



Royal Grammar School Guildford

Annual Report & Financial Statements

For the Year Ended

31 July 2025

Charity Number 1177353
Company Number 10874615

Contents

1.	Introductory statement	1
2.	Reference and Administrative details	1
2.1	Legal and Administrative information	1
2.2	Governing Body (Trustees and Directors of the Charitable Company)	1
2.3	Executive Team	2
2.4	Company Secretary:.....	2
2.5	Professional Advisers	2
3.	Trustees' Report (incorporating the Strategic and Directors' Reports).....	3
3.1	Strategy and Objectives	3
3.2	Achievements and Performance.....	3
3.3	Public Benefit Statement	4
3.4	Structure, Governance and Management	5
3.5	Financial Review	6
3.5.1	Results for the year	6
3.5.2	Reserves level and policy, and financial viability	6
3.5.3	Investment Policy, Objectives and Performance.....	7
3.6	Fundraising.....	8
3.7	Principal Risks and Uncertainties.....	8
3.8	Future Plans	9
3.9	Section 172(1) Statement	9
3.10	Energy and Emissions Report.....	10
3.11	Employee Matters.....	12
3.12	Statement of Directors' Responsibilities	12
	Independent Auditor's Report to the Members of the Royal Grammar School Guildford	14
	Statement of Financial Activities.....	17
	Balance Sheet.....	18
	Cash Flow Statement.....	19
	Notes to the Financial Statements.....	20

1. Introductory statement

Royal Grammar School Guildford (RGSG, “The School”) presents its annual report (including the Trustees’ Report) together with the audited accounts for the year ended 31 July 2025 and confirms that it complies with the requirements of the Companies Act 2006, Charities Act 2011 and the Charities Statement of Recommended Practice (SORP) 2019.

2. Reference and Administrative details

2.1 Legal and Administrative information

Company and Charity Name: Royal Grammar School Guildford

Charity Registration Number: 1177353 (with the Charity Commission for England and Wales)

Company Registration Number: 10874615 (in England and Wales)

Registered Office and Principal Address:

Royal Grammar School
High Street
Guildford
Surrey
GU1 3BB
United Kingdom

Legal Status: A charitable company limited by guarantee and not having a share capital. The charity is governed by its Articles of Association.

2.2 Governing Body (Trustees and Directors of the Charitable Company)

The Governors of the School, Directors of the company and Trustees of the charity during the year and since the year end are listed below.

	Name	Role(s)	Date of appointment	Date of resignation
F,N,E,P	Mrs S K Creedy MA	Chairman of Governors	Mar 2004	
E	Dr L S K Linton MA MB ChB MRCP		Mar 2010	
F	Mr NEJ Vineall KC MA		Dec 2010	
	The Earl of Onslow, High Steward of Guildford		Sep 2012	
F, N	Mrs H Styche-Patel BSc, MBA	Vice-Chairman of Governors Chairman of Nominations Committee	Dec 2016	Resigned 15 Oct 2025
E	Mr SGS Gimson, MSc (Def Tech)		Mar 2016	
E	Mrs F E Carter BA PGCE		Mar 2022	
P	Mrs N Nelson-Smith BA		Dec 2018	

P, N	Mrs M-L Logue MA	Chairman of RGSG Prep Committee Vice-Chairman of Governors	Mar 2019	
E	Prof MJ Humphreys MBE PhD LLB PFHEA		Jul 2019	
P	Mrs K Atkinson BDS		Jul 2020	
F, N	Mr T Lingard BSc MINSTP	Vice-Chairman of Governors Chairman of Nominations Committee	Dec 2020	
E	Prof H Treharne BSc MSc PhD SFHEA FBCS		Dec 2020	
E, N	Mr M Windsor BA MA		Jul 2021	
F	Ms K Spasic ACMA CGMA		Dec 2021	
F, N	Mr S Meredith BA FCA ChA	Chairman of Finance & General Purposes Committee	Dec 2022	
	Mr M More-Molyneux, Lord Lieutenant of Surrey		Jan 2023	
E	Mr C W Ngwena		Dec 2023	
F	Mr R Waterhouse		Dec 2023	
P	Canon S Butler BSc CNAA MA		Mar 2024	
P	Mrs PA Barrow BCom LLB		Oct 2024	Appointed 1 Oct 2024
E	Mrs A McAuliffe	Chairman of Education Committee	Oct 2025	Appointed 15 Oct 2025
F P E N	Members of the Finance and General Purposes Committee Members of the RGSG Prep Committee Members of the Education Committee Members of the Nominations Committee			

2.3 Executive Team

Name	Role
Dr JM Cox BSc PhD	Headmaster
Mr T Freeman-Day BA PGCE	Head (RGS Prep)
Mr Sam Maiden	Chief Strategy Officer
Mrs RF Whitham BSc MBA	Director of Finance and Operations and Clerk to the Governors
Mr Adrian Woodman	Senior Deputy Head (RGS)
Mrs Jill Thorpe	Deputy Head (RGS)

2.4 Company Secretary:

Mrs RF Whitham BSc MBA

2.5 Professional Advisers

Principal Bankers

National Westminster Bank Plc
Guildford Commercial Office

PO Box 1, 2nd Floor G3
2 Cathedral Hill
Guildford
Surrey GU1 3ZR

Independent Auditors

HaysMac LLP
10 Queen Street Place
London EC4R 1AG

Principal Solicitors

Moore Barlow LLP
The Oriel
Sydenham Road
Guildford
Surrey GU1 3SR

3. Trustees' Report (incorporating the Strategic and Directors' Reports)

3.1 Strategy and Objectives

The Royal Grammar School Guildford is a charitable company limited by guarantee, governed by its Memorandum and Articles of Association. It is registered with the Charity Commission and Companies House. The School's charitable object is the advancement of education. This is achieved through the provision of high-quality academic, pastoral, and co-curricular education to pupils aged 3 to 18.

The School's strategic aim is to deliver an academically rigorous, personally enriching, and socially responsible education that prepares pupils to thrive in a rapidly changing world. This is achieved through a broad and balanced curriculum, a strong co-curricular programme, and a commitment to pastoral care and inclusion. The School continues to invest in facilities, digital infrastructure, and staff development to support long-term educational outcomes and operational resilience. It also seeks to widen access through bursary provision and to deliver public benefit through outreach and partnership with the wider community.

3.2 Achievements and Performance

Academic performance remained strong across both the Senior and Prep Schools. At A-Level, 36% of grades were awarded at A*, with 93% of pupils accepting offers from Russell Group universities. GCSE results were equally impressive, with over two-thirds of grades at 8 or 9.

At RGS Prep, pupils achieved excellent outcomes across a wide range of subjects, supported by specialist teaching and a rich curriculum. A significant number of scholarships were awarded to pupils progressing to senior schools, reflecting the breadth of talent and commitment among pupils and staff.

The School's co-curricular programme continues to be central to its ethos, supporting the development of character, creativity, and leadership. Pupils participated in academic competitions, Olympiads, national conferences, educational visits, workshops, and residential trips.

Sport plays a vital role in school life, with pupils representing the School at local, regional, national, and international levels. The School promotes both high performance and inclusive participation, encouraging teamwork, resilience, and enjoyment.

The arts also flourished, with pupils involved in music ensembles, choirs, drama productions, and exhibitions. Performances took place both within the School and at external venues, showcasing the creativity and talent of pupils across all age groups.

3.3 Public Benefit Statement

RGS Guildford exists to provide an exceptional education to boys aged 3 to 18. In fulfilling this charitable purpose, the Governors have had due regard to the Charity Commission's guidance on public benefit, as required under the Charities Act 2011.

The School is committed to ensuring that financial circumstances are not a barrier to accessing the education it offers. Means-tested bursaries are available to support families who would not otherwise be able to afford the fees. In the reporting year, 74 pupils received bursarial support totalling £1.2 million, including 35 boys who were granted full fee remission for at least one term. Where appropriate, additional support was also provided for associated costs such as transport, meals, and examination fees. The School continues to prioritise widening access as a central element of its charitable mission.

Beyond financial assistance, RGS Guildford delivers significant public benefit through its extensive programme of community engagement, educational partnerships, and outreach. The School is a founding member of the West Surrey Partnership (WSP), a collaboration between independent and maintained schools in the Guildford area. Through this partnership, RGS plays a leading role in shaping and delivering a wide range of enrichment activities focused on literacy, STEAM, sustainability, and leadership. Events in the past year have included a Year 12 sustainability conference, a Year 9 engineering challenge, a Year 6–7 literacy quiz, and science and robotics workshops for primary pupils. RGS staff contribute to the strategic direction of the partnership and lead the organisation of its events.

The School is also an associate member of the Learning Partners Multi Academy Trust (LP MAT), and its staff hold governance roles across several local schools. RGS teachers provide direct classroom support in subjects such as Physics, Latin, and French, and the School offers targeted academic mentoring to pupils at Kings College, including Sixth Form-led maths enrichment and revision sessions. An Assistant Head also serves as the safeguarding governor for Kings College, reflecting the School's commitment to long-term, meaningful partnership.

RGS Guildford leads the IMAG (Inspiring Minds Across Guildford) programme, which offers academic enrichment events to pupils from across the Guildford 11–19 Partnership. In 2023–24, over 20 events were delivered by six different organisations, reaching around 350 pupils from more than 10 schools. These events are designed to stretch and inspire high-potential learners and to foster collaboration between schools.

The School's outreach work with primary schools is extensive. The RGS Strings Scheme provides weekly violin and cello lessons to all Year 4 pupils at Sandfield and Boxgrove Primary Schools, with opportunities for continued learning in Years 5 and 6. The Primary Masterclasses programme welcomed around 140 Year 6 pupils from over 25 schools for Saturday morning sessions in subjects ranging from science and languages to creative arts and humanities. The Tudor Experience Day brought over 550 pupils from eight schools to RGS for immersive, curriculum-linked activities in history, music, drama, and art, with transport provided by the School.

RGS Sixth Form pupils are actively involved in volunteering and community service. They run clubs in local primary schools, support maths enrichment at Kings College, and engage with residents at Abbot's Hospital through oral history projects. These activities are embedded in the School's co-curricular programme and reflect its ethos of service and civic responsibility.

Internationally, RGS Guildford maintains strong partnerships with schools and communities abroad. In collaboration with Tormead School, the School supports Bhu Pu School in Besisahar, Nepal, through fundraising, cultural exchange, and volunteering. In 2023, a joint expedition of around 20 pupils visited Nepal to contribute to educational and community projects. A further expedition to Cambodia in 2024 included a charitable initiative supporting sustainable farming in rural areas. These partnerships not only benefit the communities involved but also foster global awareness and empathy among RGS pupils.

The School also supports displaced young people through its partnership with the Big Leaf Foundation, providing weekly access to its sports facilities for training sessions. Additional community contributions include public concerts, open days, careers seminars, and subject-specific outreach events involving pupils and teachers from across the region.

Through these wide-ranging initiatives, RGS Guildford continues to deliver meaningful public benefit in line with its charitable objectives. The School's commitment to access, partnership, and service ensures that its educational resources and expertise are shared widely, both locally and internationally, in pursuit of the common good.

3.4 Structure, Governance and Management

RGS Guildford is constituted as a company limited by guarantee with charitable status. It is overseen in accordance with its founding constitutional documents and is formally registered with the Charity Commission and Companies House.

1509 Group is the holding company which retains control of RGS Guildford and its other subsidiaries. All 1509 Group subsidiaries report independently but their figures are consolidated into those of 1509 Group.

The Board of Governors, who are also the charity's trustees and company directors, is responsible for the overall governance and strategic direction of the School. Governors are appointed through a formal recruitment process and receive induction and ongoing training to support their role.

The Board meets formally at least three times a year, with additional sub-committee meetings held each term. Committees include Education, Finance & General Purposes, Nominations & RGS Prep, each with delegated authority and scope of reference.

Day-to-day management of the School is delegated to the Headmaster, Head, and the rest of the Executive team¹ who are accountable to the Board for the delivery of the School's educational and operational objectives.

Remuneration of staff, including the Executive team, is set by the Board to ensure competitive packages that attract and retain high quality staff. Pay levels are reviewed annually against benchmarking data from comparable independent schools, with sensitivity to wider employment conditions. Staff costs represent the largest element of charitable expenditure, reflecting the School's reliance on its employees to deliver its charitable objectives.

¹ The Executive team comprises the Headmaster, Head, Senior Deputy Head, Deputy Head, Chief Strategy Officer and Director of Finance and Operations.

3.5 Financial Review

3.5.1 Results for the year

During the year to 31 July 2025 the School generated net income of £0.6m, £4.9m below the prior year (2023/24: £5.5m). This comprised an unrestricted surplus of £157k from School operations and a restricted surplus of £460k from the Development and Alumni Relations Office ('DARO')². Net income was lower in 2024/25 because 2023/24 net income included two significant non-recurring items: a £2.4m donation of net assets on the merger of the Foundation with the School³, and a £1.75m credit from release of the Surrey County Council defined benefit pension liability⁴.

The School's income of £29.7m was £2.8m (9%) below 2023/24 (£32.5m) reflecting:

- lower school fees receivable (-£1.1m) from lower average fees per pupil (-5%) partly offset by slightly higher pupil numbers (2024/25: 1,313; 2023/24: 1,304);
- lower donations and legacies, mainly due to the non-recurring 2023/24 donation of net assets from the merger of the Foundation with the School (-£2.2m); partly offset by
- higher income from investments due to higher average cash balances (+£0.2m) and other income including non-recurring insurance proceeds (+£0.3m).

From January 2025, in response to the implementation of VAT on school fees, the School lowered the fee net of VAT so that the total fee payable by parents, including VAT, increased by 3% compared to Michaelmas 2024. The School is sharing the impact of VAT evenly with parents, the parental share being passed on through three incremental fee increases each of 3%, in January 2025, September 2025 and September 2026. As a result, the average 2024/25 fee was 5% below the average 2023/24 fee.

Expenditure was £2m higher (2024/25: £29.1m; 2023/24: £27.1m), attributable to the £1.75m non-recurring exceptional pension credit in 2023/24 and higher staff costs (+£0.5m, including the impact of higher employer national insurance from April 2025), partly offset by lower other costs (-£0.25m, including lower academic, utilities, maintenance and catering costs), in turn partly offset by higher fees in advance discount and business rates after the loss of charitable rates relief in April 2025.

The School generated cash sufficient to cover £1.8m capital expenditure on its facilities (see note 6).

With VAT on school fees applying since January 2025 and continuing pressure on family finances from inflation, the political and economic background remains challenging. Despite this, demand for places at the School remains strong, and the School believes pupil numbers will remain stable for the foreseeable future. The Governors have considered the impact of these factors on the School's operating model and financial position and this is further detailed in the 'Reserves level and policy, and financial viability' section, below.

3.5.2 Reserves level and policy, and financial viability

At 31 July 2025 the School had total funds of £45.5m. Of this, £2.8m was held in restricted funds not available for general use (notably the £2.7m Foundation bursary fund) and £39m was held in designated funds, principally the £38.9m tangible fixed asset fund, being funds invested in fixed assets which are not available except through the sale of fixed assets. At 31 July 2025 the Group's free reserves were £3.8m, broadly corresponding to net current assets excluding fees in advance.

² DARO assumed the functions of The Royal Grammar School, Guildford Foundation ('the Foundation'), which merged with the School in July 2024.

³ See note 20.

⁴ See note 16.

The School aims to maintain adequate reserves to ensure financial stability and to safeguard against unforeseen expenditure or reductions in income. Reserves are held to:

- Provide working capital and manage cash flow needs.
- Protect against unexpected events or emergencies.
- Support planned investment in our educational facilities and resources, in support of our charitable purposes.

The Trustees review the level of reserves annually to ensure they remain appropriate for the School's size, activities, and future plans.

Typically, charities aim to hold reserves equivalent to between 3 and 6 months' operating expenditure (excluding depreciation). Based on the 2025/26 budget, a reserves target of 3 months' operating expenditure would mean holding approximately £6.5m reserves, more than the £3.8m actual reserves at 31 July 2025.

The School and its Trustees have accepted the need to use some reserves to cover the impact of VAT in 2025/26 and to fund strategic projects and investments that will strengthen the School's sustainability and enhance its provision. In doing so, the School aims to subsequently rebuild reserves over a sustained period to at least £6.5m within the following 3–4 years, sufficient to cover 3 months' operating expenditure.

For the going concern and liquidity risk assessment the School prepared an 18 month phased cash forecast comprising a 'base case' of forecast income and expenditure, and adverse scenarios including lower pupil numbers, although pupil numbers are stable and demand for places at the School remains robust. The results of this analysis indicate that the School will maintain sufficient cash, even in the adverse scenarios, to meet its obligations as they fall due during the forecast period.

Having regard to the above, the Governors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

3.5.3 Investment Policy, Objectives and Performance

The School's Investment Policy is based on the following principles:

- Prudent investment for income and growth based on the two principles of diversity and reduction of risk
- Speculative and very high risk investments should be avoided
- Investments will be made in appropriate Common Investment Funds (CIFs, which may include UK gilts), which have an established market and are readily realisable
- Account must be taken of the School's charitable status
- Appropriate advice should be sought from professional advisors on any proposal to invest other than in CIFs and, if necessary, on the choice of CIF
- Investments should be reviewed annually by the Finance and General Purposes Committee (F&GP)
- The Investment Policy should be reviewed and endorsed annually by the Governors
- Investments will be made on the instruction of the F&GP
- Money held on deposit should be reviewed periodically to ensure that it is earning the maximum interest for the School.
- To have due regard when investing funds to the fact that some funds held by the School are due to be returned to parents when their son leaves the School, or are payment in advance for provision of education in the future.

The School set 2024/25 investment objectives as follows:

- to earn a return exceeding the fees in advance ('FIA') discount given to parents and ensure that throughout the FIA agreement term funds are available when needed to deliver the services for which parents have paid.
- to achieve returns on funds invested above the RPI inflation rate and the Bank of England base rate while remaining weighted towards cash and fixed income.

In 2024/25 the School earned an average return on treasury deposits broadly in line with the FIA discount given to parents, above the Bank of England base rate and CPI inflation, but slightly below RPI inflation. The School is investigating how best to optimise returns earned from its cash balances.

3.6 Fundraising

Until July 2024 fundraising for School funding priorities was carried out by The Royal Grammar School, Guildford Foundation ('the Foundation'), which raised funds for bursaries. In July 2024 the Foundation merged with, and became a cost centre of, the School, and is now called the Development and Alumni Relations Office ("DARO") (see note 20).

DARO's fundraising activities are carried out by an in-house staff team. DARO adheres to the Fundraising Regulator's Code of Fundraising Practice. The Governors oversee fundraising activity through regular reporting to the Finance and General Purposes Committee, ensuring that all campaigns are conducted transparently, ethically, and in line with regulatory requirements.

The School is committed to protecting donors and the wider public. Fundraising activities are designed to ensure that donors are treated fairly and respectfully, and particular care is taken not to approach individuals who may be in vulnerable circumstances. Donor preferences regarding communications are honoured, and all personal data is managed in accordance with data protection legislation.

A clear complaints procedure is in place. Any complaints received are logged, investigated promptly, and reported to the Governors, with outcomes used to improve practice. No complaints were received during the year. The Governors are satisfied that fundraising activities were conducted responsibly, and that the funds raised have been applied directly to the School's charitable purposes.

3.7 Principal Risks and Uncertainties

The Governors regularly review the principal risks facing the School and the systems in place to manage them. A comprehensive risk register is maintained and updated at least annually, or more frequently as circumstances require. Risk assessments are reviewed by the relevant Committees before being considered by the Board. Key risks identified during the year include:

- Cybersecurity threats, including data breaches or system failures. Mitigation includes regular system reviews, disaster recovery planning, policy updates, and staff training.
- Economic uncertainty, which may impact fee income and increase demand for bursary support. The School continues to monitor fee levels, manage costs, and maintain prudent financial planning.
- Regulatory and political change, including potential tax reforms affecting independent schools. The School monitors policy developments and models financial scenarios to prepare for change.
- Reputational risk, arising from incidents affecting pupil safety, compliance, or public perception. Policies and procedures are regularly reviewed to ensure high standards of safeguarding, health and safety, and regulatory compliance.
- Leadership continuity, particularly the retention of key senior staff. Succession planning and leadership development are in place to reduce dependency on individuals.

- Disruption to education delivery, including pandemics or other emergencies. The School's digital infrastructure and remote learning capabilities have been significantly enhanced to ensure continuity of education.

The Governors are satisfied that appropriate systems and resources are in place to manage these risks effectively and to support the School's ongoing operations and strategic development.

3.8 Future Plans

The School's strategic plan is agreed by the Governors and reviewed annually to ensure alignment with its charitable objectives and long-term strategy. The coming years will see the School build on its strong foundations while embracing significant and forward-looking change.

A key strategic development is the decision to become a fully co-educational school from September 2027, announced in December 2025. This reflects the School's commitment to providing an inclusive, values-driven education that prepares all pupils for a bright future. Girls will be welcomed into RGS Prep in Nursery, Reception and Year 3, and into RGS Senior in the Lower Sixth from September 2027. From September 2028, girls will also join Year 7. Planning for this transition is well underway, with a focus on curriculum, staffing, facilities, and pastoral care to ensure a smooth and successful implementation.

Other strategic priorities for the year ahead include:

- Enhancing the pupil experience through investment in teaching, co-curricular provision, and wellbeing support.
- Continuing to fulfil the School's charitable aims by offering means-tested bursaries, sharing educational best practice, and delivering public benefit through outreach and partnership.
- Supporting staff development and welfare to sustain a high-performing and inclusive professional community.

These priorities are underpinned by detailed development plans across all areas of the School, ensuring that the organisation remains well-positioned to deliver an exceptional education and to meet the evolving needs of its pupils and community.

3.9 Section 172(1) Statement

The Directors of a Company must act in accordance with a set of general duties. These duties are detailed in in section 172 (1) of the U.K. Companies Act 2006, which is summarised as follows with reference to Charitable Companies.

'A Director of a Company must act in the way he/she considers, in good faith, would be most likely to promote the success of the Company in achieving its charitable purposes, and in doing so have regard (amongst other matters) to:

- The likely consequences of any decision in the long term
- The interests of the Company's employees
- The need to foster the Company's business relationships with suppliers, beneficiaries and others
- The impact of the Company's operations on the community and the environment
- The desirability of the Company maintaining a reputation for high standards of business conduct
- The need to act fairly as between beneficiaries of the Company.

i) Beneficiaries

The beneficiaries of the organisation are the pupils, and the Directors aim to ensure they are provided with the highest quality of education available, in terms of academic, co-curricular and pastoral input. Our aims and performance in this area are further detailed under the Strategy and Objectives and Achievements and Performance, sections above.

ii) Employees

All staff, both teachers and support staff, work hard to achieve the School's aims in delivering the highest possible standard of education to the pupils. It is the hard work, dedication and professionalism of these staff that achieve the outcomes for the pupils.

The recruitment, retention, development and welfare of staff is crucial to the successful running of the organisation and the Directors consider these to be of great importance. Further detail is provided under the Employee Matters section of the Trustees' Report.

iii) Community and Environment

The School is at the heart of the Guildford community and many activities take place that involve the local and wider community. This ranges from pupil and staff fundraising and participation in events to the sharing of resources with others. Extensive details on this are provided in the Public Benefit section of the Trustees' Report.

iv) Decision making, risk management and governance and performance oversight

The full board of Governors meets three times a year with additional committee meetings taking place each term. Each committee has a specific focus but considers the overall impact of decisions on the wider organisation.

v) Culture and Values

The values of each school are embedded within every area of the School and curriculum to form a way of life for pupils, parents, staff and our wider community and partners.

3.10 Energy and Emissions Report

In accordance with the Streamlined Energy and Carbon Reporting (SECR) requirements, the School is required to disclose its annual energy consumption and associated greenhouse gas emissions. This report covers all educational and ancillary activities across the Royal Grammar School Guildford estate. The following table provides a high-level breakdown of energy usage and emissions over the past three financial years.

Source	Year	Energy (kWh)	Mileage	Emissions (kgCO ₂ e)	Emissions (tCO ₂ e)
Gas	2024-25	1,732,629	n/a	317,002	317
	2023-24	1,618,425	n/a	296,010	296
	2022-23	1,825,619	n/a	328,611	329
Electricity	2024-25	1,008,327	n/a	176,346	176

	2023-24	1,063,023	n/a	220,099	220
	2022-23	1,040,431	n/a	215,446	215
Transport	2024-25	88,581	59,600	21,346	21
	2023-24	92,872	58,200	22,198	22
	2022-23	84,525	57,500	20,286	20
Total	2024-25	2,829,537	59,600	514,694	515
	2023-24	2,774,320	58,200	538,307	538
	2022-23	2,950,575	57,500	564,343	564

In the year to 31 July 2025, the School consumed 2.83 million kWh of energy and generated 515 tonnes of CO₂ equivalent emissions ('tCO₂e'). This represents a slight increase in energy use compared to the previous year (2.77 million kWh and 538 tCO₂e in 2023–24), but a modest reduction in emissions, reflecting ongoing energy efficiency measures. Gas and electricity remain the primary sources of energy, with transport-related emissions accounting for 21 tCO₂e, based on 59,600 miles travelled.

Emissions have been calculated using the 2025 UK Government conversion factors published by the Department for Business, Energy and Industrial Strategy. The School uses an intensity metric based on pupil numbers to assess carbon performance. In 2024–25, the average emission per pupil was 392 kg CO₂, down from 413 kg CO₂ in the previous year.

The School continues to invest in energy efficiency as part of its rolling programme of maintenance and refurbishment. During the year, LED lighting was further rolled out across the estate, and older single-glazed windows and inefficient doors were replaced to reduce heat loss. Boiler systems were upgraded to more efficient models, and refurbishment projects prioritised recycling and the use of registered waste carriers over landfill.

Solar panels on the North Building continue to contribute to the School's renewable energy mix. The School also completed its ESOS (Energy Savings Opportunity Scheme) reporting, which has informed more targeted energy-saving goals.

Sustainability is embedded in the School's culture through an active environmental committee, which promotes awareness and drives initiatives across the community. The School's vehicle fleet is increasingly compliant with ULEZ standards, and electric vehicle charging points are available on site. Air quality is monitored both internally and with third-party support, and sustainability is a key consideration in all future building plans.

Waste management practices have also improved, with food waste now collected separately and monitored by catering contractors. Recycling and general waste systems are regularly reviewed to maximise effectiveness. The School also seeks to work with energy suppliers that prioritise renewable sources and carbon neutrality.

The Governors remain committed to reducing the School's environmental impact and to promoting sustainability across all areas of operation.

3.11 Employee Matters

The Governors recognise that the School's staff are central to the delivery of its charitable objectives. Recruitment, retention, professional development, and wellbeing remain key priorities. The School promotes a supportive and inclusive working environment, underpinned by policies on equality, diversity, and safeguarding.

Investment in staff training and development continues to be a focus, ensuring that employees have the skills and opportunities needed to thrive. Staff views are actively sought through surveys, consultation forums, and regular engagement with leadership, and the Governors are committed to acting on feedback to improve working practices.

The School places strong emphasis on wellbeing, offering access to counselling, flexible working arrangements where possible, and initiatives to support physical and mental health. Governors monitor staff turnover, absence, and satisfaction indicators as part of their oversight of organisational performance.

The Governors are committed to ensuring that all employees feel valued, respected, and supported, and that the School remains an employer of choice within the education sector.

3.12 Statement of Directors' Responsibilities

The Trustees of RGSG (who are also Directors of for the purposes of Charity law) are responsible for preparing the Annual report (incorporating the Strategic and Directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments 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 Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors and Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and

- The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Annual Report which includes the Strategic and Directors' Report was approved by the Directors and Trustees and signed on its behalf by:

S K Creedy

23 January 2026

Mrs S K Creedy - Director

Independent Auditor's Report to the Members of the Royal Grammar School Guildford

Opinion

We have audited the financial statements of the Royal Grammar School Guildford for the year ended 31 July 2025 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2025 and of the charitable company's net movement in funds, including the 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 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

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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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.

Opinions 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 (which includes the Strategic and Directors' Reports prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic and Directors' Reports included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the Strategic and Directors' Reports).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company 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 for the financial statements

As explained more fully in the Directors' 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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulations 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, payroll tax and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to regulations related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Tracey Young (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 1 February 2026

	Note	Unrestricted Funds	Restricted Funds	2024-2025 Total	2023-2024 Total
		£000	£000	£000	£000
Income from:					
Charitable Activities					
School fees receivable	2	26,135	0	26,135	27,260
Other educational income	3 (a)	1,392	0	1,392	1,478
Other ancillary trading income	3 (b)	485	0	485	377
Donations and Legacies					
Donation of net assets of the Foundation		0	0	0	2,433
Other donations and legacies		0	637	637	458
Investments					
Income from Investments		471	86	557	308
Other income	3 (c)	508	0	508	226
Total income		28,991	723	29,714	32,540
Expenditure on:					
Raising Funds					
Finance costs	4 (a)	318	0	318	106
Charitable activities					
Schools and grant making	4 (b)	28,488	277	28,765	28,681
Ancillary trading	4 (b)	14	0	14	18
Exceptional pension credit	16 (v)	0	0	0	(1,754)
Total Expenditure		28,820	277	29,097	27,051
NET INCOME BEFORE INVESTMENT GAINS		171	446	617	5,489
Net gain/(loss) on investments		0	0	0	2
NET INCOME		171	446	617	5,491
Transfers between funds	13 (d)	(14)	14	0	0
NET MOVEMENT IN FUNDS		157	460	617	5,491
Fund balances brought forward at 1 August 2024		42,588	2,339	44,927	39,436
FUND BALANCES carried forward at 31 July 2025		42,745	2,799	45,544	44,927

The School has no gains or losses that are not shown above. All operations are continuing.

The accounting policies and notes on pages 20 to 37 form part of these Financial Statements.

Company number 10874615

	Note	2025 £000	2024 £000
FIXED ASSETS			
Tangible fixed assets	6	39,630	39,864
CURRENT ASSETS			
Stocks	7	16	56
Debtors	8	1,457	1,203
Cash	9	15,608	18,363
		<u>17,081</u>	<u>19,622</u>
CURRENT LIABILITIES			
Creditors payable within one year	10	(8,041)	(9,616)
		<u></u>	<u></u>
NET CURRENT ASSETS		9,040	10,006
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>48,670</u>	<u>49,870</u>
LONG TERM LIABILITIES			
Creditors payable after one year	11	(3,126)	(4,943)
		<u></u>	<u></u>
TOTAL NET ASSETS		<u>45,544</u>	<u>44,927</u>
Represented by:	13		
RESTRICTED FUNDS		2,799	2,339
UNRESTRICTED FUNDS			
Designated Funds		38,966	38,983
General Funds		<u>3,779</u>	<u>3,605</u>
UNRESTRICTED FUNDS		42,745	42,588
		<u></u>	<u></u>
TOTAL FUNDS		<u>45,544</u>	<u>44,927</u>

Approved by the Board of the Royal Grammar School Guildford, on 23 January 2026 and signed on behalf of the Company by:



Sarah Creedy - Director



Tom Lingard - Director

The accounting policies and notes on pages 20 to 37 form part of these Financial Statements.

	Note	2025	2024
		£000	£000
NET CASH INFLOW FROM OPERATIONS			
Net cash provided by operating activities	note (i)	232	7,028
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for tangible fixed assets	6	(1,801)	(4,288)
Proceeds on sale of tangible fixed assets		15	14
Proceeds on sale of investments		0	46
Investment income and bank interest received		557	308
Net cash (used in) investing activities		(1,229)	(3,920)
Cash flows from financing activities:			
Fees in advance (FIA)		(1,682)	6,486
Overdraft repayment		(216)	(216)
Finance lease		92	295
Increase in parents' deposits		142	99
Finance lease interest		(80)	(55)
Other finance costs		(14)	(6)
Net cash (used in)/provided by financing activities		(1,758)	6,603
Change in cash and cash equivalents in the reporting period	note (ii)	(2,755)	9,711
Cash and cash equivalents at 1st August 2024		18,363	8,652
Cash and cash equivalents at 31st July 2025		15,608	18,363

(i) Reconciliation of net income to net cash inflow from operating activities

	2025	2024
	£000	£000
Net income before investment gains	617	5,489
Non-cash exceptional pension credit	0	(1,754)
Elimination of non-operating cash flows:		
- Investment income	(557)	(308)
- Finance costs	94	64
(Profit) on sale of fixed assets	(6)	(2)
Depreciation	2,026	1,784
Decrease in stocks	40	1
(Increase) in debtors	(254)	(342)
Increase/(Decrease) in creditors (excluding FIA, deposit, leases)	(1,728)	2,096
Net cash inflow from operating activities	232	7,028

(ii) Analysis of changes in Cash and Cash equivalents

	Change in Year	2025	2024
	£000	£000	£000
Analysis of balances at 31 July			
Cash	(1)	4	5
Cash Equivalents	(2,754)	15,604	18,358
Changes in Cash and Cash equivalents from the School's operations	(2,755)	15,608	18,363

The accounting policies and notes on pages 20 to 37 form part of these Financial Statements.

NOTE 1: ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, and the 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).

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

They are drawn up under the historical cost convention as modified by the revaluation, at fair value, of investments.

The School holds significant cash balances supplemented, if needed, by an overdraft facility. Demand for school places at the School remains strong, with continuing high numbers enrolled in 2025/26. Collection of fee income continues to be robust. Conservative cash flow modelling with sensitivity analysis indicates that the cash reserves of the School are adequate to meet its obligations as they fall due. Accordingly, the governors believe the School's financial resources are sufficient to ensure there is no material uncertainty about the School's ability to continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

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

The School is a Public Benefit Entity registered as a charity in England and Wales, Company Number 10874615, Charity Number 1177353.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

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

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

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements:

Statement of Financial Activities (SOFA)

The School has two types of fund:

Restricted – where the purposes for which the funds may be used have been restricted by donors; and
Unrestricted – where the fund is not restricted as to use other than in furthering the objects of the School. These include Designated Funds, where the funds are unrestricted, but the governors have designated them for a specific purpose.

Income and Expenditure

Income and Expenditure is accounted for on an accruals basis with the exception of income from gifts and legacies. These are recognised when the charity is legally entitled to the income, the amount can be measured with reasonable accuracy, and the economic benefit to the School is considered probable.

Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deductible allowances, scholarships and remissions allowed by the School, but include contributions received from Bursaries funds.

Donations and Legacies

Donations received for the general purpose of the School are credited to income. Donations subject to specific wishes of the donors are carried to relevant restricted funds or used within the year for the appropriate purpose. Gifts in kind are valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption, or at the value to the School in the case of donated services or facilities.

Legacies are taken to unrestricted funds unless specified for a particular purpose in which case they are taken to restricted funds.

Expenditure

Expenditure is accrued as soon as the liability is considered probable, discounted to present value for longer term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. Irrecoverable VAT is included in the Statement of Financial Activities with the expenditure to which it relates.

Governance costs are those costs incurred in the safeguarding of the School's assets associated with constitutional and statutory requirements.

Tangible Fixed Assets

Expenditure on individual fixtures, fittings and equipment, motor vehicles, grounds and maintenance equipment and IT that are over £5,000 and capital in nature are capitalised, together with any spending of a capital nature relating to buildings.

Certain artefacts owned by The School are considered to be inalienable. It would be both difficult and costly to attribute a cost or valuation to these assets. In the event of future acquisitions of inalienable assets, such assets would be capitalised. Any proceeds on the disposal of such assets would be accounted for through the appropriate fund in the SOFA.

Heritage Assets

The School holds the Town Wall (or Garden Wall) that at one time divided the School's property from the neighbouring Duke of Somerset's House and is also the old boundary between the Stoke and Christchurch Wards of Guildford. From time to time members of the public are permitted access to view the wall along with the Old Building and other items of historical interest that are held and used primarily for educational purposes. The Wall is maintained as part of the School's general care of its buildings, but also having regard to its commitment to the local community to care for a historical property. The Governors do not regard it practicable to obtain a valuation of the Wall and, accordingly, no value is ascribed to it.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost of each asset, less any estimated residual value based on current market prices, evenly over its expected useful life. New capital developments are depreciated only when work has been completed and they are brought into use. The depreciation rates for the principal categories are:

Freehold Buildings	-	2% per annum on a straight line basis
Furniture & Fittings	-	15% per annum on a straight line basis
Computer Equipment	-	33% per annum on a straight line basis
Photocopiers	-	20% per annum on a straight line basis
Motor Vehicles	-	20% per annum on a straight line basis
Playing Field Equipment	-	12.5% per annum on a straight line basis
Leasehold Property	-	over the length of lease
Leasehold Improvements	-	over the length of lease
Major Refurbishment	-	4% per annum on a straight line basis

Stock

Stocks are valued at the lower of cost and net realisable value.

Operating Leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the lease term.

Finance Leases

Assets held under finance leases are capitalised at their fair value and depreciated over their estimated useful economic lives. Future obligations under finance leases are included in creditors, net of finance charges. Payments are apportioned between the finance element, which is charged to the Statement of Financial Activities as interest, and the capital element, which reduces the outstanding obligations.

Pensions and Post Retirement Benefit Schemes

a) Defined Benefit Schemes

The School contributes to the Teachers' Pension Scheme, which is a defined benefit scheme, at rates set by the Government Actuary. The Scheme is a defined contribution 'Multi-Employer' scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with FRS 102, the Scheme is therefore accounted for as a defined contribution scheme. Contributions to the Scheme are charged to the SOFA as they become payable in accordance with the rules of the Scheme.

In the past the School also contributed to the Surrey County Council ("SCC") Superannuation Fund, a defined benefit scheme for support staff. With effect from 31 August 2021, as a consequence of dwindling employee membership, the School withdrew from this scheme. In 2023/24, SCC and the School signed an agreement whereby SCC released the School from its closing liability in respect of the SCC Superannuation Fund. Accordingly, an amount equivalent to the 2022/23 closing liability was credited to the SOFA in 2023/24, and there was no liability at 31 July 2024 or 31 July 2025.

b) Defined Contribution Schemes

The pension cost charged to the SOFA represents the contributions payable by The School under the rules of the Schemes.

Fees In Advance

The School accepts fees in advance ('FIA') lump sum payments in respect of certain pupils and in return undertakes to discharge defined amounts of the fees chargeable in respect of those pupils after 31 July 2025. In the event of a pupil's withdrawal from the School before all the agreed amounts have been credited, the School has agreed to return the relevant unspent portion of the FIA payment without addition of interest, or to continue to hold the FIA balance for payment of fees at a new educational establishment, where appropriate. The School's liability in respect of advance fees has been brought into these accounts as the liability which would arise if all the pupils covered by such arrangements completed the full term period of the contract entered into.

Deposits

The School receives a deposit from parents upon acceptance of a place for their son. The School refunds the deposit, less any appropriate deductions, after the pupil leaves the School. Under FRS 102 all deposits are considered refundable within 12 months of the balance sheet date, under the terms of the contract and are classified within amounts due within one year.

Financial Instruments

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

liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

Taxation

As a registered charity the School is generally exempt from Corporation Tax but not from Value Added Tax (VAT). VAT has applied to school fees and most other services since January 2025. Irrecoverable VAT is included with the cost of those items to which it relates.

The Royal Grammar School, Guildford Foundation ('the Foundation')

On 17 July 2024 the operations, asset and liabilities of the Foundation were transferred to School at the best estimate of their fair value at the date of transfer. Since the merger the Foundation has no income, expenditure or net assets, and will be wound up in due course.

	2025	2024
	£000	£000

2. CHARITABLE ACTIVITIES - SCHOOL FEES RECEIVABLE

The school's fee income receivable comprised:

Gross fees	27,542	28,679
Less: Total bursaries, scholarships and discounts	(1,719)	(1,810)
	25,823	26,869

Add back: Bursaries paid for by Restricted Funds	312	391
	26,135	27,260

Bursaries were awarded from Restricted/Unrestricted Funds to 74 individuals (2024: 75).

3. CHARITABLE INCOME - OTHER

(a) Other educational income

	2025	2024
	£000	£000
Sundry parental receipts	1,346	1,417
Registration fees	46	61
	1,392	1,478

(b) Other ancillary trading income

	2025	2024
	£000	£000
Income from recharges to International Activities	482	377
Other ancillary	3	0
	485	377

(c) Other income

	2025	2024
	£000	£000
Sub-lettings	153	0
Exceptional income - insurance proceeds	121	0
Gains on sale of tangible fixed assets	6	2
Other	228	224
	508	226

4. ANALYSIS OF EXPENDITURE

	Staff costs £000	Other £000	Depreciation £000	2025 Total £000	2024 Total £000
(a) Cost of Raising Funds					
Loan interest charge	0	0	0	0	0
Finance lease interest	0	80	0	80	55
Discount payable on Advanced Fees	0	224	0	224	42
Other finance costs	0	14	0	14	9
Total finance costs	0	318	0	318	106
(b) Charitable activities					
Schools and grant making					
Teaching	14,865	2,301	442	17,608	17,424
Welfare	93	1,450	0	1,543	1,616
Premises	645	2,876	1,232	4,753	4,747
Support costs of schooling	3,073	1,159	352	4,584	4,478
Grants, awards and prizes	0	277	0	277	416
School's operating costs	18,676	8,063	2,026	28,765	28,681
Ancillary trading costs	0	14	0	14	18
Total Charitable Expenditure	18,676	8,077	2,026	28,779	28,699
Exceptional pension credit	0	0	0	0	(1,754)
Total Expenditure	18,676	8,395	2,026	29,097	27,051

Prior year Analysis of Expenditure

	Staff costs £000	Other £000	Depreciation £000	2024 Total £000	2023 Total £000
(a) Cost of Raising Funds					
Finance costs	0	106	0	106	54
(b) Charitable activities					
Schools and grant making					
Teaching	14,867	2,326	231	17,424	16,072
Welfare	90	1,526	0	1,616	1,481
Premises	592	3,018	1,137	4,747	4,757
Support costs of schooling	2,642	1,420	416	4,478	4,118
Grants, awards and prizes	0	416	0	416	346
School's operating costs	18,191	8,706	1,784	28,681	26,774
Ancillary trading costs	0	18	0	18	6
Total Charitable Expenditure	18,191	8,724	1,784	28,699	26,780
Exceptional pension credit	0	(1,754)	0	(1,754)	0
Total Expenditure	18,191	7,076	1,784	27,051	26,834
(c) Governance costs included in support costs					
Auditors' remuneration *					
Current year charge				25	34
Prior year under-provision				(2)	0
Trustees' costs **				0	2
Governance costs				23	36

* Auditors' remuneration costs are exclusive of VAT in 2025 (inclusive of VAT in 2024)

** Trustees' costs related to expenses of £100. There are 21 Governors who are directors of RGS and RGS Prep. There was no Trustee remuneration during the year.

5. EMPLOYEES

	Teaching £000	Other £000	2025 £000	2024 £000
Wages and salaries	10,711	2,904	13,616	13,434
Social security costs	1,294	419	1,713	1,583
Pension contributions	2,620	378	2,998	2,636
Other staff costs	240	110	350	538
	<u>14,865</u>	<u>3,811</u>	<u>18,676</u>	<u>18,191</u>

Average number of employees during the year

	2025 Full time	Part time	2024 Full time	Part time
Teaching	126	46	135	40
Non Teaching	72	44	68	49
	<u>198</u>	<u>90</u>	<u>203</u>	<u>89</u>

The number of employees whose emoluments, excluding employer's pensions contributions, exceeded £60,000 were:

	2025	2024
£60,001 - £70,000	49	40
£70,001 - £80,000	25	27
£80,001 - £90,000	14	11
£90,001 - £100,000	2	0
£100,001 - £110,000	3	3
£110,001 - £120,000	2	1
£120,001 - £130,000	0	1
£130,001 - £140,000	1	0
£170,001 - £180,000	1	0
£180,001 - £190,000	0	1
£280,001 - £290,000	0	1
£290,001 - £300,000	1	0
	<u>98</u>	<u>85</u>

A number of staff are not members of any pension scheme and the employer pension contribution is paid to them as part of their overall remuneration and is included in the pay bands above.

Pension contributions of £1,732k (2024 - £1,398k) were made into pension schemes in respect of higher paid employees during the year. Of this, contributions of £1,422k (2024 - £1,146k) were made into a defined benefit pension scheme.

The aggregate emoluments of key management personnel including employer's pension contributions and National Insurance totalled £2,815k (2024 - £2,434k). Key management personnel comprised the Executive team (see section 2.3), senior school Assistant Heads and Senior Master, Prep school Deputy and Assistant Heads, and Managing Director The RGS Guildford International Ltd.

During the year there were sixteen redundancies or termination payments totalling £176k (2024: £60k for one termination).

No remuneration was paid to Governors during 2025. Expenses paid to Governors totalled £0.1k (2024: £0.3k) and related to Governors forum membership.

6. Tangible fixed assets

Cost and depreciation

	Computer Equipment £000	Freehold Land and Buildings £000	Leasehold Property £000	Fixtures, Fittings and Property £000	Total £000
At beginning of year	2,253	53,608	2,129	4,551	62,541
Additions	531	936	38	296	1,801
Disposals	0	0	0	(65)	(65)
At end of year	<u>2,784</u>	<u>54,544</u>	<u>2,167</u>	<u>4,782</u>	<u>64,277</u>
Depreciation					
At beginning of year	1,557	16,188	1,247	3,685	22,677
Charge for the year	442	1,184	48	352	2,026
Eliminated on Disposal	0	0	0	(56)	(56)
At end of year	<u>1,999</u>	<u>17,372</u>	<u>1,295</u>	<u>3,981</u>	<u>24,647</u>
Net Book Value					
At end of year	<u>785</u>	<u>37,172</u>	<u>872</u>	<u>801</u>	<u>39,630</u>
At beginning of year	<u>696</u>	<u>37,420</u>	<u>882</u>	<u>866</u>	<u>39,864</u>

7. Stocks

	2025	2024
	£000	£000
Catering/cleaning stocks	16	22
School items for resale	0	34
Total stock	16	56

8. Debtors

	2025	2024
	£000	£000
Fee debtors	130	152
Less Provision for bad debts	(74)	(74)
Amounts due from other Group companies	120	217
VAT recoverable	326	0
Trade debtors	38	1
Prepayments	917	907
Total debtors	1,457	1,203

9. Cash

All cash balances are readily available. At 31 July 2025 £8,283,000 was held in current accounts and deposits maturing in less than 3 months (31 July 2024: £8,363,000), and £7,325,000 was held in deposits maturing after 3 months (31 July 2024: £10,000,000).

10. Creditors: due within one year

	2025	2024
	£000	£000
Trade creditors	661	1,300
Bank overdraft	787	1,003
Other creditors	697	1,567
Other taxes and social security	425	404
Accruals	244	298
Obligations under Finance Leases	315	257
Acceptance deposits	2,220	2,078
Fees received in advance	115	301
Advanced fees (see note 12)	2,577	2,408
Total creditors	<u>8,041</u>	<u>9,616</u>

The bank overdraft of £0.787m (2024: £1m) is secured by charges on the freehold and buildings of the school. The overdraft is repayable on demand and is therefore included in Creditors: due within one year.

The Governors have reviewed the contract terms under which acceptance fee deposits are held by the school. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The school does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 July 2025 have been included within current liabilities.

11. Creditors: due after more than one year

	2025	2024
	£000	£000
Bank loan (see below)	0	0
Obligations under Finance Leases	441	407
Advanced fees (see note 12)	2,685	4,536
	<u>3,126</u>	<u>4,943</u>

The obligations under finance leases relate to pupils' Microsoft Surface laptops.

The finance leases are payable:

	2025	2024
	£000	£000
Within 1 to 5 years	441	407
Within one year (see note 10)	315	257
	<u>756</u>	<u>664</u>

12. Advanced Fee Payments

Parents may enter into a contract to pay the School up to the equivalent of seven years' tuition fees in advance. The money may be returned subject to specific conditions. Assuming pupils will remain in the School, advance fees will be applied as follows:

	2025	2024
	£000	£000
After 5 years	19	117
Within 2 to 5 years	1,293	2,314
Within 1 to 2 years	1,373	2,105
After more than one year (see note 11)	2,685	4,536
Within one year (see note 10)	2,577	2,408
	<u>5,262</u>	<u>6,944</u>

The balance represents the accrued liability under the contracts. The movements during the year were:

	2025	2024
	£000	£000
Balance at beginning of year	6,944	458
New contracts	192	6,912
Amounts accrued to contracts	224	42
	<u>7,360</u>	<u>7,412</u>
Amounts utilised:		
In payment of fees	(2,098)	(468)
Balance at end of year	<u>5,262</u>	<u>6,944</u>

13. Allocation of the charity net assets

Major Restricted Funds:

Restricted Funds within the School comprise:

- . The bursary fund transferred from the Foundation to the School as part of the merger on 17 July 2024, and
- . A small number of ad hoc minor funds.

Major Unrestricted Funds:

Unrestricted Funds in the School are made up of designated and general funds:

- . The Designated Tangible Net Fixed Asset Fund is a fund set up to represent tangible fixed assets less the overdraft. A transfer will be made to or from this reserve each year to maintain the relationship.
- . A Designated Prize Fund and other minor designated funds.
- . The undesignated general/capital development fund.

(a) The consolidated net assets at 31 July 2025 are held for the various funds and advanced fees as follows:

	Buildings and Equipment £000	Net current Assets/(Liabilities) £000	Long Term Liabilities £000	Total £000
Restricted				
Foundation bursary fund	0	2,677	0	2,677
Ad hoc minor funds	0	122	0	122
Total Restricted Funds	0	2,799	0	2,799
Unrestricted - designated funds				
Tangible Net Fixed Asset Fund ¹	39,630	(787)	0	38,843
Prize	0	59	0	59
Ad hoc minor funds	0	64	0	64
Total Designated Funds	39,630	(664)	0	38,966
School General/Capital Development fund	0	6,905	(3,126)	3,779
Total Unrestricted Funds	39,630	6,241	(3,126)	42,745
Total Funds	39,630	9,040	(3,126)	45,544

¹ The Tangible Net Fixed Asset Fund represents tangible fixed assets net of depreciation and overdraft outstanding.

(b) Restricted funds: movements in the year

	Balance at 31 July 2024 £000	Investment income £000	Transfers/ Net Income £000	Grants and allocations £000	Balance at 31 July 2025 £000
Foundation bursary fund	2,251	86	617	(277)	2,677
Ad hoc funds	88	0	34	0	122
Total Restricted funds	2,339	86	651	(277)	2,799

(c) Unrestricted funds: movements in the year

	Balance at 31 July 2024 £000	Investment income £000	Transfers/ Net income £000	Donations £000	Balance at 31 July 2025 £000
Designated funds					
Tangible Net Fixed Asset Fund	38,861	0	(18)	0	38,843
Prize	60	0	(1)	0	59
Ad hoc minor funds	62	0	2	0	64
Total Designated funds	38,983	0	(17)	(0)	38,966
General					
School General/ Capital Development fund	3,605	471	(297)	0	3,779
Total Unrestricted Funds	42,588	471	(314)	(0)	42,745
Total Restricted and Unrestricted Funds:	44,927	557	337	(277)	45,544

(d) Transfers between funds

	Unrestricted Funds General £000	Designated £000	Restricted Funds Restricted £000
Transfer of general reserves to Designated Tangible Net Asset fund	18	(18)	0
Reclassification of ad hoc restricted funds from general fund	0	(14)	14

Comparative Allocation of charity net assets

(a) The consolidated net assets at 31 July 2024 are held for the various funds and advanced fees as follows:

	Buildings and Equipment £000	Net current Assets/Liabilities £000	Long Term Liabilities £000	Total £000
Restricted				
Ad hoc minor funds	0	89	0	89
Donation of net assets of Foundation	0	2,250	0	2,250
Total Restricted Funds	0	2,339	0	2,339
Unrestricted - designated funds				
Tangible Net Fixed Asset Fund ¹	39,864	(1,003)	0	38,861
Prize	0	60	0	60
Ad hoc minor funds	0	62	0	62
Total Designated Funds	39,864	(880)	0	38,983
School General/Capital Development fund	0	8,548	(4,943)	3,605
Total Unrestricted Funds	39,864	7,667	(4,943)	42,588
Total Funds	39,864	10,006	(4,943)	44,927

¹ The Tangible Net Fixed Asset Fund represents tangible fixed assets net of depreciation and overdraft outstanding.

(b) Restricted funds: movements in the year

	Balance at 31 July 2023 £000	Investment income £000	Investment gains £000	Transfers/ Net Income £000	Grants and allocations £000	Balance at 31 July 2024 £000
Bursary fund	1	0	0	391	(391)	1
Ad hoc funds	46	0	0	67	(25)	88
Foundation net assets	0	0	0	2,250	0	2,250
Total Restricted funds	47	0	0	2,708	(416)	2,339

(c) Unrestricted funds: movements in the year

	Balance at 31 July 2023 £000	Investment income £000	Investment gains £000	Transfers/ Net income £000	Donations £000	Balance at 31 July 2024 £000
Designated funds						
Tangible Net Fixed Asset Fund	36,153	0	0	2,708	0	38,861
Prize	60	0	0	0	0	60
Ad hoc minor funds	65	0	0	(3)	0	62
Total Designated funds	36,278	0	0	2,705	0	38,983
General funds						
School General/Capital Development Fund	4,865	308	2	(1,753)	183	3,605
Pension Fund Liability	(1,754)	0	0	1,754	0	0
Total Unrestricted Funds	39,389	308	2	2,706	183	42,588

14. Operating Leases

As at 31 July 2025, the minimum lease payments to which the School is committed under non-cancellable operating leases are:

Land and Buildings	2025 £000	2024 £000
Under 1 year	145	145
More than 1 year and less than 5 years	157	302
	<u>302</u>	<u>447</u>

Operating lease payments (Land and Buildings and Other) provided for as an expense in 2025 were £144,972 (2024 - £144,972).

15. Capital Commitments

At 31 July 2025 there were no capital works authorised and contracted but not provided for in these accounts (2024: £404k).

16. Pension Obligations**a. Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,107,550 (2023/24 - £2,120,055) and at the year-end £0 (2023/24 - £0) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023. The Valuation Report shows notional assets of £222.2bn and liabilities of £262bn, resulting in a scheme deficit of £39.8bn.

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

Since April 2024 the cost to the School of the total TPS employer contribution has been capped with staff contributing the difference between the cap and the new rate of 28.68%. Teachers are able to opt out of the TPS and join a defined contribution pension plan with a total employer cost, including benefits, at the same level as the cap.

b. Surrey County Council Superannuation Scheme

Until 31 August 2021, the School participated in a defined benefit scheme for non-teaching staff, the Surrey County Council Superannuation Scheme ("SCC"), which is administered in accordance with the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007, the Local Government Pension Scheme (Administration) Regulations 2008 and the Local Government Pension Scheme (Transitional Provisions) Regulations

portion of the pension scheme deficit, and the value of the cessation deficit as at 31 August 2021 was £1,754,000. This liability appeared in creditors at 31 July 2023.

The net pension liability on the Balance Sheet at 31 July 2023 of £1,754,000 was the liability at the point of cessation on 31 August 2021 calculated as an update to the most recent full revaluation of the scheme at 31 March 2019. A reconciliation from the full revaluation at 31 March 2019 to the cessation valuation in these accounts is provided in Note (iv) below.

In 2023/24, SCC and the School signed an agreement whereby SCC released the School from the net pension liability. Accordingly, £1,754,000 was credited to the Statement of Financial Activities and there was no liability at 31 July 2024 or 31 July 2025.

	Cessation Valuation 31/8/2021 £000	Valuation 31/3/2019 £000
i) Funding Position at 31 August 2021 (cessation date):		
Liabilities		
Active	0	2,066
Deferred	2,078	517
Pensioner	6,272	2,589
	8,350	5,172
Assets	6,596	5,916
Surplus/(Deficit)	(1,754)	744
ii) Actuarial Assumptions - Financial Assumption:	£000	£000
Discount rate/anticipated investment returns		
Pre-retirement	1.0%	4.2%
Post- retirement	1.0%	4.2%
Salary increases	3.3%	3.2%
Benefit increases	2.4%	2.3%
iii) Actuarial Assumptions - Longevity Assumption:	£000	£000
Life expectancy from age 65 years		
Current pensioners		
Male	22.3	22.1
Female	24.4	24.3
Future pensioners		
Male	23.4	22.9
Female	26.1	25.7
iv) Changes in the fair value of the scheme assets are as follows:	£000	£000
Surplus/(deficit) at 31 March 2019		744
Interest on surplus/(deficit)	78	
Investment outperformance	318	
Contributions greater than cost of accrual	394	
Change in market conditions	(63)	
Move to cessation funding assumptions	(3,077)	
Membership experience	(148)	
		(2,498)
Deficit at 31 July 2023		(1,754)
Credit for release of liability		1,754
Surplus/(Deficit) at 31 July 2024		0
v) The amounts included in the Statement of Financial Activities are as follows:	2025 £000	2024 £000
Total Amount credited to the Statement of Financial Activities	0	1,754

17. Analysis of Net Funds/(Debt)

	As at 31 July 2024 £000	Other Movements	Cash Flow £000	As at 31 July 2025 £000
Net cash balances	18,363	0	(2,754)	15,608
Creditors: due within one year				
Finance leases	(257)	(58)	0	(315)
Bank overdraft	(1,003)	0	216	(787)
Advance Fee agreements	(2,408)	0	(169)	(2,577)
Creditors: due after more than one year				
Finance leases	(407)	(34)	0	(441)
Advance Fee agreements	(4,536)	0	1,851	(2,685)
	<u>9,752</u>	<u>(92)</u>	<u>(856)</u>	<u>8,803</u>

18. Related party transactions

1509 Group, registered charity number 1084866, company number 4104101, is the parent company of the School, and all other companies in the group. The School is the sole voting member of the Foundation (The Royal Grammar School, Guildford Foundation), registered charity number 1089955, company number 4232306. On 17 July 2024 the Foundation merged with, and became a cost centre of, the School.

The RGS Guildford International Limited, company number 09633181, RGS Guildford International (Dubai) Limited, company number 11422203, RGS Guildford International (China) Limited, company number 12104738, RGS Guildford Enterprises Limited, company number 12248925 and RGS Guildford International (Oman) Limited, company number 13833679 are all subsidiaries of the 1509 Group.

During the year the Royal Grammar School Guildford charged the RGS Guildford International Ltd £178,840 (2024 - £121,483) relating to time spent on International work. At the end of the year RGS Guildford International Ltd owed the School £70,150 (2024 - £44,934).

During the year the Royal Grammar School Guildford charged the RGS Guildford International (Dubai) Ltd £86,016 (2024 - £67,493) relating to time spent on International work. At the end of the year RGS Guildford International (Dubai) Ltd owed the School £116 (2024 - £25,890).

During the year the Royal Grammar School Guildford charged the RGS Guildford International (China) Ltd £86,016 (2024 - £67,493) relating to time spent on International work. At the end of the year RGS Guildford International (China) Ltd owed the School £334 (2024 - £25,960).

During the year the Royal Grammar School Guildford charged the RGS Guildford International (Oman) Ltd £86,016 (2024 - £67,493) relating to time spent on International work. At the end of the year RGS Guildford International (Oman) Ltd owed the School £34 (2024 - £25,739).

During the year the Royal Grammar School Guildford charged the RGS Guildford Enterprises Ltd £44,725 (2024 - £53,176) relating to time spent on International work. At the end of the year RGS Guildford Enterprises Ltd owed the School £0.00 (2024 - £61,548).

During the year there were no donations from the Governors to the School.

19. Control

1509 Group, registered charity number 1084866, company number 4104101, is the holding company of the School, and the ultimate parent company of the group. The group accounts are available from 1509 Group registered office, at The Royal Grammar School Guildford, High Street, Guildford, Surrey GU1 3BB.

20. Merger of the Foundation with the School

On 17 July 2024 the operations, assets and liabilities of the Foundation were transferred to the School. The following table shows the net assets transferred to the School on 17 July 2024 at fair value.

	£000
Cash	2,695
Other net liabilities	(262)
Total net assets	<u>2,433</u>

21. Statement of Financial Activities - Comparative figures by fund type

Year Ended 31 July 2024

	Unrestricted £000	Restricted £000	Funds Total £000
Income from Charitable Activities			
School Fees	27,260	0	27,260
Other educational income	1,478	0	1,478
Other ancillary trading income	377	0	377
Donations and Legacies			
Donation of net assets of the Foundation	183	2,250	2,433
Other donations and legacies	0	458	458
Investments			
Income from Investments	308	0	308
Other Income	226	0	226
Total Income	29,832	2,708	32,540
Expenditure on Raising Funds			
Financing costs under advance fee contracts	42	0	42
Bank interest	64	0	64
	106	0	106
Expenditure on Charitable activities			
Schools and grant making	28,265	416	28,681
Ancillary Trading	18	0	18
Exceptional pension credit	(1,754)	0	(1,754)
Total Expenditure	26,635	416	27,051
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS	3,197	2,292	5,489
Net gains/(losses) on investments	2	0	2
NET INCOME/(EXPENDITURE)	3,199	2,292	5,491
Transfers between funds	0	0	0
NET MOVEMENT IN FUNDS FOR THE YEAR	3,199	2,292	5,491
Fund balances at 1 August 2023	39,389	47	39,436
FUND BALANCES at 31 July 2024	42,588	2,339	44,927