW AND AOS FOUNDATION  
(A company limited by guarantee)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

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5. Expenditure on raising funds

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Events, publications and software	28,605	<b>28,605</b>
Staff costs	131,144	<b>131,144</b>
	<hr/> <b>159,749</b> <hr/>	<hr/> <b>159,749</b> <hr/>
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Events, publications and software	25,362	25,362
Staff costs	123,027	123,027
	<hr/> <b>148,389</b> <hr/>	<hr/> <b>148,389</b> <hr/>

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**6. Analysis of expenditure on charitable activities**

	<b>Restricted funds 2024 £</b>	<b>Unrestricted funds 2024 £</b>	<b>Total 2024 £</b>
Grants to RGS Worcester	207,351	1,156	<b>208,507</b>
Establishment, management and administration costs	-	15,111	<b>15,111</b>
	<u>207,351</u>	<u>16,267</u>	<u><b>223,618</b></u>

	<i>Restricted funds 2023 £</i>	<i>Unrestricted funds 2023 £</i>	<i>Total 2023 £</i>
Grants to RGS Worcester	138,433	3,201	141,634
Establishment, management and administration costs	23,156	5,621	28,777
	<u>161,589</u>	<u>8,822</u>	<u>170,411</u>

**7. Auditor's remuneration**

The auditor's remuneration amounts to an auditor fee of £4,500 (2023 - £3,000), and a fee for the preparation of the financial statements of £800 (2023 - £775).

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**8. Staff costs**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>131,144</b>	<b>123,027</b>
	<b>131,144</b>	<b>123,027</b>

No employee received remuneration amounting to more than £60,000 in either year.

All staff are employed by and paid for by The Royal Grammar School Worcester. These costs are shown as donated services and facilities.

Key management personnel are considered to be the Trustees and Senior Management. Total remuneration of key management personnel amounted to £65,692 (2022: £61,879) of which all costs were met by The Royal Grammar School Worcester.

**9. Investment property**

	<b>Freehold investment property £</b>
At 1 September 2023	<b>460,000</b>
Disposals	<b>(460,000)</b>
At 31 August 2023	<b>-</b>

**THE RGSW AND AOS FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**10. Fixed asset investments**

	<b>Unlisted investments £</b>
<b>Cost or valuation</b>	
At 1 September 2023	667,775
Additions	73,000
Disposals	(114,942)
Revaluations	62,366
At 31 August 2024	688,199

**11. Debtors**

	<b>2024 £</b>	<b>2023 £</b>
<b>Due within one year</b>		
Other debtors	330	-
	330	-

**12. Creditors: Amounts falling due within one year**

	<b>2024 £</b>	<b>2023 £</b>
Amounts owed to Royal Grammar School Worcester	-	15,630
Accruals	-	7,321
	-	22,951

**13. Financial instruments**

	<b>2024 £</b>	<b>2023 £</b>
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	688,199	667,775
	688,199	667,775

Financial assets measured at fair value through income and expenditure comprise investments.

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**14. Statement of funds**

**Statement of funds - current year**

	Balance at 1 September 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2024 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
A R Wheeler Bursary Fund	318,500	-	-	35,654	354,154
<b>General funds</b>					
General Funds - all funds	21,349	178,209	(176,016)	-	23,542
<b>Total Unrestricted funds</b>	<b>339,849</b>	<b>178,209</b>	<b>(176,016)</b>	<b>35,654</b>	<b>377,696</b>
<b>Restricted funds</b>					
A R Wheeler Bursary Fund	192,877	28,022	(15,620)	21,591	226,870
Alice Ottley Bursary Fund	57,873	4,229	(1,697)	5,121	65,526
Hardship Fund	468	2,027	(500)	-	1,995
Alumni Sponsorship	101,570	141,163	(92,983)	-	149,750
Foundation Bursary Fund	161,657	172,142	(82,612)	-	251,187
RJ & CJ Oates music scholarship	-	504	(504)	-	-
The Christopher and Dorothy Dyer Science and Technology Bursary Fund	438,810	3,831	(13,435)	-	429,206
Contemplation Area	2,000	-	-	-	2,000
	<b>955,255</b>	<b>351,918</b>	<b>(207,351)</b>	<b>26,712</b>	<b>1,126,534</b>
<b>Total of funds</b>	<b>1,295,104</b>	<b>530,127</b>	<b>(383,367)</b>	<b>62,366</b>	<b>1,504,230</b>

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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

**Designated funds:**

The A R Wheeler Bursary Fund (ARW Bursary Fund) was set up in 2013 and has been designated by the Governors as a fund to generate bursarial support. This Fund was transferred to The RGSW and AOS Foundation on its formation.

**Restricted funds:**

The Anthony Reay Wheeler Bursary Fund (ARW Bursary Fund): monies received for investing in the ARW Bursary Fund.

The Alice Ottley Bursary Fund: monies received for investing in the Alice Ottley Bursary Fund.

The Foundation Bursary Fund: for donations given in support of bursaries at RGS but unlike gifts to the two bursary endowment funds, these monies are to be transferred to the School within 18 months of being donated. Fundraising activities will ensure that the fund is continually replenished.

The Parent Music Scholarship: an annual donation given by an RGS family to cover the musical instrument tuition fees for a bursary recipient pupil.

The Christopher and Dorothy Dyer Science and Technology Bursary Fund: uses funds from the sale of Laurel Cottage to provide bursary places at RGS. Chris Dyer is a former pupil of RGS Worcester. He and his wife, Dorothy, live in the USA and Laurel Cottage was his UK family home which he gifted to the Foundation to help children access education at RGS. Chris has stipulated that up to two bursaries per year may be awarded at 50% of school fees until the funds are exhausted.

The RGSW Tree: a one-off gift to plant a tree at RGS from a former pupil, Kenneth Armson, who devoted his professional career to stewarding forests in Canada.

The Contemplation Area: a one-off gift from Kenneth Armson who wishes to provide a dedicated area in the grounds at RGS Worcester for pupils and staff who may value a space for quiet reflection.

Hardship Fund: this is used to make smaller, one off 'in year' grants to pupils whose families have often unexpected financial constraints. The grants can be used to assist with fees to help prevent disruption to the the education of pupils affected. The grants can also be applied to further the education of pupils in these circumstances by helping to fund activities such as: academic field trips or study courses; uniform purchases; provision of necessary individual classroom materials/equipment; the purchase of sports equipment; contributions towards the costs of sports tours and other co-curricular events.

Alumni Sponsorship: these are donations made to fund means-tested bursary places at the School for individual pupils.

Worcester International Hockey Centre:- donations made to the Foundation in support of the £400,000 capital RGS had to contribute to the development of the new Centre. Funds raised through 'Buy-a-Brick', sponsor a tree and grant awards.

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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

**Statement of funds - prior year**

	<i>Restated balance at 1 September 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2023</i>
	£	£	£	£	£
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
A R Wheeler Bursary Fund	329,308	-	-	(10,808)	318,500
<b>General funds</b>					
General Funds - all funds	21,372	157,188	(157,211)	-	21,349
<b>Total Unrestricted funds</b>	<b>350,680</b>	<b>157,188</b>	<b>(157,211)</b>	<b>(10,808)</b>	<b>339,849</b>
<b>Restricted funds</b>					
A R Wheeler Bursary Fund	188,731	25,015	(15,370)	(5,499)	192,877
Alice Ottley Bursary Fund	54,853	6,158	(1,670)	(1,468)	57,873
Hardship Fund	4,853	468	(4,853)	-	468
Alumni Sponsorship	150,575	32,079	(81,084)	-	101,570
WIHL Buy a Brick	15,667	-	(15,667)	-	-
WIHL Buy a Tree	500	-	(500)	-	-
Foundation Bursary Fund	21,904	155,353	(15,600)	-	161,657
RJ & CJ Oates music scholarship	490	-	(490)	-	-
The Christopher and Dorothy Dyer Science and Technology Bursary Fund	500,000	1,965	(23,155)	(40,000)	438,810
Contemplation Area	2,000	-	-	-	2,000
Giving - Ukraine	-	3,200	(3,200)	-	-
	<b>939,573</b>	<b>224,238</b>	<b>(161,589)</b>	<b>(46,967)</b>	<b>955,255</b>
<b>Total of funds</b>	<b>1,290,253</b>	<b>381,426</b>	<b>(318,800)</b>	<b>(57,775)</b>	<b>1,295,104</b>

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**15. Summary of funds**

**Summary of funds - current year**

	Balance at 1 September 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2024 £
Designated funds	318,500	-	-	35,654	354,154
General funds	21,349	178,209	(176,016)	-	23,542
Restricted funds	955,255	351,918	(207,351)	26,712	1,126,534
	<u>1,295,104</u>	<u>530,127</u>	<u>(383,367)</u>	<u>62,366</u>	<u>1,504,230</u>

**Summary of funds - prior year**

	<i>Restated balance at 1 September 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2023 £</i>
Designated funds	329,308	-	-	(10,808)	318,500
General funds	21,372	157,188	(157,211)	-	21,349
Restricted funds	939,573	224,238	(161,589)	(46,967)	955,255
	<u>1,290,253</u>	<u>381,426</u>	<u>(318,800)</u>	<u>(57,775)</u>	<u>1,295,104</u>

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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

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

	<b>Restricted funds 2024 £</b>	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Fixed asset investments	292,396	395,803	<b>688,199</b>
Current assets	834,138	(18,107)	<b>816,031</b>
<b>Total</b>	<b>1,126,534</b>	<b>377,696</b>	<b>1,504,230</b>

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

	<i>Restricted funds 2023 £</i>	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Fixed asset investments	246,631	421,144	667,775
Investment property	460,000	-	460,000
Current assets	248,624	(58,344)	190,280
Creditors due within one year	-	(22,951)	(22,951)
<b>Total</b>	<b>955,255</b>	<b>339,849</b>	<b>1,295,104</b>

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

	<b>2024 £</b>	<b>2023 £</b>
Net income for the period (as per Statement of Financial Activities)	<b>209,126</b>	4,851
<b>Adjustments for:</b>		
Gains on investments	<b>(62,366)</b>	57,775
Dividends, interests and rents from investments	<b>(19,738)</b>	(20,218)
(Increase)/Decrease in debtors	<b>(330)</b>	1,503
Increase/(decrease) in creditors	<b>(22,951)</b>	22,951
<b>Net cash provided by operating activities</b>	<b>103,741</b>	<b>66,862</b>

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**THE RGSW AND AOS FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**18. Analysis of cash and cash equivalents**

	2024 £	2023 £
Cash in hand	815,701	190,280
<b>Total cash and cash equivalents</b>	<b>815,701</b>	<b>190,280</b>

**19. Analysis of changes in net debt**

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	190,280	625,421	815,701
	<b>190,280</b>	<b>625,421</b>	<b>815,701</b>

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**20. Connected parties**

The Foundation exists to advance education at the RGS Worcester Family of Schools. A minimum of three Trustees are also Governors of the School to ensure strategic alignment is maintained between the two entities. The School funds and staffs the Foundation Office and the Headmasters and Headmistresses of the RGS Schools attend the Trustee Board meetings, as does the Director of Finance and Operations.

In December 2017, the A R Wheeler Bursary Fund and the restricted element of the Alice Ottley Bursary Fund were transferred from the School to the Foundation. The A R Wheeler Bursary Fund was valued at £355,335 and the Alice Ottley Bursary Fund was valued at £25,266. £5,800 of other restricted funds were also transferred to the Foundation.

Members of the RGS Worcester alumni association voted to dissolve the organisation at its AGM in May 2024. Prior to dissolution, in 2023, members agreed that the Association's assets should be transferred to the School as a restricted gift to be used for specified purposes, including supporting Bursary Awards at RGS Worcester. The RGS Leadership honoured this commitment by donating £60,000 from the association's assets gift to the Foundation for Trustees to apply as support the 2024 Giving Day appeal.

The Foundation made grants to the School in the year totalling £208,507 (2023: £141,634).

An amount of £Nil (2023: £16,630) was owing from the Foundation to the School at 31 August 2024.

The School paid for the running costs of the Foundation Office, including:

- salaries amounting to £131,144 (2023: £123,027) - *this is for the time that four RGS employees give to Foundation related activities*
- events and publications amounting to £18,482 (2023: £17,407),
- software costs amounting to £10,122 (2023: £7,955),
- establishment, management and administration costs amounting to £15,111 (2023: £5,621).

**THE RGSW AND AOS FOUNDATION**

England & Wales - Charity number 1170217

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# Accounts

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Registered number: 10326313  
Charity number: 1170217

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**Trustees**

Mr Timothy Stephen Curtis (Chair)  
Mrs Rosemary Frances Ham  
Mrs Rachel Wyatt (resigned 23 November 2023)  
Mr Jonathan David Arr (Deputy Chair until 23 November 2023)  
Mr Andrew Hampden Greenway  
Mr Gary Paul Rouse (Deputy Chair from 23 November 2023)  
Mr John Mark Gibson  
Mrs Katherine Mary Wormington  
Mrs Yvonne Wood  
Mr Michael William Bourne (appointed 23 November 2023)

**Company registered number**

10326313

**Charity registered number**

1170217

**Registered office**

The Royal Grammar School Worcester  
Upper Tything  
Worcester  
WR1 1HP

**Senior management team**

Scott MacDonald, Foundation Director

**Independent auditor**

Crowe U.K. LLP  
Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

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THE RGSW AND AOS FOUNDATION  
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
(CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023

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**Bankers**

Lloyds Bank  
4 The Cross  
Worcester  
WR1 3PY

**Solicitors**

Stallard March and Edwards (SME Solicitors)  
8 Sansome Walk  
Worcester  
WR1 1LW

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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The Trustees present their annual report together with the audited financial statements of the Company for the 1 September 2022 to 31 August 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees 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).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

### **Objectives and activities**

#### **a. Policies and objectives**

The Foundation is a separate charity to RGS Worcester (the 'School') which comprises RGS Worcester, RGS Springfield, RGS The Grange and RGS Dodderhill. Reference to the School(s), RGS or RGSW in the following report should be taken to mean any and/or all of the four RGSW schools. The Foundation undertakes activities solely to support the School and its pupils. The Foundation is governed by its Articles of Association. It also has policies to cover its operation including the recruitment of suitable trustees, their ongoing fitness to be a trustee, conflicts of interest, the running of decision making meetings, and its ethical approach to fundraising. Trustees are bound by its Code of Practice and submit declarations of interest. All trustees are subject to DBS checks. The Foundation's Objects from the Articles of Association are:

- (a) advancing the education of the pupils at the Schools by:
  - (i) providing and assisting in the provision of facilities and resources (including premises, equipment and services) for education at the Schools;
  - (ii) awarding to pupils at the Schools (or for their benefit) bursaries, scholarships, maintenance allowances or grants, or making loans to pupils or for their benefit, or providing pupils with books, equipment or clothing for the purposes of their education;
  - (iii) providing any part of their education (including the study of music or other arts or social or physical education);
  - (iv) assisting them to undertake travel in furtherance of their education;
  - (v) helping them to prepare for entry into any other educational establishment or into any occupation, trade or profession on leaving the Schools;
  - (vi) developing their mental, physical and moral capabilities through leisure time activities.
- (b) advancing the education of persons who are educated by or with the support of the Schools Charity by supporting the charitable objects of the Schools Charity, by:
  - (i) making grants or loans or otherwise providing financial support to the Schools Charity for its general charitable purposes or for specific charitable purposes;
  - (ii) doing in relation to the Schools Charity and its charity beneficiaries any of the things which are permitted in relation to the Schools and their pupils by article 2.1(a);
- (c) in connection with the Schools or the Schools Charity, promoting the education of people under the age of 25 years in the county of Worcestershire in such ways as the Trustees think fit, including by:
  - (i) enabling them to have access to and to make use of educational facilities and resources of the Schools or of the Schools Charity; or
  - (ii) attending the Schools.

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Objectives and activities (continued)**

**b. Activities for achieving objectives**

To support the School with financial donations to provide:

- additional means-tested bursary places and hardship funding;
- improvements to the RGS Schools' estate;
- the ability to undertake other smaller projects to further education provision within the Schools.

The Trustees have tasked the Foundation Office led by the Foundation Director to instigate fundraising across the following areas:

- directing fundraising appeals to alumni, ex-staff and parents with the request they support the provision of additional bursary places at RGS Schools. Donations will be used to fund places at the School to enable children whose families who could not otherwise afford the fees to receive an RGS education;
- directing fundraising appeals to alumni, parents and ex-staff seeking donations towards the development of Capital Projects;
- requesting parents of each Upper Sixth leaving group donate their child's refundable joining deposit to support bursaries or hardship awards or other initiatives identified by the Headmaster;
- directing fundraising appeals to alumni, ex-staff and parents with the request they make a legacy gift to the Foundation in order to provide funding in support of bursaries at RGS or other aspects they would most like to support in the School;
- applying for grants to awarding foundations and organisations in support of the Foundation's objectives;
- publishing an annual Impact Report that explains what funds have been raised and how they have been applied to generate outcomes aligned to the Charity's Objects.

**c. Main activities undertaken to further the charity's purposes for the public benefit**

In setting objectives and planning activities, the School's Governors have given careful consideration to the Charity Commission's general guidance on Public Benefit. The Foundation works to advance the education of pupils at the RGS Worcester Family of Schools and in doing so, actively helps to deliver the Public Benefit delivered by RGS. It will do this by widening access to the School through the provision of additional bursary supported places. These will be available to children from local families who meet the academic entrance requirements but would not otherwise be able to afford the school fees. Places funded by donations will be in addition to those funded by the School. Bursaries will be means-tested to ensure all recipients are in genuine need of the financial support.

The Foundation will also raise funds to support capital projects at RGS Worcester that will further the provision of education and where appropriate will benefit the local community. For example, the Foundation Office raised funds for the new Worcester International Hockey Centre that has been developed by RGS in partnership with Worcester Hockey Club, with the full support of Worcester City Council. The new facility opened in November 2021 and offers international standard pitches that will attract top coaches and will widen community access to the sport. This Centre is used by RGS pupils and is also available to Worcester Hockey Club members, pupils from other local schools and students from the University of Worcester.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Objectives and activities (continued)**

**Achievements and performance**

**a. Review of activities**

Tim Curtis continued as Chair of the Foundation. Jonny Arr remained as Deputy Chair and Gary Rouse chaired the Finance Committee. A Property Committee was created to oversee the sale process of the house that was donated to the Foundation in June 2022. The proceeds from the sale are to be used to support bursary places at RGS Worcester.

The Trustees have identified 12 as being the optimal number of Trustees on the Board and will appoint new Board members when suitable candidates have been identified. During the year the Board agreed that the President of the School's alumni association (AOOEs) should become an ex-officio Trustee subject to this being ratified at the Foundation AGM in November 2023.

During 2022-23 the use of online and hybrid meetings enabled the charity to fulfil its role on behalf of the School and its pupils. Hybrid working remains an option to maximise Trustee participation at meetings and to offer convenience to the Trustees, who are all volunteers.

Following the appointment of the Database Administrator in September 2022, the Foundation Office operates at the level of three full time equivalent (3FTEs) which was the structure recommended by the 2020 review conducted by consultants from Graham Pelton (UK) Ltd.

Bursaries remained the priority fundraising objective for the Foundation to support the School.

Undoubtedly, the highlight of the fundraising year was the inaugural RGS Giving Day which was held over 22/23 March 2023. This intense activity of fundraising over a short time window proved to be exceptionally successful with over £112,000 raised by 436 donors. Match funding and donor challenges helped to drive donations. Activities took place across the four RGS schools with pupils and staff embracing challenges related to 1291, the year of the earliest written record of the School. Pupils and staff wore green clothing on the Wednesday and even the catering had a green theme. Emails were sent to parents, alumni, staff and volunteers with various individuals acting as ambassadors. A significant portion of donors were first time supporters and the Foundation Office is stewarding them to facilitate future donations.

Existing bursary sponsors continued to provide support to pupils they already funded with one sponsor committing to funding a 100% bursary recipient from Year Seven through to the Upper Sixth (end of their school career). The donations made by individual sponsors were supplemented with smaller donations made as single gifts and as recurring gifts. A total of £103,165 was transferred from the Foundation to RGS during 2022/23 to fund bursary places representing 12.7% of the means-tested bursary funding awarded by the School during the academic year.

The property gifted to the Foundation in June 2022 has taken longer to sell than expected with several sales falling through due to the market conditions. The Trustees subsequently accepted an offer of £460,000 and the agreed sale finally completed on 6 December 2023. The funds realised will be used to support bursary places at RGS Worcester through the Chris and Dorothy Dyer Science and Technology Bursary Fund.

The project to develop an Indoor Tennis and Netball Centre on the RGS Worcester in partnership with the Lawn Tennis Association (LTA) was cancelled by the School Governors. No major capital projects that require fundraising are planned for the near future, enabling the Foundation to focus on extending Bursary provision.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Achievements and performance (continued)**

**b. Fundraising activities**

The Foundation charity is run by the Foundation Office which is part of the School and its staff are employees of RGS Worcester. The Foundation Office seeks donations from the alumni of RGS Worcester, the Alice Ottley School (AOS) and Dodderhill School, as well as from parents of pupils at the four RGS schools. Grant applications are made to awarding bodies that can help the Foundation to support the work of the School. Prospective donors are asked to support bursaries, capital projects and the provision of smaller items to further the education of pupils at RGS.

The Foundation Office manages an alumni website ([www.rgswandaos.foundation](http://www.rgswandaos.foundation)) which provides details of the areas for which funds are required and provides an online giving facility that incorporates Gift Aid, where applicable. Opportunities to donate were also outlined in the inaugural annual Impact Report which was circulated in December 2022, as well as in direct mailing requests and on social media posts.

The Trustees provide the oversight and set the strategic fundraising objectives for the charity. The Foundation subscribes to the Fundraising Regulator. The Foundation Office conducts fundraising for the charity and abides by the Fundraising Code published by the Fundraising Regulator. There were no failures to report from the reporting period.

Trustees regularly review the activities of the Foundation Office and meet with its staff formally each term to discuss fundraising activities and priorities. Trustees also speak with the Foundation Office staff between formal Board meetings through Working Groups meetings and individual contact when relevant.

No complaints have been received to date regarding the Foundation, the Foundation Office staff or the Trustees.

The Foundation Office provides mechanisms for alumni, ex-staff and parents to change their communication preferences which include enabling anyone to stop further contact from the Foundation Office within all its communications. As soon as an individual makes a request to cease receiving contact from the Foundation Office either via a particular channel or from all channels, this is actioned and recorded to prevent staff in the future from inadvertently making contact. When made aware, the Foundation Office promptly ceases communications with anyone who may not have the capacity to understand a fundraising request (e.g. when an individual moves into a care home or a parent/partner/child informs of a health issue impacting someone who would otherwise wish to receive communications).

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Achievements and performance (continued)**

**c. Investment policy and performance**

The Trustees have maintained a cautious approach to investments during a period of considerable global market uncertainty, due largely to the war in Ukraine, increasing energy costs and high inflation. The Foundation's Investment Policy frames the Board's approach to investing, reviewing performance and decision making. All investments will be made with ethical considerations being central to the decision-making process.

The Board retained the charity's investments in CCLA's Charities Ethical Investment Fund throughout the year. The COIF Charities Ethical Investment Fund has a number of exclusions to its portfolio, for example: Companies that derive more than 5% of their income from the extraction of oil sands or energy coal; Companies that derive more than 10% of their revenue from extracting and refining coal, oil or gas; Investment is prohibited if companies are involved in the production of nuclear weapons, landmines or cluster munitions; no Sovereign Debt from countries identified by the Ethical Fund Advisory Committee as being the most oppressive; Companies that derive 10% or more from tobacco, alcohol or gambling. A full list of exclusion criteria can be viewed on the fund factsheet which is available on the website ([www.CCLA.co.uk](http://www.CCLA.co.uk)).

Performance will continue to be monitored by the Finance Committee in line the Foundation's Investment Policy. The Trustees have committed to investing endowed funds in products that actively pursue ethical investing policies because this reflects the values of the Trustees, as well as of the School which the Foundation exists to support. The Finance Committee tracks the value of invested funds and reviews the investment strategy regularly to ensure it satisfies a medium-low risk approach and meets ethical and responsible investment criteria. When total cash funds held by the charity reaches £1m the Trustees will engage the services of professional investment specialists to review options and advise the Board to enable decisions to be taken. It is anticipated that this situation will arise during 2023-24 when Laurel Cottage is sold.

**The Alice Ottley Bursary Fund.** In December 2017, 1,718 units held in COIF Charities Investment Fund (valued at £25,266) which had been purchased with donations for the AO Bursary fund were transferred from The Royal Grammar School Worcester to The RGSW and AOS Foundation. Funds of £55,157 were held in COIF Charities Ethical Investment Fund as at 31 August 2023.

**The Anthony Reay Wheeler Bursary Fund.** This fund was designated in May 2013 with the legacy from a former Master of the School. In December 2017, 24,163 units held in COIF Charities Investment Fund (valued at £355,335) including some restricted funds were transferred from The Royal Grammar School Worcester to The RGSW and AOS Foundation. The funds were transferred as unrestricted funds and designated by the Trustees of The RGSW and AOS Foundation. Funds of £507,655 were held in COIF Charities Ethical Investment Fund as at 31 August 2023.

**The Foundation Annual Fund.** This fund comprises bursary donations to the Foundation other than those given for the two named endowment bursary funds. This fund includes the advance payments of fees for pupils being sponsored by donors which will be drawn down for payment to the School within five years. Funds of £104,960 were held as at 31 August 2023.

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Financial review**

**a. Going concern**

At the time of reporting, the Covid-19 pandemic appears to have ended in terms of impact but the war in Ukraine, the projected increase in energy costs, the high inflation rate and the market volatility affecting the value of sterling mean that the charity is operating in uncertain times. However, RGS has managed the pandemic and its aftermath exceptionally well through its globally recognised Digital Learning Programme, pupil numbers have grown and the School remains in a stable financial position.

The Trustees continue to monitor the Foundation's ability to conduct fundraising operations. Despite the current circumstances, the Trustees believe that the charity's financial resources and contingency planning is sufficient to ensure the ability of the company to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

Please see the Risk Management section of this report for more details of the projected impact on the Foundation.

**b. Financial review**

The Trustees consider the Foundation to be in a sound financial position with sufficient reserves.

**c. Reserves policy**

The Trustees will endeavour to transfer to the School as much of the funds raised as soon as possible while observing the constraints placed on restricted gifts and any statement of wishes made on unrestricted gifts, therefore maintaining minimal reserves. Where gifts have been received for either of the named bursary funds these will be added to grow the capital base treating these as endowment funds. The annual income earned from the capital will be transferred to fund bursary places at the School. Donations to the Foundation Bursary Fund which is not an endowment fund will be normally be transferred to the School within 12 months to support bursary places on an ongoing basis. The gifts received to support Hardship will be allocated as awards for specific pupils to the School as needed, usually within twelve months of receipt.

Bursary gifts covering multiple years that are donated in advance by sponsors for particular pupils will be held by the Foundation and drawn from investments as required each year for transfer to RGS. Commitments to the School for bursary places or capital projects may not be entered into by the Trustees if the projected costs cannot be met by anticipated income.

At the year end the Foundation had restricted funds of £955,255 (2022: £939,573) and designated funds of £318,500 (2022: £328,308). Unrestricted and free reserves at the year-end are £21,349 (2022: £21,372). This is set out in note 15 on page 32.

The Foundation is able to maintain unrestricted and free reserves as £nil as The Royal Grammar School Worcester meets all costs of running the Foundation Office, including the costs of events and publications and the salaries of the Foundation Office staff.

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Structure, governance and management**

**a. Constitution**

The company is constituted under a Memorandum of Association dated 11 August 2016 and is a registered charity number 1170217.

The company was incorporated on 11 August 2016 and commenced trading on that date.

The principal object of the company is to advance the education of pupils at RGS Worcester. It undertakes fundraising to support bursary provision and to assist with capital projects across the RGS Schools.

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

New Trustees are normally appointed at termly meetings on the basis of nominations from a committee of Trustees. All nominations are made on the basis of eligibility, personal competence, specialist skills and availability.

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Policies adopted for the induction and training of Trustees.

New Trustees undertake a formal induction process under the guidance of a fellow Trustee and the Foundation Director which covers the workings of the Charity, including Policies, Procedures, Finances and Governance. Trustees are required to be DBS checked.

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

No payments have been made by the Foundation to any of the Trustees and the Foundation Office staff remain employed by RGS Worcester so are subject to the policy implemented by the School.

**d. Organisational structure and decision making**

The Board of Trustees convenes formally once per school term to review the work of the Foundation Office and to formally make decisions to enable the Foundation grow. In between these Board meetings smaller working groups or sub committees (e.g. the Finance Committee) can and do meet. If time critical decisions need to be taken the Chair circulates the information electronically to Trustees to enable agreement to be reached. This is then conveyed to the Foundation Director for implementation.

Hybrid working has led to the use of video conferencing and this has worked well for the Trustees. Trustees are appointed for a three year term and minimum of three RGS Governors will serve as Trustees. The Trustees are aware of the charity governance code and the Foundation voluntarily subscribes to the Fundraising Regulator code of practice.

Periodically, Trustees will review the guidance in order to ensure that the Charity is working in line with the code, in all ways where it is practical to do so.

**e. Related party relationships**

The Foundation exists to advance education at the RGS Worcester Family of Schools. At least three Trustees are also Governors of the School to ensure strategic alignment is maintained between the two entities. The School finances and staffs the Foundation Office and the Headmasters and Headmistresses of the four RGS Schools attend the Trustee Board meeting, as does the Director of Finance and Operations.

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Structure, governance and management (continued)**

**f. Risk management**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate its exposure to the major risks. The Trustees are mindful of the need to maximise the income generated from the capital base of the two endowment bursary funds held within the Foundation, as well as to preserve the value of other donations ahead of them being transferred to RGS. This must be done against the backdrop of volatile market conditions, so the Board tasked members of the Finance Committee to review and monitor the choice of investments held in COIF units and to consider alternative options to mitigate against stock-market fluctuations.

**Plans for future periods**

**a. Future developments**

The Board will recruit additional Trustees to help further the work of the Foundation Office and will seek guidance where necessary to help them to fulfil their roles for the Foundation.

The full findings from the Review of the Foundation Office undertaken by Graham Pelton (UK) Ltd Consultants will continue to be implemented by the Foundation Office now that staffing levels are commensurate with the recommendations for increasing fundraising activity and alumni engagement.

The updated Case for Support for bursaries at RGS has been widely circulated along with the inaugural Impact Report which featured testimonials from bursary recipients. Further testimonials will be gathered and shared across communication channels to encourage giving.

Long term fundraising targets linked to the School's revised Strategic Development Plan have been set by the Trustees for the Foundation Office. These targets were shared with the School Community in the 'Change a Life' Bursary brochure that was circulated in December 2022. A comprehensive financial tracking and forecasting model has been adopted to enable progress to be tracked alongside a range of engagement KPIs for the Foundation Office.

The primary focus for fundraising in 2023-24 will remain on bursaries in order to widen access to the School. Following the extremely successful inaugural Giving Day held in March 2023, the Foundation Office will run another Giving Day in April 2024, which will ask alumni, parents, staff and friends of the School to donate to the Foundation's Bursary Fund.

The Foundation Director, with the endorsement of the Trustees, completed the sale of the house which was donated to the Charity in June 2022 in support of bursaries. Trustees will make available funds to support up to two new 50% bursary places at the School each year until the funds are exhausted.

To help recruit donors the number of alumni engagement events will continue to increase significantly during 2023-24 with a rolling programme of gatherings designed to solicit gifts and to inform alumni about the impact the Foundation is making on young lives. The inaugural Old Elizabethans Weekend in September 2023 where over 200 alumni participated in a range of events was very well received and this will be developed to become a staple part of the alumni calendar with a date already set for September 2024. Trustees will support the Foundation Office team and School Leadership at a number of these events.

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Plans for future periods (continued)**

Targeted engagement with current and prospective major donors will be undertaken by the Foundation Director to solicit major gifts which will complement increasing the donor pool by recruiting a number of additional regular donors. This will include engaging with high net worth individuals in London and in Worcestershire.

Legacy pledges will continue to be solicited to ensure future donations are in the pipeline and there will be a campaign during the year to increase the number of known pledges, as well as to steward them through a Legacy Society. The inaugural Legators Lunch was held in June 2023 and this will be an annual stewardship event.

The Foundation Trustees will work with the School's Leadership to assist where it can with the ongoing closer working of the alumni association with RGS. The Foundation Trustees invited the alumni association President to become an ex-officio Trustee to further assist the School as the AOOEs move towards closer integration with RGS.

**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

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

**Disclosure of information to auditor**

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

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

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THE RGSW AND AOS FOUNDATION  
(A company limited by guarantee)

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TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023

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**Auditor**

The auditor, Crowe U.K. LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



**Mr Timothy Stephen Curtis**

Chair

Date: 8/5/2024

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**

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### **Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**  
(CONTINUED)

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**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

**Responsibilities of trustees**

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

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

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**  
(CONTINUED)

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**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

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

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance & General Purpose Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

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

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**  
**(CONTINUED)**

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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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Crowe U.K. LLP**  
Statutory Auditor  
Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

Date:

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

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>As restated</i> Total funds 2022 £
<b>Income from:</b>					
Donations and legacies	4	207,198	154,010	361,208	725,808
Investments	5	17,040	3,178	20,218	19,913
<b>Total income</b>		<u>224,238</u>	<u>157,188</u>	<u>381,426</u>	<u>745,721</u>
<b>Expenditure on:</b>					
Raising funds	6	-	148,389	148,389	117,819
Charitable activities	7	161,589	8,822	170,411	96,376
<b>Total expenditure</b>		<u>161,589</u>	<u>157,211</u>	<u>318,800</u>	<u>214,195</u>
<b>Net income/(expenditure) before net losses on investments</b>		62,649	(23)	62,626	531,526
Net losses on investments		(46,967)	(10,808)	(57,775)	(37,876)
<b>Net movement in funds</b>		<u>15,682</u>	<u>(10,831)</u>	<u>4,851</u>	<u>493,650</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward as restated		939,573	350,680	1,290,253	796,603
Net movement in funds		15,682	(10,831)	4,851	493,650
<b>Total funds carried forward</b>		<u>955,255</u>	<u>339,849</u>	<u>1,295,104</u>	<u>1,290,253</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 21 to 36 form part of these financial statements.

THE RGSW AND AOS FOUNDATION  
(A company limited by guarantee)  
REGISTERED NUMBER: 10326313

BALANCE SHEET  
AS AT 31 AUGUST 2023

	Note	2023 £	As restated 2022 £
<b>Fixed assets</b>			
Investments	11	667,775	685,549
Investment property	10	460,000	500,000
		<u>1,127,775</u>	<u>1,185,549</u>
<b>Current assets</b>			
Debtors	12	-	1,504
Cash at bank and in hand		190,280	103,200
		<u>190,280</u>	<u>104,704</u>
Creditors: amounts falling due within one year	13	(22,951)	-
		<u>167,329</u>	<u>104,704</u>
<b>Net current assets</b>		<u>167,329</u>	<u>104,704</u>
<b>Total net assets</b>		<u><u>1,295,104</u></u>	<u><u>1,290,253</u></u>
<b>Charity funds</b>			
Restricted funds	15	955,255	939,573
Unrestricted funds	15	339,849	350,680
<b>Total funds</b>		<u><u>1,295,104</u></u>	<u><u>1,290,253</u></u>

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 10326313**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2023**

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The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 145 of the Charities Act 2011.

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



**Mr Timothy Stephen Curtis (Chair)**

Chair

Date: 8/5/2024

The notes on pages 21 to 36 form part of these financial statements.

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THE RGSW AND AOS FOUNDATION  
(A company limited by guarantee)

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2023

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	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	66,862	10,110
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	20,218	19,913
	<hr/>	<hr/>
<b>Net cash provided by Investing activities</b>	<b>20,218</b>	<b>19,913</b>
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>	<b>87,080</b>	<b>30,023</b>
Cash and cash equivalents at the beginning of the year	103,200	73,177
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	<b>190,280</b>	<b>103,200</b>
	<hr/>	<hr/>

The notes on pages 21 to 36 form part of these financial statements

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

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

The RGSW and AOS Foundation 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.

**1.2 Company status**

The company is a company limited by guarantee, registered in England and Wales, number 10326313. The company is also registered as a charity, number 1170217. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. The company's registered office and principal place of business is The Foundation Office, The Royal Grammar School Worcester, Upper Tything, Worcester, WR1 1HP.

**1.3 Going concern**

The Trustees feel that the Covid-19 situation has largely abated though they remain vigilant to any recurrence. Despite the current 'cost of living crisis' and the prospect for VAT to be added to school fees following a possible change in government during 2024, the Trustees believe that the charity's financial resources and contingency planning is sufficient to ensure the ability of the company to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. Accounting policies (continued)**

**1.4 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.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**1.5 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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. Accounting policies (continued)**

**1.6 Investments**

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

The Foundation was gifted a property during the year which is held at fair value as an investment property whilst its sale is pending.

**1.7 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.

**1.8 Cash at bank and In hand**

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

**1.9 Financial instruments**

The charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

**Debtors**

Short term debtors are measured at transaction price, less any impairment.

**Creditors**

Short term creditors are measured at transaction price.

**Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. Accounting policies (continued)**

**1.10 Fund accounting**

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

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

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

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

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

**3. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

**Donated services and facilities**

The Foundation received donated services and facilities from the Royal Grammar School Worcester relating to staff costs, fundraising costs, office space and audit fees. The staff costs are calculated based on the percentage of each staff members' time spent on providing services to the charity. Premises costs are estimated by applying a market rate to the size of the office occupied.

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**4. Income from donations and legacies**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Donations	207,198	-	<b>207,198</b>
Donated services and facilities	-	154,010	<b>154,010</b>
	<u>207,198</u>	<u>154,010</u>	<u><b>361,208</b></u>

	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations	600,989	-	600,989
Donated services and facilities	-	124,819	124,819
	<u>600,989</u>	<u>124,819</u>	<u>725,808</u>

**5. Investment income**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Income from COIF units	17,040	3,178	<b>20,218</b>
	<u>17,040</u>	<u>3,178</u>	<u><b>20,218</b></u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Income from COIF units	19,913	19,913
	<u>19,913</u>	<u>19,913</u>

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THE RGSW AND AOS FOUNDATION  
(A company limited by guarantee)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023

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6. Expenditure on raising funds

	Unrestricted funds 2023 £	Total funds 2023 £
Events, publications and software	25,362	25,362
Staff costs	123,027	123,027
	<u>148,389</u>	<u>148,389</u>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Events, publications and software	27,314	27,314
Staff costs	90,505	90,505
	<u>117,819</u>	<u>117,819</u>

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**7. Analysis of expenditure on charitable activities**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total 2023 £</b>
Grants to RGS Worcester	138,433	3,201	<b>141,634</b>
Establishment, management and administration costs	23,156	5,621	<b>28,777</b>
	<u>161,589</u>	<u>8,822</u>	<u><b>170,411</b></u>

	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total 2022 £</i>
Grants to RGS Worcester	74,463	19,913	94,376
Establishment, management and administration costs	-	2,000	2,000
	<u>74,463</u>	<u>21,913</u>	<u>96,376</u>

**8. Auditor's remuneration**

The auditor's remuneration amounts to an auditor fee of £3,000 (2022 - £1,450), and a fee for the preparation of the financial statements of £775 (2022 - £750).

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**9. Staff costs**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>123,027</b>	<b>90,505</b>
	<b>123,027</b>	<b>90,505</b>

No employee received remuneration amounting to more than £60,000 in either year.

All staff are employed by and paid for by The Royal Grammar School Worcester. These costs are shown as donated services and facilities.

Key management personnel are considered to be the Trustees and Senior Management. Total remuneration of key management personnel amounted to £61,879 (2022: £57,083) of which all costs were met by The Royal Grammar School Worcester.

**10. Investment property**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 September 2022	<b>500,000</b>
Deficit on revaluation	<b>(40,000)</b>
At 31 August 2023	<b>460,000</b>

The investment property has been valued at the Trustees' best estimate of its fair value as at the 31 August 2023. The property is unique and was sold after the year end for £460,000.

**THE RGSW AND AOS FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**11. Fixed asset investments**

	<b>Unlisted Investments £</b>
<b>Cost or valuation</b>	
At 1 September 2022	685,549
Revaluations	(17,774)
At 31 August 2023	667,775
 <b>Net book value</b>	
At 31 August 2023	667,775
At 31 August 2022	685,549

**12. Debtors**

	<b>2023 £</b>	<b>2022 £</b>
<b>Due within one year</b>		
Other debtors	-	1,504
	-	1,504

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**THE RGSW AND AOS FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**13. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Amounts owed to Royal Grammar School Worcester	15,630	-
Accruals	7,321	-
	<u>22,951</u>	<u>-</u>

**14. Financial Instruments**

	2023 £	2022 £
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	<u>667,775</u>	<u>685,549</u>

Financial assets measured at fair value through income and expenditure comprise investments.

**THE RGSW AND AOS FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**15. Statement of funds**

**Statement of funds - current year**

	Restated Balance at 1 September 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2023 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
A R Wheeler Bursary Fund	329,308	-	-	(10,808)	318,500
<b>General funds</b>					
General Funds - all funds	21,372	157,188	(157,211)	-	21,349
<b>Total Unrestricted funds</b>	<b>350,680</b>	<b>157,188</b>	<b>(157,211)</b>	<b>(10,808)</b>	<b>339,849</b>
<b>Restricted funds</b>					
A R Wheeler Bursary Fund	188,731	25,015	(15,370)	(5,499)	192,877
Alice Ottley Bursary Fund	54,853	6,158	(1,670)	(1,468)	57,873
Hardship Fund	4,853	468	(4,853)	-	468
Alumni Sponsorship	150,575	32,079	(81,084)	-	101,570
WIHL Buy a Brick	15,667	-	(15,667)	-	-
WIHL Buy a Tree	500	-	(500)	-	-
Foundation Bursary Fund	21,904	155,353	(15,600)	-	161,657
Parent Music Scholarship	490	-	(490)	-	-
The Christopher and Dorothy Dyer Science and Technology Bursary Fund	500,000	1,965	(23,155)	(40,000)	438,810
Contemplation Area	2,000	-	-	-	2,000
Giving - Ukraine	-	3,200	(3,200)	-	-
	<b>939,573</b>	<b>224,238</b>	<b>(161,589)</b>	<b>(46,967)</b>	<b>955,255</b>
<b>Total of funds</b>	<b>1,290,253</b>	<b>381,426</b>	<b>(318,800)</b>	<b>(57,775)</b>	<b>1,295,104</b>

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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

**Designated funds:**

The A R Wheeler Bursary Fund (ARW Bursary Fund) was set up in 2013 and has been designated by the Governors as a fund to generate bursarial support. This Fund was transferred to The RGSW and AOS Foundation on its formation.

**Restricted funds:**

The Anthony Reay Wheeler Bursary Fund (ARW Bursary Fund): monies received for investing in the ARW Bursary Fund.

The Alice Ottley Bursary Fund: monies received for investing in the Alice Ottley Bursary Fund.

The Foundation Bursary Fund: for donations given in support of bursaries at RGS but unlike gifts to the two bursary endowment funds, these monies are to be transferred to the School within 18 months of being donated. Fundraising activities will ensure that the fund is continually replenished.

The Parent Music Scholarship: an annual donation given by an RGS family to cover the musical instrument tuition fees for a bursary recipient pupil.

The Christopher and Dorothy Dyer Science and Technology Bursary Fund: uses funds from the sale of Laurel Cottage to provide bursary places at RGS. Chris Dyer is a former pupil of RGS Worcester. He and his wife, Dorothy, live in the USA and Laurel Cottage was his UK family home which he gifted to the Foundation to help children access education at RGS. Chris has stipulated that up to two bursaries per year may be awarded at 50% of school fees until the funds are exhausted.

The RGSW Tree: a one-off gift to plant a tree at RGS from a former pupil, Kenneth Armson, who devoted his professional career to stewarding forests in Canada.

The Contemplation Area: a one-off gift from Kenneth Armson who wishes to provide a dedicated area in the grounds at RGS Worcester for pupils and staff who may value a space for quiet reflection.

Hardship Fund: this is used to make smaller, one off 'in year' grants to pupils whose families have often unexpected financial constraints. The grants can be used to assist with fees to help prevent disruption to the education of pupils affected. The grants can also be applied to further the education of pupils in these circumstances by helping to fund activities such as: academic field trips or study courses; uniform purchases; provision of necessary individual classroom materials/equipment; the purchase of sports equipment; contributions towards the costs of sports tours and other co-curricular events.

Alumni Sponsorship: these are donations made to fund means-tested bursary places at the School for individual pupils.

Worcester International Hockey Centre:- donations made to the Foundation in support of the £400,000 capital RGS had to contribute to the development of the new Centre. Funds raised through 'Buy-a-Brick', sponsor a tree and grant awards.

**THE RGSW AND AOS FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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

**Statement of funds - prior year**

	<i>Restated Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>As restated Gains/ (Losses) £</i>	<i>Restated Balance at 31 August 2022 £</i>
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
A R Wheeler Bursary Fund	351,666	-	-	(22,358)	329,308
<b>General funds</b>					
General Funds - all funds	16,372	144,732	(139,732)	-	21,372
<b>Total Unrestricted funds</b>	<b>368,038</b>	<b>144,732</b>	<b>(139,732)</b>	<b>(22,358)</b>	<b>350,680</b>
<b>Restricted funds</b>					
A R Wheeler Bursary Fund	193,820	7,300	-	(12,389)	188,731
Alice Ottley Bursary Fund	55,661	2,321	-	(3,129)	54,853
Hardship Fund	4,111	742	-	-	4,853
Alumni Sponsorship	158,806	65,738	(73,969)	-	150,575
WIHL Buy a Brick	15,667	-	-	-	15,667
WIHL Buy a Tree	500	-	-	-	500
Foundation Bursary Fund	-	21,904	-	-	21,904
Parent Music Scholarship	-	490	-	-	490
The Christopher and Dorothy Dyer Science and Technology Bursary Fund	-	500,000	-	-	500,000
RGSW Tree	-	494	(494)	-	-
Contemplation Area	-	2,000	-	-	2,000
	<b>428,565</b>	<b>600,989</b>	<b>(74,463)</b>	<b>(15,518)</b>	<b>939,573</b>
<b>Total of funds</b>	<b>796,603</b>	<b>745,721</b>	<b>(214,195)</b>	<b>(37,876)</b>	<b>1,290,253</b>

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**16. Summary of funds**

**Summary of funds - current year**

	Restated Balance at 1 September 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2023 £
Designated funds	329,308	-	-	(10,808)	318,500
General funds	21,372	157,188	(157,211)	-	21,349
Restricted funds	939,573	224,238	(161,589)	(46,967)	955,255
	<u>1,290,253</u>	<u>381,426</u>	<u>(318,800)</u>	<u>(57,775)</u>	<u>1,295,104</u>

**Summary of funds - prior year**

	Restated Balance at 1 September 2021 £	Income £	Expenditure £	As restated Gains/ (Losses) £	Restated Balance at 31 August 2022 £
Designated funds	351,666	-	-	(22,358)	329,308
General funds	16,372	144,732	(139,732)	-	21,372
Restricted funds	428,565	600,989	(74,463)	(15,518)	939,573
	<u>796,603</u>	<u>745,721</u>	<u>(214,195)</u>	<u>(37,876)</u>	<u>1,290,253</u>

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

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

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Fixed asset investments	246,631	421,144	667,775
Investment property	460,000	-	460,000
Current assets	248,624	(58,344)	190,280
Creditors due within one year	-	(22,951)	(22,951)
<b>Total</b>	<u>955,255</u>	<u>339,849</u>	<u>1,295,104</u>

**THE RGSW AND AOS FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**17. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year (restated)**

	<i>As restated Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Fixed asset investments	246,497	439,052	685,549
Investment property	500,000	-	500,000
Current assets	193,076	(88,372)	104,704
<b>Total</b>	<u>939,573</u>	<u>350,680</u>	<u>1,290,253</u>

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

	<b>2023 £</b>	<b>2022 £</b>
Net income for the year (as per Statement of Financial Activities)	<u>4,851</u>	<u>493,650</u>
<b>Adjustments for:</b>		
Gains on investments	57,775	37,877
Dividends, interests and rents from investments	(20,218)	(19,913)
(Increase)/Decrease in debtors	1,503	(1,504)
Increase in creditors	22,951	-
Capital Donations	-	(500,000)
<b>Net cash provided by operating activities</b>	<u>66,862</u>	<u>10,110</u>

**19. Analysis of cash and cash equivalents**

	<b>2023 £</b>	<b>2022 £</b>
Cash in hand	<u>190,280</u>	<u>103,200</u>
<b>Total cash and cash equivalents</b>	<u>190,280</u>	<u>103,200</u>

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**20. Analysis of changes in net debt**

	At 1 September 2022	Cash flows	At 31 August 2023
	£	£	£
Cash at bank and in hand	103,200	87,080	190,280
	103,200	87,080	190,280

**21. Connected parties**

The Foundation exists to advance education at the RGS Worcester Family of Schools. A minimum of three Trustees are also Governors of the School to ensure strategic alignment is maintained between the two entities. The School funds and staffs the Foundation Office and the Headmasters and Headmistresses of the RGS Schools attend the Trustee Board meetings, as does the Director of Finance and Operations.

In December 2017, the A R Wheeler Bursary Fund and the restricted element of the Alice Ottley Bursary Fund were transferred from the School to the Foundation. The A R Wheeler Bursary Fund was valued at £355,335 and the Alice Ottley Bursary Fund was valued at £25,266. £5,800 of other restricted funds were also transferred to the Foundation.

The Foundation made grants to the School in the year totalling £141,634 (2022: £94,376).

An amount of £15,630 (2022: £Nil) was owing from the Foundation to the School at 31 August 2023.

The School paid for the running costs of the Foundation Office, including:

salaries amounting to £123,027 (2022: £90,505) - *this is for the time that four RGS employees give to Foundation related activities*  
 events and publications amounting to £17,407 (2022: £22,229),  
 software costs amounting to £7,955 (2022: £5,085),  
 establishment, management and administration costs amounting to £5,621 (2022: £2,000) – *in 2022 this was a notional cost applied with respect to time given by the School's accountant and his team to support the Foundation's finance reporting and for provision of office space. The current year value reflects the actual administration costs incurred by the Foundation.*

**THE RGSW AND AOS FOUNDATION**

England & Wales - Charity number 1170217

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# Accounts

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Registered number: 10326313  
Charity number: 1170217

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Trustees**

Mr Timothy Curtis (Chair)  
Mrs Rosemary Frances Ham, (resigned as Deputy Chair 21 October 2021)  
Mrs Rachel Wyatt  
Mrs Emma Jane Bentley-Hughes (resigned 27 February 2022)  
Mr Jonathan David Arr, (appointed as Deputy Chair 21 October 2021)  
Mr Andrew Hampden Greenway  
Mr Gary Paul Rouse  
Mr John Mark Gibson  
Mrs Katherine Mary Wormington  
Mrs Yvonne Wood (appointed 26 May 2022)

**Company registered number**

10326313

**Charity registered number**

1170217

**Registered office**

The Royal Grammar School Worcester  
Upper Tything  
Worcester  
WR1 1HP

**Senior management team**

Scott MacDonald, Foundation Director

**Independent auditor**

Crowe U.K. LLP  
Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

**Bankers**

Lloyds Bank  
4 The Cross  
Worcester  
WR1 3PY

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Solicitors**

Stallard March and Edwards (SME Solicitors)  
8 Sansome Walk  
Worcester  
WR1 1LW

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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The Trustees present their annual report together with the audited financial statements of the Company for the 1 September 2021 to 31 August 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees 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).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Objectives and activities**

**a. Policies and objectives**

The Foundation is a separate charity to RGS Worcester (the 'School') which comprises RGS Worcester, RGS Springfield, RGS The Grange and RGS Dodderhill. Reference to the School(s), RGS or RGSW in the following report should be taken to mean any and/or all of the four RGSW schools. The Foundation undertakes activities solely to support the School and its pupils. The Foundation is governed by its Articles of Association. It also has policies to cover its operation including the recruitment of suitable trustees, their ongoing fitness to be a trustee, conflicts of interest, the running of decision making meetings, and its ethical approach to fundraising. Trustees are bound by its Code of Practice and submit declarations of interest. All trustees are subject to DBS checks. The Foundation's Objects from the Articles of Association are:

- (a) advancing the education of the pupils at the Schools by:
  - (i) providing and assisting in the provision of facilities and resources (including premises, equipment and services) for education at the Schools;
  - (ii) awarding to pupils at the Schools (or for their benefit) bursaries, scholarships, maintenance allowances or grants, or making loans to pupils or for their benefit, or providing pupils with books, equipment or clothing for the purposes of their education;
  - (iii) providing any part of their education (including the study of music or other arts or social or physical education);
  - (iv) assisting them to undertake travel in furtherance of their education;
  - (v) helping them to prepare for entry into any other educational establishment or into any occupation, trade or profession on leaving the Schools;
  - (vi) developing their mental, physical and moral capabilities through leisure time activities.
  
- (b) advancing the education of persons who are educated by or with the support of the Schools Charity by supporting the charitable objects of the Schools Charity, by:
  - (i) making grants or loans or otherwise providing financial support to the Schools Charity for its general charitable purposes or for specific charitable purposes;
  - (ii) doing in relation to the Schools Charity and its charity beneficiaries any of the things which are permitted in relation to the Schools and their pupils by article 2.1(a);
  
- (c) in connection with the Schools or the Schools Charity, promoting the education of people under the age of 25 years in the county of Worcestershire in such ways as the Trustees think fit, including by:
  - (i) enabling them to have access to and to make use of educational facilities and resources of the Schools or of the Schools Charity; or
  - (ii) attending the Schools.

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Objectives and activities (continued)**

**b. Activities for achieving objectives**

To support the School with financial donations to provide:

- additional means-tested bursary places and hardship funding;
- improvements to the RGS Schools' estate;
- the ability to undertake other smaller projects to further education provision within the Schools.

The Trustees have tasked the Foundation Office led by the Foundation Director to instigate fundraising across the following areas:

- directing fundraising appeals to alumni, ex-staff and parents with the request they support the provision of additional bursary places at RGS Schools. Donations will be used to fund places at the School to enable children whose families who could not otherwise afford the fees to receive an RGS education;
- directing fundraising appeals to alumni, parents and ex-staff seeking donations towards the development of Capital Projects that the School is planning, namely a Hockey Centre at Perdiswell and an Indoor Tennis and Netball Centre on the RGS Worcester campus;
- requesting parents of each Upper Sixth leaving group donate their child's refundable joining deposit to support bursaries or hardship awards or other initiatives identified by the Headmaster;
- directing fundraising appeals to alumni, ex-staff and parents with the request they make a legacy gift to the Foundation in order to provide funding in support of bursaries at RGS or other aspects they would most like to support in the School;
- applying for grants to awarding foundations and organisations in support of the Foundation's objectives;
- publishing an annual Impact Report that explains what funds have been raised and how they have been applied to generate outcomes aligned to the Charity's Objects.

**c. Main activities undertaken to further the charity's purposes for the public benefit**

In setting objectives and planning activities, the School's Governors have given careful consideration to the Charity Commission's general guidance on Public Benefit. The Foundation works to advance the education of pupils at the RGS Worcester Family of Schools and in doing so, actively helps to deliver the Public Benefit delivered by RGS. It will do this by widening access to the School through the provision of additional bursary supported places. These will be available to children from local families who meet the academic entrance requirements but would not otherwise be able to afford the school fees. Places funded by donations will be in addition to those funded by the School. Bursaries will be means-tested to ensure all recipients are in genuine need of the financial support.

The Foundation will also raise funds to support capital projects at RGS Worcester that will further the provision of education and where appropriate will benefit the local community. For example, during 2020-21 the Foundation Office raised funds for the new Worcester International Hockey Centre that is being developed by RGS in partnership with Worcester Hockey Club, with the full support of Worcester City Council. The new facility opened in November 2021 and offers international standard pitches that will attract top coaches and will widen community access to the sport. This Centre will be used by RGS pupils but will also be available to Worcester Hockey Club members, pupils from other local schools and students from the University of Worcester.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Objectives and activities (continued)**

**Achievements and performance**

**a. Review of activities**

Tim Curtis continued as Chair of the Foundation. The decision was taken by the Board to rotate the role of Deputy Chair annually to widen experience amongst Trustees and to assist with succession planning. At the AGM on 21 October 2021, Jonny Arr became the Deputy Chair, taking over from Rosemary Ham. Gary Rouse remained as Chair of the Finance Committee.

One Trustee resigned from the Board in February 2022: Emma Bentley-Hughes, the Board expressed its gratitude for her service to the Foundation. One Trustee was appointed to the Board in May 2022, Yvonne Wood. Yvonne worked at Dodderhill School for a number of years as PA to the Headmistress and brings a wealth of knowledge to the Foundation relating to Dodderhill School. She will work with the Foundation Office to establish engagement with Dodderhill former pupils and ex-staff. The Trustees have identified 12 as being the optimal number of Trustees on the Board and will appoint new Board members when suitable candidates have been identified.

During 2021 the Trustees continued to work remotely to minimise the risk of Covid-19 transmission. It was with great pleasure that meetings resumed in person at RGS Worcester during 2022. Covid prevention measures were adopted and the online facility remained in place to enable hybrid meetings which proved successful. The use of online and hybrid meetings enabled the charity to fulfil its role on behalf of the School and its pupils. Hybrid working will continue for the foreseeable future to maximise Trustee participation at meetings and to offer convenience to the Trustees, who are all volunteers.

The year was marked by significant personnel changes in the Foundation Office. The long serving Foundation Office Administrator left their post in September 2021 and the School deferred recruitment until 2022 to enable a review of Support Staff requirements in light of wider changes across a number of departments. The Development and Alumni Relations Manager who joined in September left their post in February 2022. This meant that the Foundation Director ran the department alone for periods of time which had an impact of what was achievable.

The Foundation Director made a series of successful appointments during 2022 to implement the Foundation Office team structure recommended by the Graham-Pelton Review in 2020. An experienced schools Development and Alumni Relations Manager joined in April 2022, a Foundation Office Assistant was appointed in June 2022 and a Database Assistant started in September 2022. Following onboarding activities, these roles have freed up time for the Foundation Director to focus on major gift fundraising while ensuring all aspects of the operation receive dedicated focus.

Bursaries remained the priority fundraising objective for the Foundation to support the School.

Existing bursary sponsors continued to provide support to pupils they already funded with one sponsor committing to funding a 100% bursary recipient from Year Seven through to the Upper Sixth (end of their school career). The donations made by individual sponsors were supplemented with smaller donations made as single gifts and as recurring gifts. A total of £93,881 was transferred from the Foundation to RGS during 2021/22 to fund bursary places representing 13.6% of the means-tested bursary funding awarded by the School during the academic year.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Achievements and performance (continued)**

The largest single gift to the Foundation was received in June 2022 when a US-based former pupil of RGS transferred ownership of his former family home in Malvern and its contents to the charity with the express intent that the Trustees sell the property as soon as possible to raise funds that are to be used to provide additional bursary places at RGS. The property is unique and at the year end was valued at over £500,000 by estate agents. At the time of compiling the report it is being actively marketed for sale and the Trustees have accepted an offer of £475,000 (subject to contract). This price reflects the market conditions and outlook.

The planning application for an Indoor Tennis and Netball Centre on the RGS Worcester campus to be developed by RGS in partnership with the Lawn Tennis Association (LTA) remains temporarily deferred to enable further consultation with local residents in relation to traffic movements. It is anticipated that the planning application will be submitted in early 2023 and fundraising activities will follow when permission has been granted. The donor from the alumni community who has pledged a significant donation to the Foundation for use in the project remains committed and a grant awarding body has pledged a significant contribution through the Foundation when planning permission is granted. The Trustees will be able to call on these gifts to support the School when construction commences.

**b. Fundraising activities**

The Foundation charity is run by the Foundation Office which is part of the School and its staff are employees of RGS Worcester. The Foundation Office seeks donations from the alumni of RGS Worcester, the Alice Ottley School (AOS) and Dodderhill School, as well as from parents of pupils at the four RGS schools. Grant applications are made to awarding bodies that can help the Foundation to support the work of the School. Prospective donors are asked to support bursaries, capital projects and the provision of smaller items to further the education of pupils at RGS.

The Foundation Office manages an alumni website ([www.rgsbandaos.foundation](http://www.rgsbandaos.foundation)) which provides details of the areas for which funds are required and provides an online giving facility that incorporates Gift Aid, where applicable. Opportunities to donate will also be outlined in the inaugural annual Impact Report which will be circulated in December 2022, as well as in direct mailing requests and on social media posts.

The Trustees provide the oversight and set the strategic fundraising objectives for the charity. The Foundation subscribes to the Fundraising Regulator. The Foundation Office conducts fundraising for the charity and abides by the Fundraising Code published by the Fundraising Regulator. There were no failures to report from the reporting period.

Trustees regularly review the activities of the Foundation Office and meet with its staff formally each term to discuss fundraising activities and priorities. Trustees also speak with the Foundation Office staff between formal Board meetings through Working Groups meetings and individual contact when relevant. No complaints have been received to date regarding the Foundation, the Foundation Office staff or the Trustees.

The Foundation Office provides mechanisms for alumni, ex-staff and parents to change their communication preferences which include enabling anyone to stop further contact from the Foundation Office within all its communications. As soon as an individual makes a request to cease receiving contact from the Foundation Office either via a particular channel or from all channels, this is actioned and recorded to prevent staff in the future from inadvertently making contact. When made aware, the Foundation Office promptly ceases communications with anyone who may not have the capacity to understand a fundraising request (e.g. when an individual moves into a care home or a parent/partner/child informs of a health issue impacting someone who would otherwise wish to receive communications).

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Achievements and performance (continued)**

**c. Investment policy and performance**

The Trustees have maintained a cautious approach to investments during a period of considerable global market uncertainty, due largely to the war in Ukraine, increasing energy costs and high inflation. The Foundation's Investment Policy frames the Board's approach to investing, reviewing performance and decision making. All investments will be made with ethical considerations being central to the decision making process.

The Board retained the charity's investments in CCLA's Charities Ethical Investment Fund throughout the year. The COIF Charities Ethical Investment Fund has a number of exclusions to its portfolio, for example: Companies that derive more than 5% of their income from the extraction of oil sands or energy coal; Companies that derive more than 10% of their revenue from extracting and refining coal, oil or gas; Investment is prohibited if companies are involved in the production of nuclear weapons, landmines or cluster munitions; no Sovereign Debt from countries identified by the Ethical Fund Advisory Committee as being the most oppressive; Companies that derive 10% or more from tobacco, alcohol or gambling. A full list of exclusion criteria can be viewed on the fund factsheet which is available on the website ([www.CCLA.co.uk](http://www.CCLA.co.uk)).

Performance will continue to be monitored by the Finance Committee in line the Foundation's Investment Policy. The Trustees have committed to investing endowed funds in products that actively pursue ethical investing policies because this reflects the values of the Trustees, as well as of the School which the Foundation exists to support. The Finance Committee tracks the value of invested funds and reviews the investment strategy regularly to ensure it satisfies a medium-low risk approach and meets ethical and responsible investment criteria. When total funds held by the charity reaches £1m the Trustees will engage the services of professional investment specialists to review options and advise the Board to enable decisions to be taken.

**The Alice Ottley Bursary Fund.** In December 2017, 1,718 units held in COIF Charities Investment Fund (valued at £25,266) which had been purchased with donations for the AO Bursary fund were transferred from The Royal Grammar School Worcester to The RGSW and AOS Foundation. Funds of £56,626 were held in COIF Charities Ethical Investment Fund as at 31 August 2022.

**The Anthony Reay Wheeler Bursary Fund.** This fund was designated in May 2013 with the legacy from a former Master of the School. In December 2017, 24,163 units held in COIF Charities Investment Fund (valued at £355,335) including some restricted funds were transferred from The Royal Grammar School Worcester to The RGSW and AOS Foundation. The funds were transferred as unrestricted funds and designated by the Trustees of The RGSW and AOS Foundation. Funds of £521,169 were held in COIF Charities Ethical Investment Fund as at 31 August 2022.

**The Foundation Annual Fund.** This fund comprises bursary donations to the Foundation other than those given for the two named endowment bursary. This fund includes the advance payments of fees for pupils being sponsored by donors which will be drawn down for payment to the School within five years. Funds of £107,754 were held as at 31 August 2022

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Financial review**

**a. Going concern**

At the time of reporting, the Covid-19 pandemic appears to have ended in terms of impact but the war in Ukraine, the projected increase in energy costs, the high inflation rate and the market volatility affecting the value of sterling mean that the charity is operating in uncertain times. However, RGS has managed the pandemic exceptionally well through its globally recognised Digital Learning Programme, pupil numbers have grown and the School remains in a stable financial position.

The Trustees continue to monitor the Foundation's ability to conduct fundraising operations. Despite the current circumstances, the Trustees believe that the charity's financial resources and contingency planning is sufficient to ensure the ability of the company to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

Please see the Risk Management section of this report for more details of the projected impact on the Foundation

**b. Financial review**

The Trustees consider the Foundation to be in a sound financial position with sufficient reserves.

**c. Reserves policy**

The Trustees will endeavour to transfer to the School as much of the funds raised as soon as possible while observing the constraints placed on restricted gifts and any statement of wishes made on unrestricted gifts, therefore maintaining minimal reserves. Where gifts have been received for either of the named bursary funds these will be added to grow the capital base treating these as endowment funds. The annual income earned from the capital will be transferred to fund bursary places at the School. Donations to the Foundation Bursary Fund which is not an endowment fund will be normally be transferred to the School within 12 months to support bursary places on an ongoing basis. The gifts received to support Hardship will be allocated as awards for specific pupils to the School as needed, usually within twelve months of receipt.

Bursary gifts covering multiple years that are donated in advance by sponsors for particular pupils will be held by the Foundation and drawn from investments as required each year for transfer to RGS. Commitments to the School for bursary places or capital projects may not be entered into by the Trustees if the projected costs cannot be met by anticipated income.

At the year end the Foundation had restricted funds of £919,137 (2021: £424,534) and designated funds of £349,744 (2021: £348,911). Unrestricted and free reserves at the year end are £21,372 (2021: £16,372). This is set out in note 14 on page 29.

The Foundation is able to maintain unrestricted and free reserves as £nil as The Royal Grammar School Worcester meets all costs of running the Foundation Office, including the costs of events and publications and the salaries of the Foundation Office staff.

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Structure, governance and management**

**a. Constitution**

The company is constituted under a Memorandum of Association dated 11 August 2016 and is a registered charity number 1170217.

The company was incorporated on 11 August 2016 and commenced trading on that date.

The principal object of the company is to advance the education of pupils at RGS Worcester. It undertakes fundraising to support bursary provision and to assist with capital projects across the RGS Schools.

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

New Trustees are normally appointed at termly meetings on the basis of nominations from a committee of Trustees. All nominations are made on the basis of eligibility, personal competence, specialist skills and availability.

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Policies adopted for the induction and training of Trustees.

New Trustees undertake a formal induction process under the guidance of a fellow Trustee and the Foundation Director which covers the workings of the Charity, including Policies, Procedures, Finances and Governance. Trustees are required to be DBS checked.

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

No payments have been made by the Foundation to any of the Trustees and the Foundation Office staff remain employed by RGS Worcester so are subject to the policy implemented by the School.

**d. Organisational structure and decision making**

The Board of Trustees convenes formally once per school term to review the work of the Foundation Office and to formally make decisions to enable the Foundation grow. In between these Board meetings smaller working groups or sub committees (e.g. the Finance Committee) can and do meet. If time critical decisions need to be taken the Chair circulates the information electronically to Trustees to enable agreement to be reached. This is then conveyed to the Foundation Director for implementation.

Hybrid working has led to the use of video conferencing and this has worked well for the Trustees. Trustees are appointed for a three year term and minimum of three RGS Governors will serve as Trustees. The Trustees are aware of the charity governance code and the Foundation voluntarily subscribes to the Fundraising Regulator code of practice.

Periodically, Trustees will review the guidance in order to ensure that the Charity is working in line with the code, in all ways where it is practical to do so.

**e. Related party relationships**

The Foundation exists to advance education at the RGS Worcester Family of Schools. At least three Trustees are also Governors of the School to ensure strategic alignment is maintained between the two entities. The School finances and staffs the Foundation Office and the Headmasters and Headmistresses of the four RGS Schools attend the Trustee Board meeting, as does the Director of Finance and Operations.

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Structure, governance and management (continued)**

**f. Risk management**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate its exposure to the major risks. The Trustees are mindful of the need to maximise the income generated from the capital base of the two endowment bursary funds held within the Foundation, as well as to preserve the value of other donations ahead of them being transferred to RGS. This must be done against the backdrop of volatile market conditions, so the Board tasked members of the Finance Committee to review and monitor the choice of investments held in COIF units and to consider alternative options to mitigate against stock market fluctuations

**Plans for future periods**

**a. Future developments**

The Board will recruit additional Trustees to help further the work of the Foundation Office and will seek guidance where necessary to help them to fulfil their roles for the Foundation.

The full findings from the Review of the Foundation Office undertaken by Graham Pelton (UK) Ltd Consultants will continue to be implemented by the Foundation Office now that staffing levels are commensurate with the recommendations for increasing fundraising activity and alumni engagement.

The updated Case for Support for bursaries at RGS will be widely circulated along with the inaugural Impact Report which will feature testimonials from bursary recipients. Further testimonials will be gathered and shared across communication channels to encourage giving.

Long term fundraising targets linked to the School's revised Strategic Development Plan will be set by the Trustees for the Foundation Office. During the coming year a strategic plan with milestones will be agreed to deliver the targets with KPIs monitored to track progress.

The primary focus for fundraising in 2022-23 will remain on bursaries in order to widen access to the School. An inaugural Giving Day will be held in March 2023 which will ask alumni, parents, staff and friends of the School to donate to the Foundation's Bursary Fund.

The Foundation Director, with the endorsement of the Trustees, will complete the sale of the house which was donated to the Charity in support of bursaries. Trustees will make available funds to support up to two new 50% bursary places at the School each year until the funds are exhausted.

To help recruit donors the number of alumni engagement events will increase significantly during 2022-23 with a rolling programme of gatherings designed to solicit gifts and to inform alumni about the impact the Foundation is making on young lives. Planning will commence for an inaugural Old Elizabethans Weekend in September 2023. Trustees will support the Foundation Office team and School Leadership at a number of these events.

Targeted engagement with current and prospective major donors will be undertaken by the Foundation Director to solicit major gifts which will complement increasing the donor pool by recruiting a number of additional regular donors.

Legacy pledges will continue to be solicited to ensure future donations are in the pipeline and larger gifts and a Legacy Society will be established in 2023 to steward these donors.

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Plans for future periods (continued)**

Subject to planning permission being achieved, the opportunity to support the School's development of the Indoor Tennis and Netball Centre will also be maximised.

The Foundation Trustees will work with the School's Leadership to assist where it can with the ongoing closer working of the alumni association with RGS.

**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

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

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Disclosure of information to auditor**

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

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

**Auditor**

The auditor, Crowe U.K. LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



**Mr Timothy Stephen Curtis**  
Chair  
Date: 2 March 2023

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**

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### **Opinion**

We have audited the financial statements of The RGSW and AOS Foundation (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**  
**(CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

**Responsibilities of trustees**

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

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

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**  
**(CONTINUED)**

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**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

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

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance & General Purpose Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, OFSTED and reading minutes of meetings of those charged with governance.

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

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.

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**  
**(CONTINUED)**

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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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Crowe UK LLP*

**Crowe U.K. LLP**  
Statutory Auditor  
Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

Date: **24 May 2023**

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

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations and legacies	4	600,989	124,819	725,808	447,607
Investments	5	-	19,913	19,913	16,279
<b>Total income</b>		<b>600,989</b>	<b>144,732</b>	<b>745,721</b>	<b>463,886</b>
<b>Expenditure on:</b>					
Raising funds	6	-	117,819	117,819	91,053
Charitable activities	7	74,463	21,913	96,376	356,829
<b>Total expenditure</b>		<b>74,463</b>	<b>139,732</b>	<b>214,195</b>	<b>447,882</b>
<b>Net income before net (losses)/gains on investments</b>		<b>526,526</b>	<b>5,000</b>	<b>531,526</b>	<b>16,004</b>
Net (losses)/gains on investments		(31,923)	(5,953)	(37,876)	97,649
<b>Net movement in funds</b>		<b>494,603</b>	<b>(953)</b>	<b>493,650</b>	<b>113,653</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		424,534	372,069	796,603	682,950
Net movement in funds		494,603	(953)	493,650	113,653
<b>Total funds carried forward</b>		<b>919,137</b>	<b>371,116</b>	<b>1,290,253</b>	<b>796,603</b>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 20 to 34 form part of these financial statements.

**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 10326313**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	11	685,549	723,426
Investment property	10	500,000	-
		<u>1,185,549</u>	<u>723,426</u>
<b>Current assets</b>			
Debtors	12	1,504	-
Cash at bank and in hand		103,200	73,177
		<u>104,704</u>	<u>73,177</u>
<b>Net current assets</b>		<b>104,704</b>	<b>73,177</b>
<b>Total net assets</b>		<b><u>1,290,253</u></b>	<b><u>796,603</u></b>
<b>Charity funds</b>			
Restricted funds	14	919,137	424,534
Unrestricted funds	14	371,116	372,069
<b>Total funds</b>		<b><u>1,290,253</u></b>	<b><u>796,603</u></b>

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

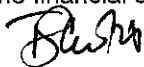
The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 145 of the Charities Act 2011.

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

  
**Mr Timothy Curtis**  
 Chair  
 Date: 2 March 2023

The notes on pages 20 to 34 form part of these financial statements.

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

	<b>2022</b>	<b>2021</b>
	£	£
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>10,110</b>	<b>(306)</b>
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	<b>19,913</b>	<b>16,280</b>
Purchase of investments	<b>-</b>	<b>(182,922)</b>
<b>Net cash provided by/(used in) investing activities</b>	<b>19,913</b>	<b>(166,642)</b>
<b>Cash flows from financing activities</b>		
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>-</b>
<b>Change in cash and cash equivalents in the year</b>	<b>30,023</b>	<b>(166,948)</b>
Cash and cash equivalents at the beginning of the year	<b>73,177</b>	<b>240,125</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>103,200</b>	<b>73,177</b>
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The notes on pages 20 to 34 form part of these financial statements

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

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

The RGSW and AOS Foundation 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.

**1.2 Company status**

The company is a company limited by guarantee, registered in England and Wales, number 10326313. The company is also registered as a charity, number 1170217. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. The company's registered office and principal place of business is The Foundation Office, The Royal Grammar School Worcester, Upper Tything, Worcester, WR1 1HP.

**1.3 Going concern**

The Trustees have undertaken planning and continue to closely monitor the Covid-19 situation. Despite the current circumstances the Trustees believe that the charity's financial resources and contingency planning is sufficient to ensure the ability of the company to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. Accounting policies (continued)**

**1.4 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.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**1.5 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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. Accounting policies (continued)**

**1.5 Expenditure (continued)**

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**1.6 Investments**

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

The Foundation was gifted a property during the year which is held at fair value as an investment property whilst its sale is pending.

**1.7 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.

**1.8 Cash at bank and in hand**

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

**1.9 Financial instruments**

The charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

**Debtors**

Short term debtors are measured at transaction price, less any impairment.

**Creditors**

Short term creditors are measured at transaction price.

**Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. Accounting policies (continued)**

**1.10 Fund accounting**

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

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

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

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

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

**3. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

**Donated services and facilities**

The Foundation received donated services and facilities from the Royal Grammar School Worcester relating to staff costs, fundraising costs, office space and audit fees. The staff costs are calculated based on the percentage of each staff members' time spent on providing services to the charity. Premises costs are estimated by applying a market rate to the size of the office occupied.

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**4. Income from donations and legacies**

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Donations	600,989	-	600,989
Donated services and facilities	-	124,819	124,819
	<b>600,989</b>	<b>124,819</b>	<b>725,808</b>
	<b>600,989</b>	<b>124,819</b>	<b>725,808</b>
	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	354,171	-	354,171
Donated services and facilities	-	93,436	93,436
	<b>354,171</b>	<b>93,436</b>	<b>447,607</b>
	<b>354,171</b>	<b>93,436</b>	<b>447,607</b>

**5. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Income from COIF units	19,913	19,913
	<b>19,913</b>	<b>19,913</b>
	<b>19,913</b>	<b>19,913</b>
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Income from COIF units	16,279	16,279
	<b>16,279</b>	<b>16,279</b>
	<b>16,279</b>	<b>16,279</b>

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THE RGSW AND AOS FOUNDATION  
(A company limited by guarantee)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

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6. Expenditure on raising funds

	Unrestricted funds 2022 £	Total funds 2022 £
Events and publications	27,314	27,314
Staff costs	90,505	90,505
	<u>117,819</u>	<u>117,819</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Events and publications	14,371	14,371
Staff costs	76,682	76,682
	<u>91,053</u>	<u>91,053</u>

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**7. Analysis of expenditure on charitable activities**

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total 2022 £</b>
Grants to RGS Worcester	74,463	19,913	<b>94,376</b>
Establishment costs	-	500	<b>500</b>
Management and administration	-	1,500	<b>1,500</b>
	<u>74,463</u>	<u>21,913</u>	<u><b>96,376</b></u>
	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total 2021 £</i>
Grants to RGS Worcester / Worcester International Hockey	354,446	-	354,446
Establishment costs	-	500	500
Management and administration	-	1,883	1,883
	<u>354,446</u>	<u>2,383</u>	<u>356,829</u>

**8. Auditor's remuneration**

The auditor's remuneration amounts to an auditor fee of £1,450 (2021 - £1,365), and a fee for the preparation of the financial statements of £750 (2021 - £ -).

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**9. Staff costs**

	2022 £	2021 £
Wages and salaries	90,505	76,682
	<u>90,505</u>	<u>76,682</u>

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

No employee received remuneration amounting to more than £60,000 in either year.

All staff are employed by and paid for by The Royal Grammar School Worcester. These costs are shown as donated services and facilities.

Key management personnel are considered to be the Trustees and Senior Management. Total remuneration of key management personnel amounted to £57,083 (2021: £36,503) of which all costs were met by The Royal Grammar School Worcester.

**10. Investment property**

	Freehold investment property £
<b>Valuation</b>	
Additions	500,000
At 31 August 2022	<u>500,000</u>

The investment property has been valued at the Trustees' best estimate of its fair value as at the 31 August 2022. The property is unique and has been valued at over £500,000 by estate agents and since the year end Trustees have accepted an offer of £475,000 (subject to contract).

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**11. Fixed asset investments**

	<b>Unlisted investments £</b>
<b>Cost or valuation</b>	
At 1 September 2021	723,426
Revaluations	(37,877)
	685,549
At 31 August 2022	685,549
 <b>Net book value</b>	
At 31 August 2022	685,549
At 31 August 2021	723,426

**12. Debtors**

	<b>2022 £</b>	<b>2021 £</b>
<b>Due within one year</b>		
Other debtors	1,504	-
	1,504	-
	1,504	-

**13. Financial instruments**

	<b>2022 £</b>	<b>2021 £</b>
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	788,749	716,640
	788,749	716,640

Financial assets measured at fair value through income and expenditure comprise investments.

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**14. Statement of funds**

**Statement of funds - current year**

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
A R Wheeler Bursary Fund	355,697	-	-	(5,953)	349,744
<b>General funds</b>					
General Funds - all funds	16,372	144,732	(139,732)	-	21,372
<b>Total Unrestricted funds</b>	<b>372,069</b>	<b>144,732</b>	<b>(139,732)</b>	<b>(5,953)</b>	<b>371,116</b>
<b>Restricted funds</b>					
A R Wheeler Bursary Fund	189,789	7,300	-	(28,794)	168,295
Alice Ottley Bursary Fund	55,661	2,321	-	(3,129)	54,853
Hardship Fund	4,111	742	-	-	4,853
Alumni Sponsorship	158,806	65,738	(73,969)	-	150,575
WIHL Buy a Brick	15,667	-	-	-	15,667
WIHL Buy a Tree	500	-	-	-	500
Foundation Bursary Fund	-	21,904	-	-	21,904
Parent Music Scholarship	-	490	-	-	490
The Christopher and Dorothy Dyer Science and Technology Bursary Fund	-	500,000	-	-	500,000
RGSW Tree	-	494	(494)	-	-
Contemplation Area	-	2,000	-	-	2,000
	<b>424,534</b>	<b>600,989</b>	<b>(74,463)</b>	<b>(31,923)</b>	<b>919,137</b>
<b>Total of funds</b>	<b>796,603</b>	<b>745,721</b>	<b>(214,195)</b>	<b>(37,876)</b>	<b>1,290,253</b>

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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

**Designated funds:**

The A R Wheeler Bursary Fund (ARW Bursary Fund) was set up in 2013 and has been designated by the Governors as a fund to generate bursarial support. This Fund was transferred to The RGSW and AOS Foundation on its formation.

**Restricted funds:**

The Anthony Reay Wheeler Bursary Fund (ARW Bursary Fund): monies received for investing in the ARW Bursary Fund.

The Alice Ottley Bursary Fund: monies received for investing in the Alice Ottley Bursary Fund.

The Foundation Bursary Fund: for donations given in support of bursaries at RGS but unlike gifts to the two bursary endowment funds, these monies are to be transferred to the School within 18 months of being donated. Fundraising activities will ensure that the fund is continually replenished.

The Parent Music Scholarship: an annual donation given by an RGS family to cover the musical instrument tuition fees for a bursary recipient pupil.

The Christopher and Dorothy Dyer Science and Technology Bursary Fund: uses funds from the sale of Laurel Cottage to provide bursary places at RGS. Chris Dyer is a former pupil of RGS Worcester. He and his wife, Dorothy, live in the USA and Laurel Cottage was his UK family home which he gifted to the Foundation to help children access education at RGS. Chris has stipulated that up to two bursaries per year may be awarded at 50% of school fees until the funds are exhausted.

The RGSW Tree: a one-off gift to plant a tree at RGS from a former pupil, Kenneth Armson, who devoted his professional career to stewarding forests in Canada.

The Contemplation Area: a one-off gift from Kenneth Armson who wishes to provide a dedicated area in the grounds at RGS Worcester for pupils and staff who may value a space for quiet reflection.

Hardship Fund: this is used to make smaller, one off 'in year' grants to pupils whose families have often unexpected financial constraints. The grants can be used to assist with fees to help prevent disruption to the education of pupils affected. The grants can also be applied to further the education of pupils in these circumstances by helping to fund activities such as: academic field trips or study courses; uniform purchases; provision of necessary individual classroom materials/equipment; the purchase of sports equipment; contributions towards the costs of sports tours and other co-curricular events.

Alumni Sponsorship: these are donations made to fund means-tested bursary places at the School for individual pupils.

Worcester International Hockey Centre:- donations made to the Foundation in support of the £400,000 capital RGS had to contribute to the development of the new Centre. Funds raised through 'Buy-a-Brick', sponsor a tree and grant awards.

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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

**Statement of funds - prior year**

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
A R Wheeler Bursary Fund	294,736	-	-	60,961	355,697
<b>General funds</b>					
General Funds - all funds	93	109,715	(93,436)	-	16,372
<b>Total Unrestricted funds</b>	<b>294,829</b>	<b>109,715</b>	<b>(93,436)</b>	<b>60,961</b>	<b>372,069</b>
<b>Restricted funds</b>					
A R Wheeler Bursary Fund	154,186	7,271	-	28,332	189,789
Alice Ottley Bursary Fund	44,207	3,098	-	8,356	55,661
Digital Archive	2,760	-	(2,760)	-	-
Hardship Fund	39,501	5,417	(40,807)	-	4,111
Alumni Sponsorship	147,467	68,120	(56,781)	-	158,806
WIHL Fund	-	250,000	(250,000)	-	-
WIHL Buy a Brick	-	19,765	(4,098)	-	15,667
WIHL Buy a Tree	-	500	-	-	500
	<b>388,121</b>	<b>354,171</b>	<b>(354,446)</b>	<b>36,688</b>	<b>424,534</b>
<b>Total of funds</b>	<b>682,950</b>	<b>463,886</b>	<b>(447,882)</b>	<b>97,649</b>	<b>796,603</b>

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**15. Summary of funds**

**Summary of funds - current year**

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2022 £
Designated funds	355,697	-	-	(5,953)	349,744
General funds	16,372	144,732	(139,732)	-	21,372
Restricted funds	424,534	600,989	(74,463)	(31,923)	919,137
	<u>796,603</u>	<u>745,721</u>	<u>(214,195)</u>	<u>(37,876)</u>	<u>1,290,253</u>

**Summary of funds - prior year**

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
Designated funds	294,736	-	-	60,961	355,697
General funds	93	109,715	(93,436)	-	16,372
Restricted funds	388,121	354,171	(354,446)	36,688	424,534
	<u>682,950</u>	<u>463,886</u>	<u>(447,882)</u>	<u>97,649</u>	<u>796,603</u>

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

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

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Fixed asset investments	577,795	107,754	685,549
Investment property	500,000	-	500,000
Current assets	(158,658)	263,362	104,704
<b>Total</b>	<u>919,137</u>	<u>371,116</u>	<u>1,290,253</u>

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**16. Analysis of net assets between funds (continued)**

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

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Fixed asset investments	609,718	113,708	723,426
Current assets	(185,184)	258,361	73,177
<b>Total</b>	<u>424,534</u>	<u>372,069</u>	<u>796,603</u>

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

	<b>2022 £</b>	<b>2021 £</b>
Net income for the year (as per Statement of Financial Activities)	<u>493,650</u>	<u>113,653</u>
<b>Adjustments for:</b>		
Gains on investments	37,877	(90,863)
Dividends, interests and rents from investments	(19,913)	(16,280)
(Increase)/Decrease in debtors	(1,504)	-
Increase/(decrease) in creditors	-	(30)
Capital Donations	(500,000)	-
<b>Net cash provided by operating activities</b>	<u>10,110</u>	<u>6,480</u>

**18. Analysis of cash and cash equivalents**

	<b>2022 £</b>	<b>2021 £</b>
Cash in hand	<u>103,200</u>	<u>73,177</u>
<b>Total cash and cash equivalents</b>	<u>103,200</u>	<u>73,177</u>

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**19. Analysis of changes in net debt**

	At 1 September 2021	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	73,177	30,023	103,200
	73,177	30,023	103,200

**20. Connected parties**

The Foundation exists to advance education at the RGS Worcester Family of Schools. A minimum of three Trustees are also Governors of the School to ensure strategic alignment is maintained between the two entities. The School funds and staffs the Foundation Office and the Headmasters and Headmistresses of the RGS Schools attend the Trustee Board meetings, as does the Director of Finance and Operations.

In December 2017, the A R Wheeler Bursary Fund and the restricted element of the Alice Ottley Bursary Fund were transferred from the School to the Foundation. The A R Wheeler Bursary Fund was valued at £355,335 and the Alice Ottley Bursary Fund was valued at £25,266. £5,800 of other restricted funds were also transferred to the Foundation. The Foundation made grants to the School in the year totalling £94,376 (2021: £115,625) of which £Nil (2021: £40,802) related to Hardship grants, £Nil (2021: £2,760) related to the Digital Archive, £494 (2021: £Nil) related to a tree, and the rest, £90,505 (£72,063) is to be spent on bursaries.

The Foundation made a grant to Worcester International Hockey Limited, of which the School is a joint owner, in the year totalling £Nil (2021: £250,000)

An amount of £Nil (2021: £Nil) was owing from the Foundation to the School at 31 August.

The School paid for the running costs of the Foundation Office, including:

salaries amounting to £90,505 (2021: £76,682),  
events and publications amounting to £27,314 (2021: £14,371),  
management and administration costs amounting to £1,500 (2021: £1,883)  
provision of office space amounting to £500 (2021: £500).

**THE RGSW AND AOS FOUNDATION**

England & Wales - Charity number 1170217

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# Accounts

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Registered number: 10326313  
Charity number: 1170217

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Trustees**

Mr Timothy Curtis  
Mr Nicholas Charles James Fairlie (resigned 14 May 2021)  
Mrs Anne Munro Fitch (resigned 4 May 2021)  
Mrs Rosemary Frances Ham, (appointed as Deputy Chair 1 December 2020,  
resigned as Deputy Chair 21 October 2021)  
Mrs Rachel Wyatt  
Mrs Emma Jane Bentley-Hughes (resigned 27 February 2022)  
Mr Johnathan David Arr, (appointed as Deputy Chair 21 October 2021)  
Mr Andrew Hampden Greenway, (Resigned as Deputy Chair 1 December 2020)  
Mr Gary Paul Rouse  
Mr John Mark Gibson  
Mrs Katherine Mary Wormington

**Company registered number**

10326313

**Charity registered number**

1170217

**Registered office**

The Royal Grammar School Worcester  
Upper Tything  
Worcester  
WR1 1HP

**Senior management team**

Scott MacDonald, Foundation Director

**Independent auditor**

Crowe U.K. LLP  
Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

**Bankers**

Lloyds Bank  
4 The Cross  
Worcester  
WR1 3PY

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Solicitors**

Stallard March and Edwards (SME Solicitors)  
8 Sansome Walk  
Worcester  
WR1 1LW

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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The Trustees present their annual report together with the audited financial statements of the Company for the 1 September 2020 to 31 August 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees 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).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

### **Objectives and activities**

#### **a. Policies and objectives**

The Foundation is a separate charity to RGS Worcester (the 'School') which comprises RGS Worcester, RGS Springfield and RGS The Grange and RGS Dodderhill. Reference to the School(s), RGS or RGSW in the following report should be taken to mean any and/or all of the four RGSW schools. The Foundation undertakes activities solely to support the School and its pupils. The Foundation is governed by its Articles of Association. It also has policies to cover its operation including the recruitment of suitable trustees, their ongoing fitness to be a trustee, conflicts of interest, the running of decision making meetings, and its ethical approach to fundraising. Trustees are bound by its Code of Practice and submit declarations of interest. All trustees are subject to DBS checks. The Foundation's Objects from the Articles of Association are:

- (a) advancing the education of the pupils at the Schools by:
  - (i) providing and assisting in the provision of facilities and resources (including premises, equipment and services) for education at the Schools;
  - (ii) awarding to pupils at the Schools (or for their benefit) bursaries, scholarships, maintenance allowances or grants, or making loans to pupils or for their benefit, or providing pupils with books, equipment or clothing for the purposes of their education;
  - (iii) providing any part of their education (including the study of music or other arts or social or physical education);
  - (iv) assisting them to undertake travel in furtherance of their education;
  - (v) helping them to prepare for entry into any other educational establishment or into any occupation, trade or profession on leaving the Schools;
  - (vi) developing their mental, physical and moral capabilities through leisure time activities.
  
- (b) advancing the education of persons who are educated by or with the support of the Schools Charity by supporting the charitable objects of the Schools Charity, by:
  - (i) making grants or loans or otherwise providing financial support to the Schools Charity for its general charitable purposes or for specific charitable purposes;
  - (ii) doing in relation to the Schools Charity and its charity beneficiaries any of the things which are permitted in relation to the Schools and their pupils by article 2.1(a);
  
- (c) in connection with the Schools or the Schools Charity, promoting the education of people under the age of 25 years in the county of Worcestershire in such ways as the Trustees think fit, including by:
  - (i) enabling them to have access to and to make use of educational facilities and resources of the Schools or of the Schools Charity; or
  - (ii) attending the Schools.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Objectives and activities (continued)**

**b. Activities for achieving objectives**

To support the School with financial donations to provide:

- additional means-tested bursary places;
- hardship grants for RGS families who require temporary assistance with school fees and other education costs;
- improvements to the RGSW School estate;
- the ability to undertake other smaller projects to further education provision within the Schools.

The Trustees have tasked the Foundation Office led by the Foundation Director to instigate fundraising across the following areas:

- directing fundraising appeals to alumni, ex-staff and parents with the request they support the provision of additional bursary places at RGSW. Donations will be used to fund places at the School to enable children whose families who could not otherwise afford the fees to receive an RGS education;
- directing fundraising appeals to alumni, ex-staff and parents with the request they support the Hardship Fund Appeal. Donations will be used to award grants in support of school fees and education costs to RGS families who are facing unforeseen financial constraints;
- directing fundraising appeals to alumni, parents and ex-staff seeking donations towards the development of Capital Projects that the School is planning, namely a Hockey Centre at Perdiswell and an Indoor Tennis and Netball Centre on the RGS Worcester campus;
- requesting parents of each Upper Sixth leaving group donate their child's refundable joining deposit to support bursaries or hardship awards or other initiatives identified by the Headmaster;
- directing fundraising appeals to alumni and ex-staff with the request they make a legacy gift to the Foundation in order to provide funding in support of bursaries at RGSW or other aspects they would most like to support in the School;
- applying for grants to awarding foundations and bodies in support of the Foundation's objectives;
- publishing an Annual Giving Report that explains what funds have been raised how they have been applied to generate outcomes aligned to the Charity's Objects.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Objectives and activities (continued)**

**c. Main activities undertaken to further the charity's purposes for the public benefit**

In setting objectives and planning activities the School's Governors have given careful consideration to the Charity Commission's general guidance on Public Benefit. The Foundation works to advance the education of pupils at the RGS Worcester Family of Schools and in doing so, actively helps to deliver the Public Benefit delivered by RGS. It will do this by widening access to the School through the provision of additional bursary supported places. These will be available to children from local families who meet the academic entrance requirements but would not otherwise be able to afford the school fees. Places funded by donations will be in addition to those funded by the School. Bursaries will be means-tested to ensure all recipients are in genuine need of the financial support.

Grants from the Foundation's Hardship Fund aim to provide short-term support for RGS families who may be facing serious financial difficulties through unexpected circumstances, such as parental bereavement or loss of employment. These grants help tide families over in relation to school fees and other education costs until the situation is resolved or until longer-term bursary funding can be allocated.

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Objectives and activities (continued)**

The Foundation will also raise funds to support capital projects at RGS Worcester that will further the provision of education and where appropriate will benefit the local community. For example, during 2020-21 the Foundation Office raised funds for the new Hockey Centre that is being developed by RGS in partnership with Worcester Hockey Club, with the full support of Worcester City Council. The new facility opened in November 2021 and offers international standard pitches that will attract top coaches and will widen community access to the sport. This centre will be used by RGS pupils but will also be available to Club members, pupils from other local schools and students from the University of Worcester.

**Achievements and performance**

**a. Review of activities**

Tim Curtis continued as Chair of the Foundation. The decision was taken by the Board to rotate the role of Deputy Chair annually to widen experience amongst Trustees and to assist with succession planning. Rosemary Ham succeeded Andrew Greenway in the role of Deputy Chair in December 2020. At the AGM on 21 October 2021 Jonny Arr became the Deputy Chair. Gary Rouse remained as Chair of the Finance Committee.

Two Trustees resigned from the Board in May 2021: Annie Fitch, for family reasons and Nick Fairlie who has increased his workload as an RGS Governor. The Board expressed its gratitude for their service to the Foundation. The Trustees are seeking new Trustees and will appoint new Board members when suitable candidates have been identified.

Throughout 2020-21 the Trustees continued to work remotely to minimise the risk of Covid transmission. The use of online meetings enabled the charity to fulfil its role on behalf of the School and its pupils. The Foundation Office Administrator was placed on furlough for a period to help RGS manage its costs. They resigned in August 2021 to pursue an alternative career opportunity. The Trustees were sorry to lose their services and wish them every success in their new venture. At the time of reporting the administrator role remains to be filled.

The Graham-Pelton Review undertaken during 2020 identified the need for an additional fundraiser within the Foundation Office to maximise the opportunities for securing support. The RGS Board of Governors endorsed this recommendation and the role was advertised in May 2021. Tim Curtis represented the Foundation Trustees during the recruitment process which led to the appointment of a Development and Alumni Relations Manager, starting at RGS in September 2021. Fundraising continued throughout the year despite the uncertainty caused by the Covid-19 pandemic. Bursaries remained the priority for the Foundation.

Existing bursary sponsors continued to provide support and a new sponsor was recruited to enable a pupil to join RGS in September 2021. The donations made by individual sponsors were supplemented with smaller donations made as single gifts and as recurring gifts. A total of £72,163 was transferred from the Foundation to RGS during 2020-21 to fund bursary places representing 11.1% of the means-tested bursary funding awarded by the School during the year.

The remaining funds donated to the Foundation's Hardship Fund Appeal in 2020 were transferred to RGS to support pupils during the 2020-21 academic year. £40,802 was made available to RGS for this purpose. In total, 27 pupils have benefited from Hardship grants following the Appeal. Future fundraising will be undertaken to replenish the Hardship Fund which at the time of reporting had a balance of £4,111.

The Foundation Office sought support from the alumni and parent communities for the new Hockey Centre that RGS will own and operate in partnership with Worcester Hockey Club. The 'Buy-a-Brick' and 'sponsor a tree' initiatives resulted in 136 bricks being sold and two trees being sponsored. Installation of the bricks will be completed in Spring 2022 and the final costs will then be known but it is estimated that these activities will contribute £14,000 to the project.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Achievements and performance (continued)**

A number of grant applications were made to awarding bodies to request support for the Hockey Centre development. Trustees at the Kildare Trust were very impressed with the School's vision for increasing participation in Hockey through community access to an exceptional facility dedicated to the sport. The Kildare Trust awarded a grant of £250,000 to the Foundation for the purpose of developing the Centre. The Foundation Board transferred the funds to the Hockey Centre joint venture company which is owned by RGS and Worcester Hockey Club.

The planning application for an Indoor Tennis and Netball Centre on the RGS Worcester campus to be developed by RGS in partnership with the Lawn Tennis Association (LTA) has been temporarily deferred to enable the Hockey Centre to be completed. It is expected that the planning application will be submitted in Q1 2022 and fundraising will follow from that point. The donor from the alumni community who has pledged a significant donation to the Foundation for use in the project remains committed and the Trustees will be able to call on this gift once planning permission has been granted. Fundraising will be undertaken for this project during 2022-23.

The Foundation Trustees released £2,760 of previously raised funds to RGS to help finance the creation of an online digital archive that will help preserve the history of the School and provide material that can be used to assist with future fundraising and marketing activities. An initial batch of photographs have been scanned and a website has been created which will be launched in 2022.

**b. Fundraising activities**

The Foundation charity is run by the Foundation Office which is part of the School and its staff are employees of RGSW. The Foundation Office seeks donations from the alumni of RGS Worcester (RGS), the Alice Ottley School (AOS) and Dodderhill School, as well as from parents of pupils at the four RGS schools. Grant applications are made to awarding bodies that can help the Foundation to support the work of the School. Prospective donors are asked to support bursaries, the hardship fund, capital projects and the provision of smaller items to further the education of pupils at RGSW.

The Foundation Office manages an alumni website ([www.rgswandaos.foundation](http://www.rgswandaos.foundation)) which provides details of the areas for which funds are required and provides an online giving facility that incorporates Gift Aid, where applicable. Opportunities to donate are also outlined in the Alumni Annual Review which includes the Annual Giving Report, as well as in direct mailing requests and on social media posts.

The Trustees provide the oversight and set the strategic fundraising objectives for the charity. The Foundation voluntarily subscribes to the Fundraising Regulator as per the scheme for charities that spend under £100k on fundraising activities. The Foundation Office conducts fundraising for the charity and abides by the Fundraising Code published by the Fundraising Regulator. There were no failures to report from the reporting period. Trustees regularly review the activities of the Foundation Office and meet with its staff formally each term to discuss fundraising activities and priorities. Trustees also speak with the Foundation Office staff between formal Board meetings through Working Groups meetings and individual contact when relevant. No complaints have been received to date regarding the Foundation, the Foundation Office staff or the Trustees. The Foundation Office provides mechanisms for alumni to change their communication preferences which include enabling anyone to stop further contact from the Foundation Office within all its communications. As soon as an individual makes a request to cease receiving contact from the Foundation Office either via a particular channel or from all channels, this is actioned and recorded to prevent staff in the future from inadvertently making contact. The Foundation Office does not send mail to alumni over 85 years old without clearly explaining that they can stop any and all communications, and that they are not under any obligation to make donations. When made aware, the Foundation Office promptly ceases communications with anyone who may not have the capacity to understand a fundraising request (e.g. when an individual moves into a care home or a parent/partner/child informs of a health issue impacting someone who would otherwise wish to receive communications).

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Achievements and performance (continued)**

**c. Investment policy and performance**

The Trustees have maintained a cautious approach to investments during a period of considerable global market uncertainty, due largely to the Covid-19 pandemic and the recovery process, along with the effects of Brexit within the UK. The Foundation's Investment Policy frames the Board's approach to investing, reviewing performance and decision making. All investments will be made with ethical considerations being central to the decision making process.

The Trustees have committed to investing endowed funds in products that actively pursue ethical investing policies because this reflects the values of the Trustees, as well as of the School which the Foundation exists to support. A review of the investment strategy and the investments the Foundation holds was undertaken during 2020-21 to ensure it satisfies a medium-low risk approach and meets ethical and responsible investment criteria.

The Finance Committee reviewed the existing investments in CCLA's COIF Charities Investment Fund and alternatives. It recommended for the Board to retain its investments in CCLA's COIF funds but that future donations should be invested in the COIF Charities Ethical Investment Fund. The Board endorsed this recommendation and the decision reflects the ambition of the Trustees to invest donated funds ethically.

The COIF Charities Ethical Investment Fund has a very similar historic performance to the COIF Charities Investment Fund but has a number of exclusions to its portfolio, for example: Companies that derive more than 5% of their income from the extraction of oil sands or energy coal; Companies that derive more than 10% of their revenue from extracting and refining coal, oil or gas; Investment is prohibited if companies are involved in the production of nuclear weapons, landmines or cluster munitions; no Sovereign Debt from countries identified by the Ethical Fund Advisory Committee as being the most oppressive; Companies that derive 10% or more from tobacco, alcohol or gambling. A full list of exclusion criteria can be viewed on the fund factsheet which is available on the website ([www.CCLA.co.uk](http://www.CCLA.co.uk))

New accounts for the ARW Bursary Fund, the Alice Ottley Bursary Fund and a Foundation Annual Fund (for advance sponsorship donations and other gifts) were opened in the COIF Charities Ethical Investment Fund. No additions were made to the existing accounts held in the COIF Charities Investment Fund. CCLA subsequently offered the Trustees the opportunity to transfer the Foundation's monies between different COIF funds at a heavily discounted rate in July 2021. The Board asked the Finance Committee to review this option.

The Finance Committee recommended to the Board in May 2021 that all of the funds held in the ARW Bursary Fund and Alice Ottley Bursary Fund accounts within the COIF Charities Investment Fund be moved into the COIF Charities Ethical Investment Fund and consolidated in the recently opened accounts. The Board noted the past performance of both funds and the commitment to ethical investment and Trustees voted unanimously to make the transfer. Consequently, from July 2021 all of the Foundation's funds held at CCLA are now invested in accounts within the COIF Charities Ethical Investment Fund. Performance will continue to be monitored by the Finance Committee in line the Foundation's Investment Policy.

**The Alice Ottley Bursary Fund.** In December 2017, 1,718 units held in COIF Charities Investment Fund which had been purchased with donations for the AO Bursary fund were transferred from The Royal Grammar School Worcester to The RGSW and AOS Foundation. Funds of £55,661 were held in COIF Charities Ethical Investment Fund as at 31 August 2021.

**The Anthony Reay Wheeler Bursary Fund.** This fund was designated in May 2013 with the legacy from a former Master of the School. In December 2017, 24,163 units held in COIF Charities Investment Fund, including some restricted funds were transferred from The Royal Grammar School Worcester to The RGSW and AOS Foundation.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Achievements and performance (continued)**

The funds were transferred as unrestricted funds and designated by the Trustees of The RGSW and AOS Foundation. Funds of £545,486 were held in COIF Charities Ethical Investment Fund as at 31 August 2021.

**The Foundation Annual Fund.** This fund comprises bursary donations to the Foundation other than those given for the two named endowment bursary. This fund includes the advance payments of fees for pupils being sponsored by donors which will be drawn down for payment to the School within five years. Funds of £158,805 were held as at 31 August 2021.

**The Hardship Fund.** This fund comprises cash deposits and is intended for use in-year rather than being held for long-term growth. Its value at 31 August 2021 is £4,111.

**Financial review**

**a. Going concern**

At the time of reporting, the Covid-19 pandemic remains an ongoing concern although the vaccine rollout in the UK has been successful in reducing the number of deaths and severe cases requiring hospital treatment. The large vaccine uptake has enabled society to reopen, albeit with some restrictions in place and precautions still being observed. RGS has managed the pandemic exceptionally well through its globally recognised Digital Learning Programme, pupil numbers have grown and the School is in a stable financial position.

The Trustees continue to monitor the situation closely for the Foundation's ability to conduct fundraising operations. Despite the current circumstances, the Trustees believe that the charity's financial resources and contingency planning is sufficient to ensure the ability of the company to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

Please see the Risk Management section of this report for more details of the projected impact on the Foundation

**b. Financial review**

The Trustees consider the Foundation to be in a sound financial position with sufficient reserves.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**c. Reserves policy**

The Trustees will endeavour to transfer to the School as much of the funds raised as soon as possible while observing the constraints placed on restricted gifts and any statement of wishes made on unrestricted gifts, therefore maintaining minimal reserves. Where gifts have been received for either of the named bursary funds these will be added to grow the capital base treating these as endowment funds. The annual income earned from the capital will be transferred to fund bursary places at the School. The gifts to the Hardship Fund will be allocated as awards for specific pupils to the School as needed, usually within twelve months of receipt.

Fees donated in advance by sponsors for particular pupils will be held by the Foundation in its Annual Fund and drawn down as required each year to RGS.

The Trustees will only retain funds to ensure support is needed for a particular pupil that runs over more than one School year. Commitments will not be entered into by the Trustees to the School if the projected costs cannot be met by anticipated income.

At the year end the Foundation had restricted funds of £424,534 (2020: £388,121) and designated funds of £348,911 (2020: £294,736). Unrestricted and free reserves at the year end are £16,372 (2020: £93). This is set out in note 13 on page 31.

The Foundation is able to maintain unrestricted and free reserves as £nil as The Royal Grammar School Worcester meets all costs of running the Foundation Office, including the costs of events and publications and the salaries of the Foundation Office staff.

**Structure, governance and management**

**a. Constitution**

The company is constituted under a Memorandum of Association dated 11 August 2016 and is a registered charity number 1170217.

The company was incorporated on 11 August 2016 and commenced trading on that date.

The principal object of the company is to advance the education of pupils at RGS Worcester. It undertakes fundraising to support bursary provision and to assist with capital projects across the RGS Schools.

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

New Trustees are normally appointed at termly meetings on the basis of nominations from a committee of Trustees. All nominations are made on the basis of eligibility, personal competence, specialist skills and availability.

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Policies adopted for the induction and training of Trustees.

New Trustees undertake a formal induction process under the guidance of a fellow Trustee and the Foundation Director which covers the workings of the Charity, including Policies, Procedures, Finances and Governance. Trustees are required to be DBS checked.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Structure, governance and management (continued)**

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

No payments have been made by the Foundation to any of the Trustees and the Foundation Office staff remain employed by RGS Worcester so are subject to the policy implemented by the School.

**d. Organisational structure and decision making**

The Board of Trustees convenes formally once per school term to review the work of the Foundation Office and to formally make decisions to enable the Foundation grow. In between these Board meetings smaller working groups or sub committees (e.g. the Finance Committee) can and do meet. If time critical decisions need to be taken the Chair circulates the information electronically to Trustees to enable agreement to be reached. This is then conveyed to the Foundation Director for implementation.

The Covid-19 pandemic necessitated the use of video conferencing and this has worked well for the Trustees. Trustees are appointed for a three year term and minimum of three RGS Governors will serve as Trustees. The Trustees are aware of the charity governance code and the Foundation voluntarily subscribes to the Fundraising Regulator code of practice.

Periodically, Trustees will review the guidance in order to ensure that the charity is working in line with the code, in all ways where it is practical to do so.

**e. Related party relationships**

The Foundation exists to advance education at the RGS Worcester Family of Schools. At least three Trustees are Governors of the School to ensure strategic alignment is maintained between the two entities. The School finances and staffs the Foundation Office and the Headmasters and Headmistresses of the four RGSW Schools attend the Trustee Board meeting, as does the Director of Finance and Operations.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Structure, governance and management (continued)**

**f. Risk management**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate its exposure to the major risks. The Trustees are mindful of the need to maximise the income generated from the capital base of the two endowment bursary funds held within the Foundation, as well as to preserve the value of other donations ahead of them being transferred to RGS. This must be done against the backdrop of volatile market conditions, so the Board tasked members of the Finance Committee to review and monitor the choice of investments held in COIF units and to consider alternative options to mitigate against stock market fluctuations.

Coronavirus

The Trustees continue to regard the Covid-19 pandemic situation as a short term operational challenge to be overcome and do not expect it to affect the charity as an ongoing concern. Throughout the year, Trustees were contactable by phone, email and videoconferencing, so communications and decision making remained viable for the charity. This enabled the charity to continue to operate effectively and to actively fundraise with Trustees maintaining oversight.

The Foundation Office staff returned to working at the School in September 2020 and, although RGS required the Foundation Office Administrator to be placed on furlough for a period of time, the Trustees are satisfied that, if necessary, the remote working model can be effectively resurrected at short notice.

RGS Worcester was affected like all schools but because of the School's extensive investment in its award winning Digital Learning Programme, effective teaching continued remotely at a level far greater than most other schools. The School remains financially robust and has seen an increase in pupil numbers in consecutive years as a direct consequence of its outstanding educational provision through the Coronavirus pandemic. The Covid-19 pandemic control measures meant that there was no opportunity for Trustees and the Foundation Office staff to engage in person with donors and prospective donors, either at group gathering events or at individual meetings during the year.

The lifting of restrictions for the new academic year of 2021-22 has enabled an event plan to be created and this will help to drive fundraising objectives. Trustees are committed to supporting the Foundation Office staff at these events. The Trustees recognise that emerging from the lockdowns and furlough scheme will require a period of readjustment as everyone attempts to return to their pre Covid-19 pandemic situation but there is optimism that 2021-22 will present opportunities to increase fundraising activities.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Structure, governance and management (continued)**

**Plans for future periods**

**a. Future developments**

The Board will recruit additional Trustees to help further the work of the Foundation Office and will seek guidance where necessary to help them to fulfil their roles for the Foundation. The full findings from the Review of the Foundation Office undertaken by Graham Pelton (UK) Ltd Consultants will continue to be implemented.

Long term fundraising targets linked to the School's revised Strategic Development Plan and coupled with the addition of an additional fundraiser, will be set by the Trustees for the Foundation Office. During the coming year a strategic plan with milestones will be agreed to deliver the targets with KPIs monitored to track progress.

The primary focus for fundraising in 2021-22 will remain on bursaries and hardship in order to widen access to the School. The opportunity to support the School's development of the Indoor Tennis and Netball Centre will also be maximised.

Opportunities for Trustees to support with fundraising activities such as the stewardship of donors have been mapped out within a two year event plan. Targeted engagement with current and prospective major donors will be undertaken by the Foundation Office to solicit major gifts which will complement increasing the donor pool by recruiting a number of additional regular donors.

Legacy pledges will continue to be solicited to ensure future donations are in the pipeline and larger gifts and a Legacy Society will be established to steward these donors.

The Foundation Trustees will work with the School's Leadership to assist where it can with the proposed integration of the alumni association into RGS.

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**THE RGSW AND AOS FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

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

**Disclosure of information to auditor**

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

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

**Auditor**

The auditor, Crowe U.K. LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

**Mr Timothy Curtis**

Chair

Date:



3/3/22

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**

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**Opinion**

We have audited the financial statements of The RGSW and AOS Foundation (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**  
(CONTINUED)

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**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

**Responsibilities of trustees**

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

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

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**  
**(CONTINUED)**

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**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

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

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance & General Purpose Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, OFSTED and reading minutes of meetings of those charged with governance.

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

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.

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RGSW AND AOS FOUNDATION**  
**(CONTINUED)**

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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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Crowe U.K. LLP*

**Crowe U.K. LLP**  
Statutory Auditor  
Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

Date: 8 April 2022

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

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations and legacies	4	354,171	93,436	447,607	341,515
Investments	5	-	16,279	16,279	13,562
<b>Total income</b>		<b>354,171</b>	<b>109,715</b>	<b>463,886</b>	<b>355,077</b>
<b>Expenditure on:</b>					
Raising funds	6	-	91,053	91,053	112,227
Charitable activities	7	354,446	2,383	356,829	73,528
<b>Total expenditure</b>		<b>354,446</b>	<b>93,436</b>	<b>447,882</b>	<b>185,755</b>
<b>Net (expenditure)/income before net gains on investments</b>		<b>(275)</b>	<b>16,279</b>	<b>16,004</b>	<b>169,322</b>
Net gains on investments		36,688	60,961	97,649	9,707
<b>Net movement in funds</b>		<b>36,413</b>	<b>77,240</b>	<b>113,653</b>	<b>179,029</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		388,121	294,829	682,950	503,921
Net movement in funds		36,413	77,240	113,653	179,029
<b>Total funds carried forward</b>		<b>424,534</b>	<b>372,069</b>	<b>796,603</b>	<b>682,950</b>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 22 to 36 form part of these financial statements.

**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 10326313**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	10	723,426	442,855
		<u>723,426</u>	<u>442,855</u>
<b>Current assets</b>			
Cash at bank and in hand		73,177	240,125
		<u>73,177</u>	<u>240,125</u>
Creditors: amounts falling due within one year	11	-	(30)
<b>Net current assets</b>		<u>73,177</u>	<u>240,095</u>
<b>Total net assets</b>		<u><u>796,603</u></u>	<u><u>682,950</u></u>
<b>Charity funds</b>			
Restricted funds	13	424,534	388,121
Unrestricted funds	13	372,069	294,829
<b>Total funds</b>		<u><u>796,603</u></u>	<u><u>682,950</u></u>

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 145 of the Charities Act 2011.

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

**Mr Timothy Curtis**

Chair

Date: 3/3/22

The notes on pages 22 to 36 form part of these financial statements.

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>(306)</b>	<b>155,791</b>
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	<b>16,280</b>	<b>13,562</b>
Purchase of investments	<b>(182,922)</b>	<b>-</b>
<b>Net cash (used in)/provided by investing activities</b>	<b>(166,642)</b>	<b>13,562</b>
<b>Cash flows from financing activities</b>		
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>-</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(166,948)</b>	<b>169,353</b>
Cash and cash equivalents at the beginning of the year	<b>240,125</b>	<b>70,772</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>73,177</b>	<b>240,125</b>

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The notes on pages 22 to 36 form part of these financial statements

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

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

The RGSW and AOS Foundation 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.

**1.2 Company status**

The company is a company limited by guarantee, registered in England and Wales, number 10326313. The company is also registered as a charity, number 1170217. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. The company's registered office and principal place of business is The Foundation Office, The Royal Grammar School Worcester, Upper Tything, Worcester, WR1 1HP.

**1.3 Going concern**

The Trustees have undertaken planning and continue to closely monitor the Covid-19 situation. Despite the current circumstances the Trustees believe that the charity's financial resources and contingency planning is sufficient to ensure the ability of the company to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.4 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.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**1.5 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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.5 Expenditure (continued)**

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**1.6 Investments**

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

**1.7 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.

**1.8 Financial instruments**

The charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

**Debtors**

Short term debtors are measured at transaction price, less any impairment.

**Creditors**

Short term creditors are measured at transaction price.

**Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

**1.9 Fund accounting**

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

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

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

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

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

**3. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

**Donated services and facilities**

The Foundation received donated services and facilities from the Royal Grammar School Worcester relating to staff costs, fundraising costs, office space and audit fees. The staff costs are calculated based on the percentage of each staff members' time spent on providing services to the charity. Premises costs are estimated by applying a market rate to the size of the office occupied.

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**4. Income from donations and legacies**

	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Donations	354,171	-	354,171
Donated services and facilities	-	93,436	93,436
	354,171	93,436	447,607
	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	227,231	-	227,231
Donated services and facilities	-	114,284	114,284
	227,231	114,284	341,515

**5. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Income from COIF units	16,279	16,279
	16,279	16,279
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Income from COIF units	13,285	13,285
Interest	277	277
	13,562	13,562

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**THE RGSW AND AOS FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**6. Expenditure on raising funds**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Events and publications	14,371	14,371
Staff costs	76,682	76,682
	<u>91,053</u>	<u>91,053</u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Events and publications	48,434	48,434
Staff costs	63,793	63,793
	<u>112,227</u>	<u>112,227</u>

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**7. Analysis of expenditure on charitable activities**

	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Grants to RGS Worcester / Worcester International Hockey	354,446	-	<b>354,446</b>
Establishment costs	-	500	<b>500</b>
Management and administration	-	1,883	<b>1,883</b>
	<u>354,446</u>	<u>2,383</u>	<u><b>356,829</b></u>

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Grants to RGS Worcester	71,411	-	71,411
Establishment costs	-	500	500
Management and administration	-	1,617	1,617
	<u>71,411</u>	<u>2,117</u>	<u>73,528</u>

**8. Auditor's remuneration**

	<b>2021 £</b>	<b>2020 £</b>
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<u><b>1,550</b></u>	<u>1,500</u>

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**9. Staff costs**

	2021 £	2020 £
Wages and salaries	76,682	63,793
	76,682	63,793
	76,682	63,793

The average number of persons employed by the Company during the year was: 2021 - Nil, 2020 - Nil.

No employee received remuneration amounting to more than £60,000 in either year.

All staff are employed by and paid for by The Royal Grammar School Worcester. These costs are shown as donated services and facilities.

Key management personnel are considered to be the Trustees and Senior Management. Total remuneration of key management personnel amounted to £36,503 (2020: £38,780) of which all costs were met by The Royal Grammar School Worcester.

**10. Fixed asset investments**

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 September 2020	442,857
Additions	182,920
Revaluations	97,649
At 31 August 2021	723,426
	723,426
<b>Net book value</b>	
At 31 August 2021	723,426
At 31 August 2020	442,857
	442,857

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**THE RGSW AND AOS FOUNDATION**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**11. Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accruals	-	30
	<u>          </u>	<u>          </u>

**12. Financial instruments**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	<b>716,640</b>	<b>442,855</b>
	<u>          </u>	<u>          </u>

Financial assets measured at fair value through income and expenditure comprise investments.

**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**13. Statement of funds**

**Statement of funds - current year**

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
A R Wheeler Bursary Fund	294,736	-	-	60,961	355,697
<b>General funds</b>					
General Funds - all funds	93	109,715	(93,436)	-	16,372
<b>Total Unrestricted funds</b>	<b>294,829</b>	<b>109,715</b>	<b>(93,436)</b>	<b>60,961</b>	<b>372,069</b>
<b>Restricted funds</b>					
A R Wheeler Bursary Fund	154,186	7,271	-	28,332	189,789
Alice Ottley Bursary Fund	44,207	3,098	-	8,356	55,661
Digital Archive	2,760	-	(2,760)	-	-
Hardship Fund	39,501	5,417	(40,807)	-	4,111
Alumni Sponsorship	147,467	68,120	(56,781)	-	158,806
WIHL Fund	-	250,000	(250,000)	-	-
WIHL Buy a Brick	-	19,765	(4,098)	-	15,667
WIHL Buy a Tree	-	500	-	-	500
	<b>388,121</b>	<b>354,171</b>	<b>(354,446)</b>	<b>36,688</b>	<b>424,534</b>
<b>Total of funds</b>	<b>682,950</b>	<b>463,886</b>	<b>(447,882)</b>	<b>97,649</b>	<b>796,603</b>

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**THE RGSW AND AOS FOUNDATION**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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

**Designated funds:**

The A R Wheeler Bursary Fund (ARW Bursary Fund) was set up in 2013 and has been designated by the Governors as a fund to generate bursarial support. This Fund was transferred to The RGSW and AOS Foundation on it's formation.

**Restricted funds:**

The Anthony Reay Wheeler Bursary Fund (ARW Bursary Fund): monies received for investing in the ARW Bursary Fund.

The Alice Ottley Bursary Fund: monies received for investing in the Alice Ottley Bursary Fund.

Digital Archive: donations towards the establishment of a digital archive.

Hardship Fund: this is used to make smaller, one off 'in year' grants to pupils whose families have often unexpected financial constraints. The grants can be used to assist with fees to help prevent disruption to the the education of pupils affected. The grants can also be applied to further the education of pupils in these circumstances by helping to fund activities such as: academic field trips or study courses; uniform purchases; provision of necessary individual classroom materials/equipment; the purchase of sports equipment; contributions towards the costs of sports tours and other co-curricular events.

Alumni Sponsorship: these are donations made to fund means-tested bursary places at the School for individual pupils.

Worcester International Hockey Centre:- donations made to the Foundation in support of the £400,000 capital RGS had to contribute to the development of the new Centre. Funds raised through 'Buy-a-Brick', sponsor a tree and grant awards.

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

**Statement of funds - prior year**

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
A R Wheeler Bursary Fund	288,594	-	-	6,142	294,736
<b>General funds</b>					
General Funds	123	127,846	(127,876)	-	93
<b>Total Unrestricted funds</b>	<b>288,717</b>	<b>127,846</b>	<b>(127,876)</b>	<b>6,142</b>	<b>294,829</b>
<b>Restricted funds</b>					
A R Wheeler Bursary Fund	137,373	13,889	-	2,924	154,186
Alice Ottley Bursary Fund	40,658	2,908	-	641	44,207
Digital Archive	2,760	-	-	-	2,760
Hardship Fund	1,913	75,880	(38,292)	-	39,501
Alumni Sponsorship	32,500	134,554	(19,587)	-	147,467
	215,204	227,231	(57,879)	3,565	388,121
<b>Total of funds</b>	<b>503,921</b>	<b>355,077</b>	<b>(185,755)</b>	<b>9,707</b>	<b>682,950</b>

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**14. Summary of funds**

**Summary of funds - current year**

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
Designated funds	294,736	-	-	60,961	355,697
General funds	93	109,715	(93,436)	-	16,372
Restricted funds	388,121	354,171	(354,446)	36,688	424,534
	<u>682,950</u>	<u>463,886</u>	<u>(447,882)</u>	<u>97,649</u>	<u>796,603</u>

**Summary of funds - prior year**

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2020 £
Designated funds	288,594	-	-	6,142	294,736
General funds	123	127,846	(127,876)	-	93
Restricted funds	215,204	227,231	(57,879)	3,565	388,121
	<u>503,921</u>	<u>355,077</u>	<u>(185,755)</u>	<u>9,707</u>	<u>682,950</u>

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

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

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Intangible fixed assets	424,534	(424,534)	-
Fixed asset investments	-	723,426	723,426
Current assets	-	73,177	73,177
<b>Total</b>	<u>424,534</u>	<u>372,069</u>	<u>796,603</u>

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**15. Analysis of net assets between funds (continued)**

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

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Fixed asset investments	388,121	54,734	442,855
Current assets	-	240,125	240,125
Creditors due within one year	-	(30)	(30)
<b>Total</b>	<u>388,121</u>	<u>294,829</u>	<u>682,950</u>

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

	<b>2021 £</b>	<b>2020 £</b>
Net income for the year (as per Statement of Financial Activities)	<b>113,653</b>	179,029
<b>Adjustments for:</b>		
Gains on investments	<b>(90,863)</b>	(9,706)
Dividends, interests and rents from investments	<b>(16,280)</b>	(13,562)
Increase/(decrease) in creditors	<b>(30)</b>	30
<b>Net cash provided by operating activities</b>	<u><b>6,480</b></u>	<u>155,791</u>

**17. Analysis of cash and cash equivalents**

	<b>2021 £</b>	<b>2020 £</b>
Cash in hand	<b>73,177</b>	240,125
<b>Total cash and cash equivalents</b>	<u><b>73,177</b></u>	<u>240,125</u>

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**18. Analysis of changes in net debt**

	At 1 September 2020	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	£ 240,125	(166,948)	73,177
	240,125	(166,948)	73,177

**19. Connected parties**

The Foundation exists to advance education at the RGS Worcester Family of Schools. A minimum of three Trustees are also Governors of the School to ensure strategic alignment is maintained between the two entities. The School funds and staffs the Foundation Office and the Headmasters and Headmistresses of the RGS Schools attend the Trustee Board meetings, as does the Director of Finance and Operations.

In December 2017, the A R Wheeler Bursary Fund and the restricted element of the Alice Ottley Bursary Fund were transferred from the School to the Foundation. The A R Wheeler Bursary Fund was valued at £355,335 and the Alice Ottley Bursary Fund was valued at £25,266. £5,800 of other restricted funds were also transferred to the Foundation. The Foundation made grants to the School in the year totalling £115,625 (2020: £71,411) of which £40,802 (2020: £38,842) related to Hardship grants, £2,760 (2020: Nil) related to the Digital Archive, and the rest, £72,063 (£32,589) is to be spent on bursaries.

The Foundation made a grant to Worcester International Hockey Limited, of which the School is a joint owner, in the year totalling £250,000 (2020: Nil)

An amount of £Nil (2020: £Nil) was owing from the Foundation to the School at 31 August.

The School paid for the running costs of the Foundation Office, including:

salaries amounting to £76,682 (2020: £63,793),  
events and publications amounting to £14,371 (2020: £48,434),  
management and administration costs amounting to £1,883 (2020: £1,617)  
provision of office space amounting to £500 (2020: £500).