

W G S TRUST

England & Wales · Charity number 505207

Details

Status Registered

Legal form Other

Registered 1976-05-13

Register [View on the Charity Commission register](#)

Contact

Address Withington Girl's School
100 Wellington Road
Fallowfield
Manchester
M14 6BL

Phone 01612241077

Email finance@wgs.org

Activities

Objects: (A) THE ADVANCEMENT OF THE EDUCATIONAL WORK OF THE SCHOOL. (B) CHARITABLE PURPOSES (WHETHER EDUCATIONAL OR NOT) OF OR ASSOCIATED WITH THE SCHOOL. (C) THE ADVANCEMENT OF EDUCATION IN ANY PART OF THE WORLD.

Activities: The objects of the charity are the advancement of the educational work of Withington Girls' School (charity number 1158226) and the advancement of education. A specific aim is to maintain and enhance the level of means-tested bursary support to safeguard the diversity of the school community. In addition, the charity provides financial support for the school's on-going building programme.

Classification

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

Geography

- Bolton
- Bury
- Manchester City
- Oldham
- Rochdale
- Salford City
- Stockport
- Tameside
- Trafford
- Wigan

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£1,435,429	£978,565	£9,706,181	0
2023-08-31	£1,037,954	£868,780	£7,912,311	0
2022-08-31	£1,026,733	£1,830,425	£9,437,803	0
2021-08-31	£977,256	£874,559	£11,397,450	0
2020-08-31	£876,074	£805,218	£8,579,239	0

Trustees

Name	Role	Appointed
LORD JOHN LEE	Chair	
Allan Beardsworth		2014-06-23
Christopher Poston		2019-09-27
RICHARD BAILEY		2014-06-23
Ranjit Munro		2024-07-12
Richard John Bate		2023-06-05
Sarah Haslam		2016-09-21
Sharon Elizabeth Senn		2021-12-09
Swarna Vaddi		2025-12-12

W G S TRUST

England & Wales - Charity number 505207

Accounts

WGS TRUST
Charity Number: 505207
ANNUAL REPORT
YEAR ENDED 31 AUGUST 2024

WGS TRUST

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WGS TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2024

TRUSTEES

Lord Lee of Trafford (Chairman) DL, FCA
Mr P Adams BA, ACA (joined 9th October 2023)
Mr R Bailey BA, ACA
Mr R Bate LLB (Joined 5th June 2023)
Mr A Beardsworth MA (Cantab) ACA CTA
Mrs SJ Haslam BA
Rev SE Marks, MA (Oxon) MA (Nott) FRSA (resigned 26th March 2024)
Mr CM Poston BSc, FCA
Mrs SE Senn BSc (Econ), ACA
Mrs Ranjit Munro (Joined 12th July 2024)

There were no other movements of Trustees during the year.

Clerk to the Trustees

Mrs A Cohen LLB (until 31 August 2024)
Mr. R Grant (from 2 September 2024)

ADVISERS

Auditor

Crowe U.K. LLP
3rd Floor, St George's House,
56 Peter Street
Manchester
M2 3NQ

Stockbrokers

Brown Shipley
3 Hardman Street
Manchester
M33HF

Banker

Lloyds Bank
223 Finney Lane
Heald Green
Cheshire
SK8 3PY

Registered and principal office

Withington Girls' School
Wellington Road Fallowfield
Manchester
M14 6BL

Charity Number

505207

Constitution

The charity is unincorporated and is governed by a Trust Deed executed on 13th May 1976

WGS TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 AUGUST 2024

The Trustees of the W G S Trust present their Annual Report and audited accounts for the year ended 31 August 2024 and confirm they comply with the requirements of the Charities Act 2011, as amended by the trust deed and the Charities SORP 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees determine the general policy adopted by the Trust and work with professional advisers to deal with the day to day management of investments. Administration of the Trust including management of funds for bursaries is undertaken by staff of Withington Girls' School (Charity Number 1158226) ('the School').

Objectives and activities for the public benefit

The objects of the Trust, as set out in the Trust Deed, are as follows:

- the advancement of the educational work of the School
- charitable purposes (whether educational or not) of, or associated with, the School
- the advancement of education in any part of the world

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives.

Donations to the School for means-tested bursaries

The principal way in which the Trust supports the advancement of the educational work of the School is by helping to fund means-tested bursaries to girls who have performed well in the entrance examination and might otherwise be unable to take up places offered to them by the School. Bursaries are also awarded to pupils whose family circumstances change, to enable them to continue to attend the School. Bursaries are made solely on the basis of parental means or to relieve hardship where a pupil's education would otherwise be at risk, for example in the case of redundancy. In assessing means a number of factors are taken into consideration including family income, investments, savings, opportunity to generate additional income and family circumstances, for example dependent relatives.

Bursary awards range from 10% to 100% of fees. Information about fee assistance through bursaries is provided to all parents of girls applying to the Senior School and also to parents of junior girls, as a limited number of bursaries have been available for girls entering Years 5 and 6 in the Junior School from September 2015. The availability of means-tested bursaries is publicised through School advertisements in the press and promotional materials at local libraries. Details of the bursary policy and how to apply are also on the School website.

Support for Capital Projects at the School

The other major way in which the Trust supports the educational advancement of the School is by providing financial assistance, in the form of grants and repayable loans, to enable a programme of capital development to take place.

Trustees agreed to provide a capital grant of £1m for a two-storey extension to the Dining Room of the School. This was completed in February 2022.

The previous major capital project undertaken by the School was the Sports Development Project which was completed during the 2017/18 academic year. Work started in August 2017 and was completed at Easter 2018.

WGS TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2024

Recruitment and Training of Trustees

The statutory power of appointing new Trustees is vested in the Governors of Withington Girls' School. This power is to be exercised so that immediately after any appointment, at least one of the Trustees is not a Governor, and the power shall cease to have effect upon being released in writing by the Governors or if the School shall be discontinued or shall become a maintained school or if the power of appointing all or a majority of the Governors shall be vested in a local or other public authority and/or any officer or department of the government. However, if the power of appointing new Trustees as indicated above shall cease to have effect, the statutory power of appointing Trustees shall be vested in the surviving or continuing Trustee or Trustees for the time being, or the personal representative of the last surviving or continuing Trustee.

New Trustees are selected to provide the Trust with an appropriate breadth of abilities and experience. New Trustees are inducted into the workings of the Charity by the Chairman of the Trust, the Headmistress of the School and the Clerk to the Trustees.

Risk Management

The Trustees are responsible for the management of the risks faced by the Trust. The principal risk faced by the Trust is the performance of the investment portfolio.

Trustees of the Charity manage the portfolio under the guidance of the Chair of the Trust. The Trustees bring a diverse range of skills and experiences to the Charity. The fund is administered by external stockbrokers. Trustees actively monitor the performance of the investment portfolio, mainly through quarterly reports from the stockbrokers. The investment policy of the Trustees is to aim to achieve an above average dividend yield to provide the income for means-tested bursaries, with a view to long-term capital appreciation of the holdings, consistent with an acceptable level of risk. Trustees have taken the decision to invest primarily in smaller UK quoted companies and no one holding should normally represent appreciably more than 10% of the overall portfolio in order to ensure a suitable spread of risk.

The key controls used by the Charity include:

- Formal agendas and supporting papers for all Trust meetings
- Consideration of regulatory compliance at all Trust meetings
- Comprehensive budgeting, management accounting, and reports on investment performance
- Clear authorisation and approval levels
- Use of a Risk Register to assess the likelihood and impact of each risk together with the steps taken in mitigation
- Regular meetings of Trustees, a standing item of which is Conflicts of Interest and/or Conflicts of Loyalty
- Active monitoring of the investment portfolio and mechanisms to effect transactions at short notice

The Trustees are satisfied that the major risks identified have been adequately managed where necessary. It is recognised that systems can only provide reasonable but not absolute assurance.

OBJECTIVES AND ACTIVITIES

Charitable Objects

The objects of the Charity, which are set out in the Trust Deed, are the advancement of the educational work of Withington Girls' School, charitable purposes of, or associated with, the School and the advancement of education in any part of the world. The School is a separate charity which provides a day school for girls from the ages of seven to nineteen.

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TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2024

In setting and planning our objectives Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

A specific aim of the Charity is to support the School through the provision of funds for means-tested bursary support to safeguard the diversity of the school community. The School has never offered financial support on a non-means-tested basis, such as academic scholarships. The School is committed to providing public benefit as is evidenced in its published Annual Report.

ACHIEVEMENTS AND PERFORMANCE

REVIEW OF THE YEAR

The Trust has net incoming resources of £1,793,870 (2023: outgoing resources of £1,525,492) for the year. This result has largely been brought about by the gain on investments in the current year of £1,337,006 (2023: loss of £1,694,666). Trustees have reviewed the investment portfolio and have concluded that the portfolio performance largely reflects global fluctuations in the market. The structure of the portfolio consistently provides the required level of income for supporting means tested bursaries at Withington Girls' School. The portfolio is reviewed in detail at every meeting.

Governors of the School approved a new Development & Alumnae Strategy (2019 to 2024) at their meeting in September 2019. The key focus of this Strategy, which dovetails with the School's Development Plan, is to continue to raise funds for School priorities. A significant focus is to increase funding for means-tested bursaries as one of the aims of the School is to maintain and increase the level of means-tested bursary support to secure the diversity of the School community, with the eventual aim of needs-blind admission.

Donations received by the WGS Trust for the bursary fund amounted to £221,992 (2023: £182,445).

This amount excludes £75,000 received from the Zochonis Charitable Trust (2023: £75,000) the terms of which are that this money must be spent on bursaries in the 2023/24 year. As a result, this donation has been included within Withington Girls' School's accounts as a payment on account for the year to 31 August 2024.

The focus for our fundraising activities is to increase funding for means-tested bursaries. The Marjorie Hulme Bursary Fund is integral to Withington Girls' School, consolidating our vision and ethos to create a warm community centred on equality and opportunity, irrespective of a pupil's race, religion, social background and financial position, ensuring that Withington retains its position as a true centre for excellence open to all.

Philanthropic income totalled £505,461 in the year to 31 August 2024 which is more than double that in the previous year. This was largely due to a legacy received of over £282,000 from the husband of a former Withington pupil.

We also held Withington's second Giving Day in March 2024. It is testament to the generosity of our Withington community that, over the 36 hours of our Giving Day, we raised more than £84,000 for the Marjorie Hulme Bursary Fund, allowing us to continue to provide future pupils with the opportunity of a Withington education regardless of financial circumstances. It was a real team effort, with students and staff taking part in challenges in school to unlock matched donations. We were also joined by two former Lionesses, Jill Scott MBE and Rachel Brown-Finnis, inspiring pupils during the fundraising challenges with their insights and experiences as elite sportswomen. We are extremely grateful to all our donors for their support and generous donations.

The Ad Lucem Fund supports projects across the school which enhance and enrich the girls' learning but that normally fall outside the reach of the annual school budget. This year the generous donations have supported a number of projects:

- A theatrical communication system for Performing Arts, ensuring that students who take part backstage in our productions can work more collaboratively and have a more professional experience.
- First aid dummies and breast models, improving the health teaching resources for PSHCE and allowing for practical application of topics discussed, such as CPR and breast examination for signs of cancer.

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TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2024

- Wellbeing supporter training for Sixth Formers to mentor younger pupils, enhancing the current pastoral care and wellbeing of pupils throughout the school and developing leadership, coaching and communication skills for those sixth formers who apply for these roles.
- Photography equipment for the Art Department to allow them to develop the Photography Club with a long term aim of introducing GCSE Photography as an extra-curricular activity, building on the success already experienced by Withington pupils in recent photographic competitions.

The running costs for the Development Office have been borne equally by the WGS Trust and the School. In the year ended 31st August 2024, the direct costs for each were £85,273 (2023: £92,172).

The Fundraising Approach

The School employs an in-house Development Team to carry out fundraising on its behalf. The Director of Development reports directly to the Headmistress. A professional fundraising consultancy is engaged to assist with a biennial telephone campaign and the giving days in 2022 and 2024.

The WGS Trust (Charity 505207) registered as a member of the Fundraising Regulator in October 2017. Registration is optional for charities which spend less than £100,000 on fundraising each year and, as a result, there was no requirement for the WGS Trust to register. The Trust's voluntary registration is evidence of its desire to follow best practice. The Trust also follows the Institute of Fundraising's code of practice and we have published our own Fundraising Code of Practice.

The Development Team can confirm that all activities comply with the requirements of the Fundraising Regulator, that of the Institute of Fundraising's Code of Practice and our own Code of Practice. Careful monitoring of the activities of the Development Office is carried out by Governors of the School and Trustees of the WGS Trust. The Director of Development submits reports on fundraising activities to Governors and Trustees.

There have been no complaints about fundraising activities in the year to 31 August 2024 (2023: NIL).

The School made donations totalling £462,925 during the year (2023: £426,691) into the Trust.

Bursaries were awarded to 98 pupils (2023: 98 pupils): 95 in the Senior School and 3 from the Junior School. Of these, 26 pupils benefited from full remission of fees. Forty-six pupils in the Senior School obtained a bursary worth 80% of more of fees. The total cost of these bursaries was £864,480 (2023: £741,751). The bursaries enabled pupils who have met the entrance criteria, whose families would not otherwise have been able to afford the fees, to attend the School. The pupils in receipt of bursaries may also receive support with the purchase of school uniform, individual music/drama lessons, curriculum-related school trips and similar expenses.

Investments

The overall capital result for the investment portfolio for the year, after generation of investment income of £467,043 (2023: £427,193), was a gain of £1,337,006 (2023: loss of £1,694,666).

Trustees ensure that the portfolio is invested in a diverse range of sectors while at the same time ensuring that no single holding is appreciably more than 10% of the investment portfolio. Particular focus is given to any holdings which are approaching or in excess of this threshold to determine whether the level of risk is acceptable or whether it is appropriate to sell a proportion or all of the holding.

Trustees compare the performance of the portfolio with the FTSE 250 (ex-Investment Trust) Index and one or more appropriate charity indices at each of their meetings.

Trustees monitor the effect of global market conditions on the return of the investment portfolio and the movement of investments at their meetings.

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TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2024

For the year ended 31st August 2024 the portfolio posted a positive capital return of 17.4% compared to a rise in the FTSE 250 ex Investment Trust index of 14.91% and a rise in the FTSE All Share index of 12.51%. Trustees also monitor the performance of the portfolio against the ARC Steady Charity Growth Index, and for the period ending 31st August 2024, the ARC Steady Growth Charity Benchmark was positive 10.53% and the WGS portfolio was positive 23.4% on a total return basis.

For the same period last year (period ending 31st August 2023), the capital return of the portfolio posted a negative return of 8.08% compared to a fall in the FTSE 250 ex Investment Trust index of -0.33% and a rise in the FTSE All Share index of 1.3%. Trustees also monitor the performance of the portfolio against the ARC Steady Growth Index, and for the period ending 31st August 2023, the ARC Steady Growth Benchmark was positive 0.20% and the WGS portfolio was negative 14% on a total return basis.

Total cost and charges of the portfolio for the period equaled £21,042 (0.23%).

The overall result for the year was a net increase in funds of £1,793,870 (2023: net decrease in funds of £1,525,492).

General Data Protection Regulations (GDPR) Update

The School and the Trust are fully aware of their responsibilities under the General Data Protection Regulations (GDPR) which came into effect from May 2018. Over recent years, the Development Team has requested and recorded communication preferences for contacts and conducts Data Protection Impact Assessments as appropriate to carefully consider who is being approached for support, how the approach is made and how often this is done, to ensure that our fundraising is not unreasonably intrusive or persistent. All consent and communication preferences are retained on a specialist database.

INVESTMENT POWERS

These are governed by the Trust Deed which permits the Trustees to invest in a manner that they see fit. The Trustees have a policy designed to achieve an above average dividend yield to fund bursaries, with a view to long term capital appreciation, consistent with acceptable risk.

In order to achieve this high yield combined with longer term capital growth the Trustees have decided to invest in a broad range of smaller UK quoted companies alongside a number of large FTSE companies. The Trustees are minded to avoid exposure to investments which are deemed to be unsuitable in the context of the objectives and interests of the WGS Trust and Withington Girls' School, when considering the portfolio as a whole.

The Trustees seek to maintain a conservative approach to funds and at their meeting on 8th July 2022 it was agreed that no single holding should normally represent appreciably more than 10% of the investment portfolio. Particular focus is given to any holdings which are approaching or in excess of this threshold to determine whether the level of risk is acceptable or whether it is appropriate to sell a proportion or all of the holding. The level of liquidity depends on anticipated financial support for future School projects.

The Trustees monitor the investment performance against the FTSE Small Cap (ex Investment Trust) Index and one or more appropriate charity indices.

WGS TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2024

RESERVES

In formulating their reserves policy the Trustees are concerned that the Trust has a sufficient level of reserves to enable it to meet its objects and policies, which have been described earlier in this report. In particular the Trustees consider that the Trust should have adequate capital to provide income up to the level required to support Junior and Senior pupils throughout their school career, and the provision of financial assistance for the building programme of the School. As described in note 12 Trustees undertook an exercise in connection with the finalisation of the 2020 accounts to re-evaluate the level of Restricted Reserves for bursaries. Trustees felt that, in the context of their agreement to provide a capital grant of £1m to the School for the two-storey Dining Room extension, and a review of the recent and likely future use, it was appropriate to consider if additional funds should be classified as restricted for bursaries. It is on this basis that funds are now allocated.

Mindful of the increased demand for bursary funding together with financial support for the School's building and maintenance programme, the Trustees and the professional advisers consider that generation of unrestricted reserves of a minimum of £10 million is required to meet these demands. This will enable both an active bursary outreach programme to continue to be developed and future building/maintenance projects to be financed. Achievement of this aim can only happen over a period of time. The current volatility in the markets has resulted in a gain on the investment portfolio in the current year of £1,337,006 (2023: loss of £1,694,666). The level of reserves has improved to £9,706,181 (2023: £7,912,311).

Unrestricted reserves as at 31st August 2024 are £5,637,501 (2023: £4,479,471).

Approved by the Trustees on 28/03/25 and signed on its behalf by:



Lord Lee of Trafford

WGS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES YEAR ENDED 31 AUGUST 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- The Trustees are responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, as amended by the trust deed and the Charities SORP 2015. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WGS TRUST

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 AUGUST 2024

Opinion

We have audited the financial statements of WGS Trust ('the charity') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 charity's affairs as at 31 August 2024 and of 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 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 trustee's 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 within 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.

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 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.

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 AUGUST 2024

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or sufficient and proper accounting records have not been kept by the charity; 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 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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Acts 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion. We obtained an understanding of the legal and regulatory frameworks within which the charity 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 Charities Act 2011 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 charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were the Charities Act Regulations

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 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, reading minutes of meetings of those charged with governance and sample testing of income.

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.

Use of our report

This report is made solely to the charity'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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP
Statutory Auditor
3rd Floor
St George's House
56 Peter Street
Manchester
M2 3NQ

Crowe UK LLP

Date 9th April 2025

WGS TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR YEAR ENDED 31st AUGUST 2024

	Notes	Unrestricted Funds 2024	Restricted Funds 2024	Total 2024	Unrestricted Funds 2023	Restricted Funds 2023	Total 2023
		£	£	£	£	£	£
INCOME AND EXPENDITURE							
INCOME							
Donations		283,469	221,992	505,461	1,625	182,445	184,070
Donations from Withington Girls' School		0	462,925	462,925	0	426,691	426,691
Investment Income	2	235,097	231,946	467,043	240,770	186,423	427,193
Total income		518,566	916,863	1,435,429	242,395	795,559	1,037,954
EXPENDITURE							
Costs of raising funds	3	85,273	0	85,273	92,172	0	92,172
		85,273	0	85,273	92,172	0	92,172
Expenditure on charitable activities							
Bursaries paid to support pupils of Withington Girls' School	4	0	864,480	864,480	0	741,751	741,751
Annual Fund	5	7,665	0	7,665	15,356	0	15,356
Other Charitable Expenditure	6	21,147	0	21,147	19,501	0	19,501
Total Charitable Activities Expenditure		28,812	864,480	893,292	34,857	741,751	776,608
Total expenditure		114,085	864,480	978,565	127,029	741,751	868,780
Net (expenditure)/income before gains on investment		404,481	52,383	456,864	115,366	53,808	169,174
Net (loss)/gain on investments		753,549	583,457	1,337,006	(955,130)	(739,536)	(1,694,666)
NET MOVEMENT IN FUNDS	11	1,158,030	635,840	1,793,870	(839,764)	(685,728)	(1,525,492)
RECONCILIATION OF FUNDS							
TOTAL FUNDS BROUGHT FORWARD	11	4,479,471	3,432,840	7,912,311	5,319,235	4,118,568	9,437,803
TOTAL FUNDS CARRIED FORWARD	11	5,637,501	4,068,680	9,706,181	4,479,471	3,432,840	7,912,311

The notes on pages 16 to 20 form part of these accounts.

All amounts relate to continuing operations.

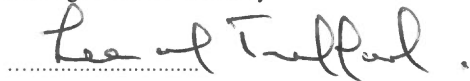
WGS TRUST

BALANCE SHEET AS AT 31st AUGUST 2024

	Notes	2024 £	2023 £
INVESTMENTS	7	9,016,853	7,680,507
CURRENT ASSETS			
Debtors	8	81,103	54,287
Cash	9	<u>625,914</u>	<u>183,087</u>
		707,017	237,374
CREDITORS			
Amounts falling due within one year	10	<u>(17,689)</u>	<u>(5,570)</u>
NET CURRENT ASSETS		689,328	231,804
NET ASSETS		<u><u>9,706,181</u></u>	<u><u>7,912,311</u></u>
ACCUMULATED FUNDS			
Restricted	11	4,068,680	3,432,840
Unrestricted - not designated	11	<u>5,637,501</u>	<u>4,479,471</u>
		<u><u>9,706,181</u></u>	<u><u>7,912,311</u></u>

Approved by the Board of Trustees and authorised for issue on 28th March 2025

and signed on its behalf by



Lord Lee of Trafford



Mrs S J Haslam

WGS TRUST

STATEMENT OF CASH FLOWS

FOR YEAR ENDED 31 AUGUST 2024

	2024	2023
	£	£
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	1,793,870	(1,525,492)
Deduct interest income shown in investing activities	(8,227)	(212)
Add net (loss)/gain on investment portfolio	(1,337,006)	1,694,666
(Increase) in debtors	(26,816)	(25,384)
Increase/(decrease) in creditors	12,119	(390,190)
Net cash from operating activities	433,940	(246,612)
Cash flows from investing activities		
Interest income	8,227	212
Purchase of investments	(1,741,293)	(903,426)
Disposal of investments	1,765,962	964,031
Cash used in investing activities	32,896	60,817
Increase/(decrease) in cash equivalents in the year	466,836	(185,795)
Cash and cash equivalents at the beginning of the year	248,010	433,805
Total cash and cash equivalents at the end of the year	714,846	248,010
Breakdown of Cash and Cash Equivalents		
	£	£
Lloyds Bank Current Account	625,914	183,087
	625,914	183,087
Cash held by Stockbrokers	88,932	64,923
Total cash and cash equivalents at the end of the year	714,846	248,010

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2024

1. ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), 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) - effective 1 January 2019.

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

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The Charity is a Public Benefit Entity registered as a charity in England and Wales. Its charity number is 505207 (England and Wales).

(b) Incoming resources

All income is included within the Statement of Financial Activities ('SOFA') on a received basis.

(c) Resources expended

All expenditure is accounted for on an accruals basis and allocated directly to the category to which it relates. Governance costs comprise those costs incurred complying with constitutional and statutory requirements. Capital grants are accounted for when the payment is made.

(d) Investments

Investments are stated at market value.

(e) Fund accounting

Funds held by the charity are either:

Unrestricted funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds are those ear-marked for a specific purpose. As at 31st August 2024 there were no funds in this category.

Restricted funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when the funds are raised for particular restricted purposes.

(f) Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost 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 specific provision is made for debts for which recoverability 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.

Notes on Financial Statements
Year Ended 31st August 2023

1. ACCOUNTING POLICIES CONTINUED

(g) Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees 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 affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

(h) Going Concern

Trustees consider that the WGS Trust is a Going Concern. Trustees monitor the School's requirement for bursary funding and capital projects at each of their meetings to ensure that this can be funded.

The Trustees monitor the return on the investment portfolio and the movement of investments at their meetings, whilst the school provides the Trustees with information on the required funding for the ongoing bursary support. The Trustees review this information and decide on the amount paid to the School.

2. INVESTMENT INCOME

	2024	2023
	£	£
Bank interest	8,227	212
Dividends on UK listed investments	458,816	426,981
	467,043	427,193

3 FUNDRAISING COSTS

	2024	2023
	£	£
Staff costs recharged from Withington Girls' School	71,403	79,471
Promotional materials	5,894	7,064
Telephone Campaign	25	8,025
Giving Day	5,174	0
Other fundraising costs	2,777	-2,388
	85,273	92,172

4 BURSARIES

	2024	2023
	£	£
Bursaries paid for pupils of Withington Girls' School	864,480	741,751

The total number of pupils in receipt of bursaries during the year was 98 (2023:98).

Notes on Financial Statements
Year Ended 31st August 2023

5 ANNUAL FUND

	2024	2023
	£	£
Purchase of equipment for Withington Girls' School	7,665	15,356
	7,665	15,356
	7,665	15,356

6 OTHER CHARITABLE EXPENDITURE

	2024	2023
	£	£
Sundry expenses	1,754	593
Clerk to the Trust	2,500	2,500
Stockbroking fee	660	678
Postage	3,713	3,773
Subscriptions	249	308
Office expenses	1,743	691
Database software	4,688	5,203
Trustee Indemnity Insurance	2,210	2,161
Governance Costs		
Audit Fees	3,630	3,594
	21,147	19,501
	21,147	19,501

The Trustees received no remuneration or reimbursement of expenses during the year (2023 £NIL).

There are no employees of the Charity.
There are no employees who received employee benefits (excluding pension costs) of more than £60,000.

7 INVESTMENTS

The movements on this account during the year were as follows:

	2024	2023
	£	£
UK quoted investments		
At valuation:		
At 1 September 2023	7,615,584	9,370,855
Additions at cost	1,741,293	903,426
Disposal proceeds	(1,765,962)	(964,031)
Changes in market value	1,337,006	(1,694,666)
	8,927,921	7,615,584
At 31 August 2024		
Cash held by stockbrokers	88,932	64,923
	9,016,853	7,680,507
	9,016,853	7,680,507

All investments are held for charity use.

Notes on Financial Statements
Year Ended 31st August 2023

8 DEBTORS

	2024	2023
	£	£
Income tax recoverable	81,103	49,523
Prepayments	0	4,764
	81,103	54,287

9 CASH AT BANK

	2024	2023
	£	£
Lloyds Bank Current Account	625,914	183,087
	625,914	183,087

10 CREDITORS

	2024	2023
	£	£
Amounts falling due within one year		
Accruals	9,278	3,120
Amount payable to Withington Girls' School	8,411	2,450
	17,689	5,570

11 ACCUMULATED FUNDS

	2024	2023
	£	£
Restricted - for Bursaries		
At 1 September 2023	3,432,840	4,118,568
Net gain/(loss) on investments	583,457	(739,536)
Net income/(expenditure) before gains on investment	52,383	53,808
At 31 August 2024	4,068,680	3,432,840
	2024	2023
	£	£
Unrestricted - not designated		
At 1 September 2023	4,479,471	5,319,235
Net income before gains on investment	404,481	115,366
Net gain/(loss) on investments	753,549	(955,130)
At 31 August 2024	5,637,501	4,479,471
Unrestricted - designated		
At 1 September 2023	0	24,304
Net (expenditure) before gains on investment	0	(24,304)
At 31 August 2024	0	0
Total	9,706,181	7,912,311

The Restricted Funds represent a fund specifically for bursaries.

Notes on Financial Statements
Year Ended 31st August 2023

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Investments	Other assets	Total
	£	£	£
Restricted funds	4,068,680	0	4,068,680
Unrestricted funds	4,948,173	689,328	5,637,501
	<u>9,016,853</u>	<u>689,328</u>	<u>9,706,181</u>

13 RELATED PARTY

The Governors of Withington Girls' School (Charity Number 1158226) appoint the Trustees of WGS Trust
Transactions with Withington Girls' School have been identified and disclosed within the accounts as appropriate.

Donations received from Trustees during the year were £1,445 (2023: £1,360).

The value including gift aid is £1,700 (2023: £1,700)

14 FINANCIAL INSTRUMENTS

	2024	2023
	£	£
Financial assets measured at amortised cost (a)	707,017	237,374
Financial assets measured at fair value (b)	9,016,853	7,680,507
Financial liabilities measured at amortised cost (c)	(17,689)	(5,570)
Net financial assets measured at amortised cost	<u>9,706,181</u>	<u>7,912,311</u>

Financial assets at amortised cost include cash
(a) and other debtors
(b) Financial assets at fair value include investments
(c) Financial liabilities include other creditors

W G S TRUST

England & Wales - Charity number 505207

Accounts

W G S TRUST
Charity Number: 505207
ANNUAL REPORT
YEAR ENDED 31 AUGUST 2023

W G S TRUST

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W G S TRUST
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 AUGUST 2023

TRUSTEES

Lord Lee of Trafford (Chairman) DL, FCA
Mr P Adams BA, ACA (joined 9th October 2023)
Mr R Bailey BA, ACA
Mr R Bate LLB (joined 5th June 2023)
Mr A Beardsworth MA (Cantab) ACA CTA
Mrs SJ Haslam BA
Rev SE Marks, MA (Oxon) MA (Nott) FRSA (resigned 26th March 2024)
Mr CM Poston BSc, FCA
Mrs SE Senn BSc (Econ), ACA

There were no other movements of Trustees during the year.

Clerk to the Trustees Mrs A Cohen LLB

ADVISERS

Auditor Crowe U.K. LLP
3rd Floor, The Lexicon
Mount Street
MANCHESTER
M2 5NT

Stockbrokers Brown Shipley
3 Hardman Street
Manchester
M3 3HF

Banker Lloyds Bank
223 Finney Lane
Heald Green
Cheshire
SK8 3PY

Registered and principal office Withington Girls' School
Wellington Road
Fallowfield
Manchester
M14 6BL

Charity Number 505207

Constitution The charity is unincorporated and is governed by a Trust Deed executed on 13th May 1976

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2023

The Trustees of the W G S Trust present their Annual Report and audited accounts for the year ended 31 August 2023 and confirm they comply with the requirements of the Charities Act 2011, as amended by the trust deed and the Charities SORP 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees determine the general policy adopted by the Trust and work with professional advisers to deal with the day to day management of investments. Administration of the Trust including management of bursaries is undertaken by staff of Withington Girls' School (Charity Number 1158226) ('the School').

Objectives and activities for the public benefit

The objects of the Trust, as set out in the Trust Deed, are as follows:

- the advancement of the educational work of the School
- charitable purposes (whether educational or not) of or associated with the School
- the advancement of education in any part of the world

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives.

Provision of means-tested bursaries

The principal way in which the Trust supports the advancement of the educational work of the School is by providing means-tested bursaries to girls who have performed well in the entrance examination and might otherwise be unable to take up places offered to them by the School. Bursaries are also awarded to pupils whose family circumstances change, to enable them to continue to attend the School. Bursaries are made solely on the basis of parental means or to relieve hardship where a pupil's education would otherwise be at risk for example in the case of redundancy. In assessing means a number of factors are taken into consideration including family income, investments, savings, opportunity to generate additional income and family circumstances, for example dependent relatives.

The bursary awards range from 10% to 100% of fees. Information about fee assistance through bursaries is provided to all parents of girls applying to the Senior School and also to parents of junior girls, as a limited number of bursaries have been available for girls entering Years 5 and 6 in the Junior School from September 2015. The availability of means-tested bursaries is publicised through School advertisements in the press and promotional materials at local libraries. Details of the bursary policy and how to apply are also on the School website.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2023

Support for Capital Projects at the School

The other major way in which the Trust supports the educational advancement of the School is by providing financial assistance, in the form of grants and repayable loans, to enable a programme of capital development to take place.

Trustees agreed to provide a capital grant of £1m for a two-storey extension to the Dining Room of the School. This was completed in February 2022.

The previous major capital project undertaken by the School was the Sports Development Project which was completed during the 2017/18 academic year. Work started in August 2017 and was completed at Easter 2018.

Recruitment and Training of Trustees

The statutory power of appointing new Trustees is vested in the Governors of Withington Girls' School. This power is to be exercised so that immediately after any appointment, at least one of the Trustees is not a Governor, and the power shall cease to have effect upon being released in writing by the Governors or if the School shall be discontinued or shall become a maintained school or if the power of appointing all or a majority of the Governors shall be vested in a local or other public authority and/or any officer or department of the government. However, if the power of appointing new Trustees as indicated above shall cease to have effect, the statutory power of appointing Trustees shall be vested in the surviving or continuing Trustee or Trustees for the time being, or the personal representative of the last surviving or continuing Trustee.

New Trustees are selected to provide the Trust with an appropriate breadth of abilities and experience. New Trustees are inducted into the workings of the Charity by the Chairman of the Trust, the Headmistress of the School and the Clerk to the Trust.

Risk Management

The Trustees are responsible for the management of the risks faced by the Trust. The principal risk faced by the Trust is the performance of the investment portfolio.

Trustees of the Charity manage the portfolio under the guidance of the Chair of the Trust. The Trustees bring a diverse range of skills and experiences to the Charity. The fund is administered by external stockbrokers. Trustees actively monitor the performance of the investment portfolio, mainly through quarterly reports from the stockbrokers. The investment policy of the Trustees is to aim to achieve an above average dividend yield to provide the income for means-tested bursaries, with a view to long-term capital appreciation of the holdings, consistent with an acceptable level of risk. Trustees have taken the decision to invest primarily in smaller UK quoted companies and no one holding should normally represent appreciably more than 10% of the overall portfolio in order to ensure a suitable spread of risk.

The key controls used by the Charity include:

- Formal agendas and supporting papers for all Trust meetings
- Consideration of regulatory compliance at all Trust meetings
- Comprehensive budgeting, management accounting, and reports on investment performance
- Clear authorisation and approval levels
- Use of a Risk Register to assess the likelihood and impact of each risk together with the steps taken in mitigation

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2023

- Regular meetings of Trustees, a standing item of which is Conflicts of Interest and/or Conflicts of Loyalty
- Active monitoring of the investment portfolio and mechanisms to effect transactions at short notice

The Trustees are satisfied that the major risks identified have been adequately managed where necessary. It is recognised that systems can only provide reasonable but not absolute assurance.

OBJECTIVES AND ACTIVITIES

Charitable Objects

The objects of the Charity, which are set out in the Trust Deed, are the advancement of the educational work of Withington Girls' School, charitable purposes of, or associated with, the School and the advancement of education in any part of the world. The School is a separate charity which provides a day school for girls from the ages of seven to eighteen.

In setting and planning our objectives Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

A specific aim of the Charity is to maintain and enhance the level of means-tested bursary support to safeguard the diversity of the school community. The School has never offered financial support on a non-means-tested basis, such as academic scholarships. The School is committed to providing public benefit as is evidenced in its published Annual Report.

ACHIEVEMENTS AND PERFORMANCE

REVIEW OF THE YEAR

The Trust has outgoing resources of £1,525,492 (2022: outgoing resources of £1,959,647) for the year. This result has largely been brought about by the loss on investments in the current year of £1,694,666 (2022: loss of £1,155,955). The realised portion of this loss in the current year is £16,483 (2022: realised gain of £991,405). Trustees have reviewed the investment portfolio and have concluded that the portfolio performance largely reflects global fluctuations in the market. The structure of the portfolio consistently provides the required level of income for providing means tested bursaries at Withington Girls' School. The portfolio is reviewed in detail at every meeting.

Governors of the School approved a new Development & Alumnae Strategy (2019 to 2024) at their meeting in September 2019. The key focus of this Strategy, which dovetails with the School's Development Plan, is to continue to raise funds for School priorities. A significant focus is to increase funding for means-tested bursaries as one of the aims of the School is to maintain and increase the level of Governors' means-tested bursary support to secure the diversity of the School community, with the eventual aim of needs-blind admission.

Donations received by the WGS Trust for the bursary fund amount to £182,445 (2022: £175,216).

This amount excludes £75,000 received from the Zochonis Charitable Trust (2022: £75,000) the terms of which are that this money must be spent on bursaries in the 2022/23 year. As a result, this donation has been included within Withington Girls' School's accounts as a payment on account for the year to 31 August 2023.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2023

The focus for our fundraising activities is to increase funding for means-tested bursaries. Our Bursary Fund is integral to Withington Girls' School, consolidating our vision and ethos to create a warm community centred on equality and opportunity, irrespective of a pupil's race, religion, social background and financial position, ensuring that Withington retains its position as a true centre for excellence open to all. Following a strategic review of our Bursary provision, our immediate aim is to increase our overall bursary provision to support 1 in 5 Senior School pupils (currently 1 in 6).

Our fundraising activities continues to focus on the Marjorie Hulme Bursary Fund and the provision of means-tested bursaries to support those who would otherwise be unable to attend Withington. The Fund was renamed in November 2022 in honour of Miss Hulme's 100th birthday. Miss Hulme was Headmistress of Withington from 1961 until the end of 1985. Miss Hulme's lasting legacy to Withington was the creation of the WGS Trust in 1976 in response to the impending abolition of the Direct Grant Scheme. She had the foresight to realise that something was needed in order to maintain the founding ethos of the school; that Withington should remain a community centred on equality and opportunity, regardless of a pupil's social background and financial situation. It is fitting that our Bursary Fund is now named after her.

A structured and proactive legacy communications plan is an integral part of our fundraising strategy. This year we launched a new legacy publication and information pack and alongside this we ran a free online Estate Planning Seminar which gave information about the importance of making a Will, how to go about it and what needs to be considered when creating your Will. The annual lunch for members of the Emily Simon Society (for those who have pledged support to Withington in their will) took place in June.

In March 2023 the very first WGS Iftar took place. It was a very special evening of warmth and friendship across faiths and cultures and pledges totalling over £32,000 were made in support of the Marjorie Hulme Bursary Fund. This will fund more than two years of a full bursary and will support a talented girl who would otherwise miss out on all that a Withington education offers. We are extremely grateful to Withington parents for their support in organising this event and for their suggestion that we take the opportunity to raise funds for bursary provision at Withington.

In April 2023, we were pleased to launch the 1890 Circle to honour and recognise far-sighted and generous donors who have made a significant contribution to upholding our founding ethos by making gifts totalling £50,000 or more. We welcomed inaugural members of the 1890 Circle to a celebratory lunch and a special plaque was unveiled by two of our Sixth Form Bursary Ambassadors to recognise our donors' generosity.

A telephone campaign, 'Withington Calling 2023', ran for two weeks in August 2023. The campaign was run remotely and conducted by a calling team of 11 Sixth Form pupils and recent alumnae. The campaign was managed by an external company, supported by our Development Office, and the callers spoke with more than 430 alumnae, current and former parents, and former staff. The purpose was not only to raise funds for the Marjorie Hulme Bursary Fund, but also to engage further with alumnae and members of the wider Withington community.

Applications to the 'Ad Lucem Fund' were invited from staff members to bid for funding to support projects which, whilst enhancing and enriching the girls' learning, would normally fall outside the reach of the annual school budget. This year the Fund supported:

- 3 colorimeters for Biology
- E- Harps and amps for the Music Department
- Mandarin Extra-Curricular sessions for Years 7-9
- Creative technology equipment for Art
- A Succah for the Jewish Festival Sukkot for Religious Studies
- Equipment and kit for use by bursary pupils taking part in the Duke of Edinburgh's Award

The winners of the second Ad Lucem Alumnae Awards were announced in May 2023 following nominations from the school community. The Head Girl team participated in the shortlisting process and a final vote was taken by all pupils in the Senior School. Our award winners' achievements, outlook and conduct demonstrate

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2023

that they continue to reflect the school's ethos and values, making them exceptional role models for our current pupils.

The running costs for the Development Office have been borne equally by the WGS Trust and the School. In the year ended 31st August 2023, the direct costs for each were £92,172 (2022: £81,641).

The Fundraising Approach

The School employs an in-house Development Team to carry out fundraising on its behalf. The Director of Development reports directly to the Headmistress. A professional fundraising consultancy is engaged to assist with a biennial telephone campaign which also assisted with the Giving Day in 2022.

The WGS Trust (Charity 505207) registered as a member of the Fundraising Regulator in October 2017. Registration is optional for charities which spend less than £100,000 on fundraising each year and, as a result, there was no requirement for the WGS Trust to register. The Trust's voluntary registration is evidence of its desire to follow best practice. The Trust also follows the Institute of Fundraising's code of practice and we have published our own Fundraising Code of Practice.

The Development Team can confirm that all activities comply with the requirements of the Fundraising Regulator, that of the Institute of Fundraising's Code of Practice and our own Code of Practice. Careful monitoring of the activities of the Development Office is carried out by Governors of the School and Trustees of the WGS Trust. The Director of Development submits reports on fundraising activities to Governors and Trustees.

There have been no complaints about fundraising activities in the year to 31 August 2023 (2022: NIL).

The School made donations totalling £426,691 during the year (2022: £411,739) into the Trust. This equates to 4% of fee income plus an additional sum of £50,000 for the year to 31st August 2023.

Bursaries were awarded to 98 pupils (2022: 98 pupils): 95 in the Senior School and 3 from the Junior School. This equates to over 17% of pupils in the Senior School and almost 2% of pupils in Year 5 and 6 of the Junior School receiving bursary support, of whom 18 benefited from full remission of fees. Thirty-two pupils in the Senior School obtained a bursary worth 80% or more of fees. The total cost of these bursaries was £741,751 (2022: £717,780). The bursaries enabled pupils who have met the entrance criteria, whose families would not otherwise have been able to afford the fees, to attend the School. The pupils in receipt of bursaries may also receive support with the purchase of school uniform, individual music/drama lessons, curriculum-related school trips and similar expenses.

Investments

The overall capital result for the investment portfolio for the year, after generation of investment income of £426,981 (2022: £436,591) was a loss of £1,694,666 (2022: loss of £1,155,955). As described in Note 12, Trustees undertook an exercise in connection with the finalisation of the 2020 accounts to re-evaluate the level of Restricted Reserves for bursaries. Trustees felt that, in the context of their agreement to provide a capital grant of £1m to the School for the two-storey Dining Room extension, and a review of the recent and likely future use, it was appropriate to consider if additional funds should be classified as restricted for bursaries. It is on this basis that funds are now allocated.

W G S TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 AUGUST 2023

Trustees ensure that the portfolio is invested in a diverse range of sectors while at the same time ensuring that no single holding is appreciably more than 10% of the investment portfolio. Particular focus is given to any holdings which are approaching or in excess of this threshold to determine whether the level of risk is acceptable or whether it is appropriate to sell a proportion or all of the holding.

Trustees compare the performance of the portfolio with the FTSE 250 (ex-Investment Trust) Index and one or more appropriate charity indices at each of their meetings.

The overall result for the year was a net decrease in funds of £1,525,492 (2022: decrease in funds of £1,959,647).

Trustees monitor the effect of global market conditions on the return of the investment portfolio and the movement of investments at their meetings.

For the year ended 31st August 2023 the capital return of the portfolio posted a negative return of 8.08% compared to a fall in the FTSE 250 ex Investment Trust index of -0.33% and a rise in the FTSE All Share index of 1.3%. Trustees also monitor the performance of the portfolio against the ARC Steady Growth Index, and for the period ending 31st August 2023, the ARC Steady Growth Benchmark was positive 0.20% and the WGS portfolio was negative 14% on a total return basis..

For the same period last year (to period ending 31st August 2022), the capital return for the portfolio was a negative 9.60% whilst the FTSE 250 ex Investment Trust index decreased by 24.30% on a capital return basis while the FTSE All Share index decreased by 4.47% on a capital return basis. These figures provided exclude all dividends and income received into the portfolio. The ARC Steady Growth Benchmark was -6.8% and the portfolio posted a negative return of 6.7% on a total return basis.

Total cost and charges of the portfolio for the period equalled £11,320 (0.12%).

As for many entities at this time, there has been a negative impact on the portfolio due to the volatility of global markets. Trustees acknowledge that there is potential for increased demand for bursary funding from Withington Girls' School (Charity 1158226) moving forwards and further volatility of the investment portfolio is possible.

General Data Protection Regulations (GDPR) Update

The School and the Trust are fully aware of their responsibilities under the General Data Protection Regulations (GDPR) which came into effect from May 2018. Over recent years, the Development Team has requested and recorded communication preferences for contacts and conducts Data Protection Impact Assessments as appropriate to carefully consider who is being approached for support, how the approach is made and how often this is done, to ensure that our fundraising is not unreasonably intrusive or persistent. All consent and communication preferences are retained on a specialist database.

INVESTMENT POWERS

These are governed by the Trust Deed which permits the Trustees to invest in a manner that they see fit. The Trustees have a policy designed to achieve an above average dividend yield to fund bursaries, with a view to long term capital appreciation, consistent with acceptable risk.

In order to achieve this high yield combined with longer term capital growth the Trustees have decided to invest in a broad range of smaller UK quoted companies alongside a number of large FTSE companies. The Trustees

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2023

are minded to avoid exposure to investments which are deemed to be unsuitable in the context of the objectives and interests of the WGS Trust and Withington Girls' School, when considering the portfolio as a whole.

The Trustees seek to maintain a conservative approach to funds and at their meeting on 8th July 2022 it was agreed that no single holding should normally represent appreciably more than 10% of the investment portfolio. Particular focus is given to any holdings which are approaching or in excess of this threshold to determine whether the level of risk is acceptable or whether it is appropriate to sell a proportion or all of the holding. The level of liquidity depends on anticipated financial support for future School projects.

The Trustees monitor the investment performance against the FTSE Small Cap (ex Investment Trust) Index and one or more appropriate charity indices.

RESERVES

In formulating their reserves policy the Trustees are concerned that the Trust has a sufficient level of reserves to enable it to meet its objects and policies, which have been described earlier in this report. In particular the Trustees consider that the Trust should have adequate capital to provide income up to the level required to support Junior and Senior pupils throughout their school career, and the provision of financial assistance for the building programme of the School.

Mindful of the increased demand for bursary funding together with financial support for the School's building and maintenance programme, the Trustees and the professional advisers consider that generation of unrestricted reserves of a minimum of £10 million is required to meet these demands. This will enable both an active bursary outreach programme to continue to be developed and future building/maintenance projects to be financed. Achievement of this aim can only happen over a period of time and the current volatility in the markets has resulted in a loss on the investment portfolio in the current year of £1,694,666 (2022: loss of £1,155,955). The level of reserves remains healthy overall at £7,912,311 (2022: £9,437,803).

Unrestricted reserves as at 31st August 2023 are £4,479,471(2022: £5,319,235).

Approved by the Trustees on 22.5.24, and signed on its behalf by:



Lord Lee of Trafford

W G S TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES YEAR ENDED 31 AUGUST 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- The Trustees are responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, as amended by the trust deed and the Charities SORP 2015. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

W G S TRUST

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the financial statements of WGS Trust ('the charity') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 charity's affairs as at 31 August 2023 and of 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 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 trustee's 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 within 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.

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 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; or

W G S TRUST

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 AUGUST 2023

- 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 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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Acts 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion. We obtained an understanding of the legal and regulatory frameworks within which the charity 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 Charities Act 2011 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 charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were the Charities Act Regulations.

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 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, reading minutes of meetings of those charged with governance and sample testing of income.

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

W G S TRUST
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

(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.

Use of our report

This report is made solely to the charity'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 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 charity and the charity's trustees 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
The Lexicon
Mount Street
Manchester
M2 5NT

26th June 2024

WGS TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31st AUGUST 2023

	Notes	Unrestricted Funds 2023	Restricted Funds 2023	Total 2023	Unrestricted Funds 2022	Restricted Funds 2022	Total 2022
		£	£	£	£	£	£
INCOME AND EXPENDITURE							
INCOME							
Donations		1,625	182,445	184,070	3,107	175,216	178,323
Contributions from Withington Girls' School		0	426,691	426,691	0	411,739	411,739
Investment Income	2	240,770	186,423	427,193	262,897	173,774	436,671
Total income		242,395	795,559	1,037,954	266,004	760,729	1,026,733
EXPENDITURE							
Costs of raising funds	3	92,172	0	92,172	81,641	0	81,641
		92,172	0	92,172	81,641	0	81,641
Expenditure on charitable activities							
Bursaries paid to pupils of Withington Girls' School	4	0	741,751	741,751	0	717,780	717,780
Annual Fund	5	15,356	0	15,356	15,576	0	15,576
Capital Grant to Withington Girls' School	6	0	0	0	1,000,000		1,000,000
Other Charitable Expenditure	7	19,501	0	19,501	15,428	0	15,428
Total Charitable Activities Expenditure		34,857	741,751	776,608	1,031,004	717,780	1,748,784
Total expenditure		127,029	741,751	868,780	1,112,645	717,780	1,830,425
Net income/(expenditure) before gains on investment		115,366	53,808	169,174	(846,641)	42,949	(803,692)
Net (loss) on investments		(955,130)	(739,536)	(1,694,666)	(695,941)	(460,014)	(1,155,955)
NET MOVEMENT IN FUNDS	12	(839,764)	(685,728)	(1,525,492)	(1,542,582)	(417,065)	(1,959,647)
RECONCILIATION OF FUNDS							
TOTAL FUNDS BROUGHT FORWARD	12	5,319,235	4,118,568	9,437,803	6,861,817	4,535,633	11,397,450
TOTAL FUNDS CARRIED FORWARD	12	4,479,471	3,432,840	7,912,311	5,319,235	4,118,568	9,437,803

The notes on pages 20 to 25 form part of these accounts.
All amounts relate to continuing operations.

WGS TRUST

BALANCE SHEET AS AT 31st AUGUST 2023

	Notes	2023		2022	
		£	£	£	£
INVESTMENTS	8		7,680,507		9,375,852
CURRENT ASSETS					
Debtors	9	54,287		28,903	
Cash	10	<u>183,087</u>		<u>428,808</u>	
		237,374		457,711	
CREDITORS					
Amounts falling due within one year	11	<u>(5,570)</u>		<u>(395,760)</u>	
NET CURRENT ASSETS			231,804		61,951
NET ASSETS			<u>7,912,311</u>		<u>9,437,803</u>
ACCUMULATED FUNDS					
Restricted	12		3,432,840		4,118,568
Unrestricted - not designated	12		<u>4,479,471</u>		<u>5,319,235</u>
			<u>7,912,311</u>		<u>9,437,803</u>

Approved by the Board of Trustees on *22 May 2024.*
and signed on its behalf by

Lord Lee of Trafford

Lee of Trafford

Mrs S J Haslam

S. J. Haslam

WGS TRUST
STATEMENT OF CASH FLOWS
FOR YEAR ENDED 31 AUGUST 2023

	2023	2022
	£	£
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	(1,525,492)	(1,959,647)
Deduct interest income shown in investing activities	(212)	(80)
Add net loss on investment portfolio	1,694,666	1,155,955
(Increase)/Decrease in debtors	(25,384)	34,040
(Decrease)/increase in creditors	(390,190)	392,640
Net cash from operating activities	<u>(246,612)</u>	<u>(377,092)</u>
Cash flows from investing activities		
Interest income	212	80
Purchase of investments	(903,426)	(1,201,268)
Disposal of investments	964,031	1,885,508
Cash used in investing activities	<u>60,817</u>	<u>684,320</u>
(Decrease)/Increase in cash equivalents in the year	(185,795)	307,228
Cash and cash equivalents at the beginning of the year	433,805	126,577
Total cash and cash equivalents at the end of the year	<u>248,010</u>	<u>433,805</u>
Breakdown of Cash and Cash Equivalents		
	£	£
Lloyds Bank Current Account	<u>183,087</u>	<u>428,808</u>
	183,087	428,808
Cash held by Stockbrokers	64,923	4,997
Total cash and cash equivalents at the end of the year	<u>248,010</u>	<u>433,805</u>

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2023

1. ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), 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) - effective 1 January 2015.

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

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The Charity is a Public Benefit Entity registered as a charity in England and Wales. Its charity number is 505207 (England and Wales).

(b) Incoming resources

All income is included within the Statement of Financial Activities ('SOFA') on a receivable basis.

(c) Resources expended

All expenditure is accounted for on an accruals basis and allocated directly to the category to which it relates. Governance costs comprise those costs incurred complying with constitutional and statutory requirements. Capital grants are accounted for when the payment is made.

(d) Investments

Investments are stated at market value.

(e) Fund accounting

Funds held by the charity are either:

Unrestricted funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds are those ear-marked for a specific purpose. As at 31st August 2023 there were no funds in this category.

Restricted funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when the funds are raised for particular restricted purposes.

(f) Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost 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 specific provision is made for debts for which recoverability 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.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2023**

1. ACCOUNTING POLICIES CONTINUED

(g) Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees 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 affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

(h) Going Concern

The Trustees consider that the WGS Trust is a Going Concern. The Trustees monitor the School's requirement for bursary funding and capital projects at each of their meetings to ensure that this can be funded.

The Trustees monitor the return on the investment portfolio and the movement of investments at their meetings. The School provides the Trustees with an indication of the funding required for bursaries. The Trustees then decide the amount that is paid to the School.

The Trustees believe that the Trust is able 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 have therefore prepared the financial statements on a going concern basis.

2. INVESTMENT INCOME

	2023	2022
	£	£
Bank interest	212	80
Dividends on UK listed investments	426,981	436,591
	<u>427,193</u>	<u>436,671</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2023**

3 COST OF RAISING FUNDS

	2023	2022
	£	£
Staff costs recharged from Withington Girls' School	79,471	71,561
Promotional materials	7,064	7,047
Telephone Campaign	8,025	(2,320)
Giving Day	0	3,247
Other fundraising costs	(2,388)	2,106
	92,172	81,641

4 BURSARIES

	2023	2022
	£	£
Bursaries paid for pupils of Withington Girls' School	741,751	717,780

The total number of pupils in receipt of bursaries during the year was 98 (2022:98).

5 ANNUAL FUND

	2023	2022
	£	£
Purchase of equipment for Withington Girls' School	15,356	15,576
	15,356	15,576

6 CAPITAL GRANT TO WITHINGTON GIRLS' SCHOOL

	2023	2022
	£	£
Capital grant paid to Withington Girls' School for the extension of the Dining Room.	0	1,000,000

7 OTHER CHARITABLE EXPENDITURE

	2023	2022
	£	£
Sundry expenses	593	1,162
Clerk to the Trust	2,500	2,500
Stockbroking fee	678	678
Postage	3,773	2,217
Subscriptions	308	0
Office expenses	691	424
Database software	5,203	2,759
Trustee Indemnity Insurance	2,161	2,058
Governance Costs		
Audit Fees	3,594	3,630
	19,501	15,428

The Trustees received no remuneration or reimbursement of expenses during the year (2022 £NIL).
There are no employees of the Charity and therefore no employee benefits paid of more than £60,000.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2023

8 INVESTMENTS

The movements on this account during the year were as follows:

	2023	2022
	£	£
UK quoted investments		
At valuation:		
At 1 September 2022	9,370,855	11,211,050
Additions at cost	903,426	1,201,268
Disposal proceeds	(964,031)	(1,885,508)
Changes in market value	(1,694,666)	(1,155,955)
At 31 August 2023	7,615,584	9,370,855
Cash held by stockbrokers	64,923	4,996
	7,680,507	9,375,852

All investments are held for charity use.

The historical cost of investments held is £7,738,539 (2022: £7,398,783).

9 DEBTORS

	2023	2022
	£	£
Income tax recoverable	49,523	28,903
Amount due from Withington Girls' School	0	0
Prepayments	4,764	
	54,287	28,903

10 CASH AT BANK

	2023	2022
	£	£
Lloyds Bank Current Account	183,087	428,808
	183,087	428,808

11 CREDITORS

	2023	2022
	£	£
Amounts falling due within one year		
Accruals	3,120	3,120
Amount payable to Withington Girls' School	2,450	392,640
	5,570	395,760

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2023**

12 ACCUMULATED FUNDS

	2023	2022
	£	£
Restricted - for Bursaries		
At 1 September 2022	4,118,568	4,535,633
Net (loss) on investments	(739,536)	(460,014)
Net/income before gains on investment	53,808	42,949
At 31 August 2023	<u>3,432,840</u>	<u>4,118,568</u>
	2023	2022
	£	£
Unrestricted - not designated		
At 1 September 2022	5,319,235	6,861,817
Net income/(loss) before gains on investment	115,366	(846,641)
Net (loss) on investments	(955,130)	(695,941)
At 31 August 2023	<u>4,479,471</u>	<u>5,319,235</u>
Total	<u>7,912,311</u>	<u>9,437,803</u>

The Restricted Funds represent a fund specifically for bursaries.

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Investments	Other assets	Total
	£	£	£
Restricted funds	3,432,840	0	3,432,840
Unrestricted funds	4,247,667	231,804	4,479,471
	<u>7,680,507</u>	<u>231,803</u>	<u>7,912,311</u>

14 RELATED PARTY

The Governors of Withington Girls' School (Charity Number 1158226) appoint the Trustees of WGS Trust. Transactions with Withington Girls' School have been identified and disclosed within the accounts as appropriate.

Donations received from Trustees during the year were £1,360 (2022: £1,445).
The value including gift aid is £1,700 (2022: £1,556)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2023

15 FINANCIAL INSTRUMENTS

	2023	2022
	£	£
Financial assets measured at amortised cost (a)	237,374	457,711
Financial assets measured at fair value (b)	7,680,507	9,375,852
Financial liabilities measured at amortised cost (c)	(5,570)	(395,760)
Net financial assets measured at amortised cost	<u>7,912,311</u>	<u>9,437,803</u>
(a) Financial assets at amortised cost include cash and other debtors		
(b) Financial assets at fair value include investments		
(c) Financial liabilities include other creditors		

W G S TRUST

England & Wales - Charity number 505207

Accounts

W G S TRUST
Charity Number: 505207
ANNUAL REPORT
YEAR ENDED 31 AUGUST 2022

W G S TRUST

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W G S TRUST

REFERENCE AND ADMINISTRATIVE INFORMATION

TRUSTEES

Lord Lee of Trafford (Chairman) DL, FCA
Mr R Bailey BA, ACA
Mr A Beardsworth MA (Cantab) ACA CTA
Mrs SJ Haslam BA
Mr DJ Illingworth BA, FCA
Mrs SE Marks, MA (Oxon) MA (Nott) FRSA
Mrs J Pickering BSc (resigned December 2021)
Mr CM Poston BSc, FCA
Mrs SE Senn BSc (Econ, ACA)

Mr DJ Illingworth sadly passed away during the year. The Trustees and Withington Girls' School are extremely grateful for his enduring commitment to the School and to the WGS Trust.

There were no other movements of Trustees during the year.

Clerk to the Trustees

Mrs A Cohen LLB

ADVISERS

Auditor

Crowe U.K. LLP
3rd Floor, The Lexicon
Mount Street
MANCHESTER
M2 5NT

Stockbrokers

Brown Shipley
3 Hardman Street
Manchester
M3 3HF

Banker

Lloyds Bank
223 Finney Lane
Heald Green
Cheshire
SK8 3PY

Registered and principal office

Withington Girls' School
Wellington Road
Fallowfield
Manchester
M14 6BL

Charity Number

505207

Constitution

The charity is unincorporated and is governed by a Trust Deed executed on 13th May 1976.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2022

The Trustees of the W G S Trust present their Annual Report and audited accounts for the year ended 31 August 2022 and confirm they comply with the requirements of the Charities Act 2011, as amended by the trust deed and the Charities SORP 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees determine the general policy adopted by the Trust and work with professional advisers to deal with the day to day management of investments. Administration of the Trust including management of bursaries is undertaken by staff of Withington Girls' School (Charity Number 1158226) ('the School').

Objectives and activities for the public benefit

The objects of the Trust, as set out in the Trust Deed, are as follows:

- the advancement of the educational work of the School
- charitable purposes (whether educational or not) of or associated with the School
- the advancement of education in any part of the world

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives.

Provision of means-tested bursaries

The principal way in which the Trust supports the advancement of the educational work of the School is by providing means-tested bursaries to girls who have performed well in the entrance examination and might otherwise be unable to take up places offered to them by the School. Bursaries are also awarded to pupils whose family circumstances change, to enable them to continue to attend the School. Bursaries are made solely on the basis of parental means or to relieve hardship where a pupil's education would otherwise be at risk for example in the case of redundancy. In assessing means a number of factors are taken into consideration including family income, investments, savings, opportunity to generate additional income and family circumstances, for example dependent relatives.

The bursary awards range from 10% to 100% of fees. Information about fee assistance through bursaries is provided to all parents of girls applying to the Senior School and also to parents of junior girls, as a limited number of bursaries have been available for girls entering Years 5 and 6 in the Junior School from September 2015. The availability of means-tested bursaries is publicised through School advertisements in the press and promotional materials at local libraries. Details of the bursary policy and how to apply are also on the School website.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2022

Support for Capital Projects at the School

The other major way in which the Trust supports the educational advancement of the School is by providing financial assistance, in the form of grants and repayable loans, to enable a programme of capital development to take place.

Trustees agreed at their meeting in February 2021 to provide a capital grant of £1m for a two-storey extension to the Dining Room of the School. Work commenced on this project in April 2021 and it was completed in February 2022. The capital support was paid in two instalments during the year and was financed from the partial disposal of investments. The start date for this project was delayed as a result of the pandemic. While planning permission for this project was obtained in April 2020, Governors of the School put major capital expenditure on hold until they felt that the time was right for this major project to commence. That decision was taken in February 2021.

The previous major capital project undertaken by the School was the Sports Development Project which was completed during the 2017/18 academic year. Work started in August 2017 and was completed at Easter 2018.

Recruitment and Training of Trustees

The statutory power of appointing new Trustees is vested in the Governors of Withington Girls' School. This power is to be exercised so that immediately after any appointment, at least one of the Trustees is not a Governor, and the power shall cease to have effect upon being released in writing by the Governors or if the School shall be discontinued or shall become a maintained school or if the power of appointing all or a majority of the Governors shall be vested in a local or other public authority and/or any officer or department of the government. However, if the power of appointing new Trustees as indicated above shall cease to have effect, the statutory power of appointing Trustees shall be vested in the surviving or continuing Trustee or Trustees for the time being, or the personal representative of the last surviving or continuing Trustee.

New Trustees are selected to provide the Trust with an appropriate breadth of abilities and experience. New Trustees are inducted into the workings of the Charity by the Chairman of the Trust, the Headmistress of the School and the Clerk to the Trust.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2022

Risk Management

The Trustees are responsible for the management of the risks faced by the Trust. The principal risk faced by the Trust is the performance of the investment portfolio.

Trustees of the Charity manage the portfolio under the guidance of the Chair of the Trust. The Trustees bring a diverse range of skills and experiences to the Charity. The fund is administered by external stockbrokers. Trustees actively monitor the performance of the investment portfolio, mainly through quarterly reports from the stockbrokers. The investment policy of the Trustees is to aim to achieve an above average dividend yield to provide the income for means-tested bursaries, with a view to long-term capital appreciation of the holdings, consistent with an acceptable level of risk. Trustees have taken the decision to invest primarily in smaller UK quoted companies and no one holding should normally represent appreciably more than 7.5% of the overall portfolio in order to ensure a suitable spread of risk.

The key controls used by the Charity include:

- Formal agendas and supporting papers for all Trust meetings
- Consideration of regulatory compliance at all Trust meetings
- Comprehensive budgeting, management accounting, and reports on investment performance
- Clear authorisation and approval levels
- Use of a Risk Register to assess the likelihood and impact of each risk together with the steps taken in mitigation
- Regular meetings of Trustees, a standing item of which is Conflicts of Interest and/or Conflicts of Loyalty
- Active monitoring of the investment portfolio and mechanisms to effect transactions at short notice

The Trustees are satisfied that the major risks identified have been adequately managed where necessary. It is recognised that systems can only provide reasonable but not absolute assurance.

W G S TRUST

TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 AUGUST 2022

OBJECTIVES AND ACTIVITIES

Charitable Objects

The objects of the Charity, which are set out in the Trust Deed, are the advancement of the educational work of Withington Girls' School, charitable purposes of, or associated with, the School and the advancement of education in any part of the world. The School is a separate charity which provides a day school for girls from the ages of seven to eighteen.

In setting and planning our objectives Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

A specific aim of the Charity is to maintain and enhance the level of means-tested bursary support to safeguard the diversity of the school community. The School has never offered financial support on a non-means-tested basis, such as academic scholarships. The School is committed to providing public benefit as is evidenced in its published Annual Report.

ACHIEVEMENTS AND PERFORMANCE

REVIEW OF THE YEAR

The Trust has outgoing resources of (£1,959.647) (2021: Incoming resources of £977,256) for the year.

Governors of the School approved a new Development & Alumnae Strategy (2019 to 2024) at their meeting in September 2019. The key focus of this Strategy, which dovetails with the School's Development Plan, is to continue to raise funds for School priorities. A significant focus is to increase funding for means-tested bursaries as one of the aims of the School is to maintain and increase the level of Governors' means-tested bursary support to secure the diversity of the School community, with the eventual aim of needs-blind admission.

Donations received by the WGS Trust for the bursary fund amount to £175,216 (2021: £173,727).

This amount excludes £75,000 received from the Zochonis Charitable Trust (2021: £75,000) the terms of which are that this money must be spent on bursaries in the 2022/23 year. As a result, this donation has been included within Withington Girls' School's accounts as a payment on account for the year to 31 August 2022.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2022

The focus for our fundraising activities is to increase funding for means-tested bursaries. Our Bursary Fund is integral to our School, consolidating our vision and ethos to create a warm community centred on equality and opportunity, irrespective of a pupil's race, religion, social background and financial position, ensuring that Withington retains its position as a true centre for excellence open to all. Following a strategic review of our Bursary provision, our immediate aim is to increase our overall bursary provision to support 1 in 5 Senior School pupils (currently 1 in 6).

A new bursary publication detailing our 'case for support' has been produced with input from donors, governors and bursary recipients. We have also launched a new programme called 'Parents Funding Futures'. In response to requests from some parents, this programme makes it easier for parents to support the Bursary Fund by donating at the same time that monthly or termly fee payments are made.

As part of our strategy to diversify how we are asking for support, we ran our first ever Giving Day in March 2022. A Giving Day is a 36-hour, multichannel fundraising campaign which aims to engage our whole community and was underpinned by a bespoke online platform. The Giving Day raised over £70,000 for our Bursary Fund and has helped raise awareness of Bursary Fundraising – even among those who did not donate. One of our aims was to attract new donors and it is pleasing to note that 58% of donors to the Giving Day had not given before.

We were delighted to welcome members of the Emily Simon Society back to school for their first annual lunch since the pandemic. The Emily Simon Society recognises those who have chosen to remember Withington with a gift in their will and members enjoyed hearing from student leaders of the Withington's Model United Nations Society (WiMUN).

Applications to the 'Ad Lucem Fund' were invited from staff members to bid for funding to support projects which enhance and enrich the pupils' learning, but that normally fall outside the reach of the annual school budget. This year the Fund supported: 6 graphic tablets for design technology, a digital art station for the art department, 4 virtual reality headsets - a central resource which will have applications across the curriculum, flower planters for the new outdoor learning space, a career focused leadership programme for Year 12 students, Languages for Life week which provided students with a variety of language-related enrichment activities to explore the possibilities that language learning offers in school and beyond and an Archive project to digitise the school's original handwritten admissions registers which can now be viewed on the Archive section of our website.

In order to review the way that we engage with our alumnae and former staff, we conducted a piece of research to try and find out how they want us to engage with them going forward in terms of our events and our communications. As a result of this, from 2023 we will be holding a reunion catering for year groups celebrating a significant anniversary since leaving WGS (10, 20, 30 years, etc.) in September and holding online reunions for other groups. We will also extend the circulation of our quarterly E-news and will be employing increased segmentation in our email communications to ensure we are as relevant as possible to different age groups of alumnae. Withington Onwards, our annual alumnae publication, was perceived to be an important and valued form of communication by respondents and so we intend to widen its circulation to include as many alumnae as possible.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2022

Withington has played a prominent role in professional development for school fundraising over the last year. Headmistress, Sarah Haslam, and Director of Development, Lesley Dowdall, spoke at the annual HMC, IDPE and AGBIS Schools Bursary Conference in March 2022, giving an account of the Bursary programme at Withington. Lesley Dowdall was also Co-Chair of the IDPE (Institute for Development Professionals in Education) Annual Conference held in June 2022, leading on the curation of content and speakers and contributing to sector-wide discussion, debate and dissemination of best practice.

The running costs for the Development Office have been borne equally by the WGS Trust and the School. In the year ended 31st August 2022, the direct costs for each were £81,642(2021: £88,356).

The Fundraising Approach

The School employs an in-house Development Team to carry out fundraising on its behalf. The Director of Development reports directly to the Headmistress. A professional fundraising consultancy is engaged to assist with a biennial telephone campaign which also assisted with the Giving Day in 2022.

The WGS Trust (Charity 505207) registered as a member of the Fundraising Regulator in October 2017. Registration is optional for charities which spend less than £100,000 on fundraising each year and, as a result, there was no requirement for the WGS Trust to register. The Trust's voluntary registration is evidence of its desire to follow best practice. The Trust also follows the Institute of Fundraising's code of practice and we have published our own Fundraising Code of Practice.

The Development Team can confirm that all activities comply with the requirements of the Fundraising Regulator, that of the Institute of Fundraising's Code of Practice and our own Code of Practice. Careful monitoring of the activities of the Development Office is carried out by Governors of the School and Trustees of the WGS Trust. The Director of Development submits reports on fundraising activities to Governors and Trustees.

There have been no complaints about fundraising activities in the year to 31 August 2022 (2021: NIL).

The School paid £411,739 (2021: £402,057) into the Trust. This equates to 4% of fee income plus an additional sum of £50,000 for the year to 31st August 2022 (the same calculation as the previous eleven years).

Bursaries were awarded to 98 pupils (2021: 112 pupils): 95 in the Senior School and 3 from the Junior School. This equates to over 17% of pupils in the Senior School and almost 2% of pupils in Year 5 and 6 of the Junior School receiving bursary support, of whom 18 benefited from full remission of fees. Thirty-two pupils in the Senior School obtained a bursary worth 80% of more of fees. The total cost of these bursaries was £713,384 (2021: £734,973). The bursaries enabled pupils who have met the entrance criteria, whose families would not otherwise have been able to afford the fees, to attend the School.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2022

The pupils in receipt of bursaries may also receive support with the purchase of school uniform, individual music/drama lessons, curriculum-related school trips and similar expenses.

The overall result for the investment portfolio for the year was a loss of £1,155,955 (2021: gain of £2,715,514) of which the realised position for 2021 was a gain of £991,405 (2021: gain of £644,068).

As described in Note 12, Trustees undertook an exercise in connection with the finalisation of the 2020 accounts to re-evaluate the level of Restricted Reserves for bursaries. Trustees felt that, in the context of their agreement to provide a capital grant of £1m to the School for the two-storey Dining Room extension, and a review of the recent and likely future use, it was appropriate to consider if additional funds should be classified as restricted for bursaries. It is on this basis that funds are now allocated. The Capital Grant of £1,000,000 for the Dining Room Extension was paid from Unrestricted Reserves.

Trustees ensure that the portfolio is invested in a diverse range of sectors while at the same time ensuring that no single holding is appreciably more than 10% of the investment portfolio. Particular focus is given to any holdings which are approaching or in excess of this threshold to determine whether the level of risk is acceptable or whether it is appropriate to sell a proportion or all of the holding.

Trustees compare the performance of the portfolio with the FTSE 250 (ex-Investment Trust) Index and one or more appropriate charity indices at each of their meetings.

The overall result for the year was a net decrease in funds of £1,959,647 (2021: increase in funds of £2,818,211).

Trustees monitor the effect of the pandemic and other global market conditions on the return of the investment portfolio and the movement of investments at their meetings.

For the year ended 31st August 2021 the capital return of the portfolio posted a positive return of 31.98% compared to a rise in the FTSE 250 ex Investment Trust index of 40.4% and a rise in the FTSE All Share index of 22.7%.

For the same period last year, the capital return for the portfolio was a positive 2.47% whilst the FTSE 250 ex Investment Trust index dropped by 11.2% on a capital return basis and a drop in the FTSE All Share index of 12.6% on a capital return basis.

The long-term effects of the pandemic are still unknown, and, as for many entities at this time, there has been a negative impact on the portfolio due to the volatility of global markets. Trustees acknowledge that there is potential for increased demand for bursary funding from Withington Girls' School (Charity 1158226) moving forwards and further volatility of the investment portfolio is possible.

W G S TRUST

TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 AUGUST 2022

General Data Protection Regulations (GDPR) Update

The School and the Trust are fully aware of their responsibilities under the General Data Protection Regulations (GDPR) which came into effect from May 2018. Over recent years, the Development Team has requested and recorded communication preferences for contacts and conducts Data Protection Impact Assessments as appropriate to carefully consider who is being approached for support, how the approach is made and how often this is done, to ensure that our fundraising is not unreasonably intrusive or persistent. All consent and communication preferences are retained on a specialist database.

W G S TRUST

TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 AUGUST 2022

INVESTMENT POWERS

These are governed by the Trust Deed which permits the Trustees to invest in a manner that they see fit. The Trustees have a policy designed to achieve an above average dividend yield, with a view to long term capital appreciation, consistent with acceptable risk.

In order to achieve this high yield combined with longer term capital growth the Trustees have decided to invest predominantly in a broad range of smaller UK quoted companies. The Trustees are minded to avoid exposure to investments which are deemed to be unsuitable in the context of the objectives and interests of the WGS Trust and Withington Girls' School, when considering the portfolio as a whole. This includes preference to avoid sectors or companies involved in the following activities: tobacco and payday lending.

The Trustees seek to maintain a conservative approach to funds and at their meeting on 8th July 2022 it was agreed that no single holding should normally represent appreciably more than 10% of the investment portfolio. Particular focus is given to any holdings which are approaching or in excess of this threshold to determine whether the level of risk is acceptable or whether it is appropriate to sell a proportion or all of the holding. The level of liquidity depends on anticipated financial support for future School projects.

The Trustees monitor the investment performance against the FTSE Small Cap (ex Investment Trust) Index and one or more appropriate charity indices.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2022

RESERVES

In formulating their reserves policy the Trustees are concerned that the Trust has a sufficient level of reserves to enable it to meet its objects and policies, which have been described earlier in this report. In particular the Trustees consider that the Trust should have adequate capital to provide income up to the level required to support Junior and Senior pupils throughout their school career, and the provision of financial assistance for the building programme of the School.

Mindful of the increased demand for bursary funding together with financial support for the School's building and maintenance programme, the Trustees and the professional advisers consider that generation of unrestricted reserves of a minimum of £10 million is required to meet these demands. This will enable both an active bursary outreach programme to continue to be developed and future building/maintenance projects to be financed. Achievement of this aim can only happen over a period of time and the current volatility in the markets has resulted in a loss on the investment portfolio in the current year of £1,155,955 (2021: gain of £2,715,514). The level of reserves remains healthy overall at £9,437,803 (2021: £11,397,450).

Free reserves as at 31st August 2022 are £5,319,235 after taking into account the payment of £1m to the School (2021: £5,861,817).

Approved by the Trustees on 26.3.24 and signed on its behalf by:

Lord Lee of Trafford



WGS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES YEAR ENDED 31ST AUGUST 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- The Trustees are responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, as amended by the trust deed and the Charities SORP 2015. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WGS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES YEAR ENDED 31ST AUGUST 2022

Opinion

We have audited the financial statements of WGS Trust ('the charity') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 charity's affairs as at 31 August 2022 and of 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 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 trustee's 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 within 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.

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 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

WGS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES YEAR ENDED 31ST AUGUST 2022

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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 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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Acts 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity 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 Charities Act 2011 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 charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were the Charities Act Regulations.

WGS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES YEAR ENDED 31ST AUGUST 2022

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 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, reading minutes of meetings of those charged with governance and sample testing of income.

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.

Use of our report

This report is made solely to the charity'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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP
Statutory Auditor
The Lexicon
Mount Street
Manchester
M2 5NT

Date 19th July 2024

WGS TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31st AUGUST 2022

INCOME AND EXPENDITURE	Notes	Unrestricted Funds 2022	Restricted Funds 2022	Total 2022	Unrestricted Funds 2021	Capital Appeal 2021	Restricted Funds 2021	Total 2021
		£	£	£	£	£	£	£
INCOME								
Donations		3,107	175,216	178,323	3,473	0	173,727	177,200
Contributions from Withington Girls' School		0	411,739	411,739	0	0	402,057	402,057
Investment Income	2	262,897	173,774	436,671	239,808	0	158,191	397,999
Total Income		266,004	760,729	1,026,733	243,281	0	733,975	977,256
EXPENDITURE								
Costs of raising funds	3	81,641	0	81,641	88,356	0	0	88,356
		81,641	0	81,641	88,356	0	0	88,356
Expenditure on charitable activities								
Bursaries paid to pupils of Withington Girls' School	4	0	717,780	717,780	0	0	740,587	740,587
Annual Fund	5	15,576	0	15,576	2,829	0	0	2,829
Capital Grant to Withington Girls' School	6	1,000,000	0	1,000,000	0	24,304	0	24,304
Other Charitable Expenditure	7	15,428	0	15,428	18,483	0	0	18,483
Total Charitable Activities Expenditure		1,031,004	717,780	1,748,784	21,312	24,304	740,587	786,203
Total expenditure		1,112,645	717,780	1,830,425	109,668	24,304	740,587	874,559
Net (expenditure)/Income before gains on investment		(846,641)	42,949	(803,692)	133,613	(24,304)	(6,612)	102,697
Net (loss)/gain on investments		(695,941)	(460,014)	(1,155,955)	1,621,101	0	1,094,413	2,715,514
NET MOVEMENT IN FUNDS	12	(1,542,582)	(417,065)	(1,959,647)	1,754,714	(24,304)	1,087,801	2,818,211
RECONCILIATION OF FUNDS								
TOTAL FUNDS BROUGHT FORWARD	12	6,861,817	4,535,633	11,397,450	5,107,103	24,304	3,447,832	8,579,239
TOTAL FUNDS CARRIED FORWARD	12	5,319,235	4,118,568	9,437,803	6,861,817	0	4,535,633	11,397,450

The notes on pages 20 to 25 form part of these accounts.
All amounts relate to continuing operations.

WGS TRUST

BALANCE SHEET AS AT 31st AUGUST 2022

	Notes	2022		2021	
		£	£		£
INVESTMENTS	8		9,375,852		11,211,050
CURRENT ASSETS					
Debtors	9	28,903		62,943	
Cash	10	<u>428,808</u>		<u>126,577</u>	
			457,711		189,520
CREDITORS					
Amounts falling due within one year	11	<u>(395,760)</u>		<u>(3,120)</u>	
NET CURRENT ASSETS			61,951		186,400
NET ASSETS			<u>9,437,803</u>		<u>11,397,450</u>
ACCUMULATED FUNDS					
Restricted	12		4,118,568		4,535,633
Unrestricted - designated	12		0		0
Unrestricted - not designated	12		<u>5,319,235</u>		<u>6,861,817</u>
			<u>9,437,803</u>		<u>11,397,450</u>

Approved by the Board of Trustees on *26th March 2022*
and signed on its behalf by

Lord Lee of Trafford *Lee of Trafford*

Mrs S J Haslam *S. J. Haslam*

WGS TRUST
STATEMENT OF CASH FLOWS
FOR YEAR ENDED 31 AUGUST 2022

	2022	2021
	£	£
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	(1,959,647)	2,818,211
Deduct interest income shown in investing activities	(80)	(61)
Add net loss/(gain) on investment portfolio	1,155,955	(2,715,514)
Decrease/(increase) in debtors	34,040	(35,506)
Increase/(decrease) in creditors	392,640	(402,310)
Net cash from operating activities	<u>(377,092)</u>	<u>(335,180)</u>
Cash flows from Investing activities		
Interest income	80	61
Purchase of investments	(1,201,268)	(890,806)
Disposal of investments	1,885,508	889,465
Cash used in Investing activities	<u>684,320</u>	<u>(1,280)</u>
Increase/(decrease) in cash equivalents in the year	307,228	(336,460)
Cash and cash equivalents at the beginning of the year	126,577	463,037
Total cash and cash equivalents at the end of the year	<u>433,805</u>	<u>126,577</u>
Breakdown of Cash and Cash Equivalents		
	£	£
Lloyds Bank Current Account	428,808	126,577
	<u>428,808</u>	<u>126,577</u>
Cash held by Stockbrokers	4,997	0
Total cash and cash equivalents at the end of the year	<u>433,805</u>	<u>126,577</u>

WGS TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2022

1. ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), 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) - effective 1 January 2015.

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

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The Charity is a Public Benefit Entity registered as a charity in England and Wales. Its charity number is 505207 (England and Wales).

(b) Incoming resources

All income is included within the Statement of Financial Activities ('SOFA') on a receivable basis.

(c) Resources expended

All expenditure is accounted for on an accruals basis and allocated directly to the category to which it relates. Governance costs comprise those costs incurred complying with constitutional and statutory requirements. Capital grants are accounted for when the payment is made.

(d) Investments

Investments are stated at market value.

(e) Fund accounting

Funds held by the charity are either:

Unrestricted funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds are those ear-marked for a specific purpose. As at 31st August 2022 there were no funds in this category.

Restricted funds which can only be used for particular restricted purposes within the objects of the charity.

Restrictions arise when specified by the donor or when the funds are raised for particular restricted purposes.

(f) Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost 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 specific provision is made for debts for which recoverability 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.

WGS TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2022

1. ACCOUNTING POLICIES CONTINUED

(g) Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees 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 affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

(h) Going Concern

The Trustees consider that the WGS Trust is a Going Concern. The Trustees monitor the School's requirement for bursary funding and capital projects at each of their meetings to ensure that this can be funded.

The Trustees monitor the return of the investment portfolio and the movement on investments at their meetings. The School provides the Trustees with an indication of the funding required for bursaries. The Trustees then decide the amount that is paid to the School.

The Trustees believe that the Trust is able 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 have therefore prepared the financial statements on a going concern basis.

2. INVESTMENT INCOME

	2022	2021
	£	£
Bank interest	80	61
Dividends on UK listed investments	436,591	397,938
	<u>436,671</u>	<u>397,999</u>

WGS TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2022

3 COST OF RAISING FUNDS

	2022	2021
	£	£
Staff costs recharged from Withington Girls' School	71,561	66,271
Promotional materials	7,047	3,270
Telephone Campaign	(2,320)	13,041
Giving Day	3,247	4,263
Other fundraising costs	2,106	1,511
	81,641	88,356

4 BURSARIES

	2022	2021
	£	£
Bursaries paid for pupils of Withington Girls' School	717,780	740,587

The total number of pupils in receipt of bursaries during the year was 98 (2021:112).

5 ANNUAL FUND

	2022	2021
	£	£
Purchase of equipment for Withington Girls' School	15,576	2,829
	15,576	2,829

6 CAPITAL GRANT TO WITHINGTON GIRLS' SCHOOL

	2022	2021
	£	£
Capital grant paid to Withington Girls' School for the extension of the Dining Room. See Note 14.	1,000,000	24,304

The prior year figure relates to the Donations for the Sports Development Project that were paid to the School.

7 OTHER CHARITABLE EXPENDITURE

	2022	2021
	£	£
Sundry expenses	1,162	2,093
Subscriptions	0	919
Clerk to the Trust	2,500	2,500
Stockbroking fee	678	678
Postage	2,217	2,113
Office expenses	424	1,112
Database software	2,759	2,660
Trustee Indemnity Insurance	2,058	2,058
Governance Costs		
Audit Fees	3,630	4,350
	15,428	18,483

The Trustees received no remuneration or reimbursement of expenses during the year (2021 £NIL).
There are no employees of the Charity and therefore no employee benefits paid of more than £60,000

WGS TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2022

8 INVESTMENTS

The movements on this account during the year were as follows:

	2022	2021
	£	£
UK quoted investments		
At valuation:		
At 1 September 2021	11,211,050	8,494,195
Additions at cost	1,201,268	890,806
Disposal proceeds	(1,885,508)	(889,465)
Changes in market value	(1,155,955)	2,715,514
	9,370,855	11,211,050
At 31 August 2022		
Cash held by stockbrokers	4,997	0
	9,375,852	11,211,050

All investments are held for charity use.

The historical cost of investments held is £7,398,783 (2021: £7,166,391).

9 DEBTORS

	2022	2021
	£	£
Income tax recoverable	28,903	44,171
Amount due from Withington Girls' School	0	18,772
	28,903	62,943

10 CASH AT BANK

	2022	2021
	£	£
Lloyds Bank Current Account	428,808	126,577
	428,808	126,577

11 CREDITORS

	2022	2021
	£	£
Amounts falling due within one year		
Accruals	3,120	3,120
Amount payable to Withington Girls' School	392,640	0
	395,760	3,120

WGS TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2022

12 ACCUMULATED FUNDS

	2022 £	2021 £
Restricted - for Bursaries		
At 1 September 2021	4,535,633	3,447,832
Net (loss)/gain on investments	(460,014)	1,094,413
Net income/(expenditure) before gains on investment	42,949	(6,612)
At 31 August 2022	4,118,568	4,535,633
	2022 £	2021 £
Unrestricted - not designated		
At 1 September 2021	6,861,817	5,107,103
Net (loss)/income before gains on investment	(846,641)	133,613
Net (loss)/gain on investments	(695,941)	1,621,101
At 31 August 2022	5,319,235	6,861,817
Unrestricted - designated		
At 1 September 2021	0	24,304
Net (expenditure) before gains on investment	0	(24,304)
At 31 August 2022	0	0
Total	9,437,803	11,397,450

At their meeting in February 2021, Trustees agreed to provide a £1m Capital Grant to the School for a two-storey extension to the Dining Room. The Capital Grant was made from Unrestricted Reserves during the current year.

The Restricted Funds represent a fund specifically for bursaries.

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Investments £	Other assets £	Total £
Restricted funds	4,118,568	0	4,118,568
Unrestricted funds	5,257,284	61,951	5,319,235
	9,375,852	61,951	9,437,803

14 RELATED PARTY

The Governors of Withington Girls' School (Charity Number 1158226) appoint the Trustees of WGS Trust. Transactions with Withington Girls' School have been identified and disclosed within the accounts as appropriate.

Donations received from Trustees during the year were £1,445 (2021: £1,040).
The value including gift aid is £1,556 (2021: £1,300)

A capital grant of £1,000,000 was paid to Withington Girls' School during the year as a contribution towards the two-storey extension to the Dining Room. Trustees approved this capital grant at their

WGS TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2022

meeting in February 2021 from Unrestricted Reserves.

The capital grant was financed from the partial disposal of investments.

15 FINANCIAL INSTRUMENTS

	2022	2021
	£	£
Financial assets measured at amortised cost (a)	457,711	189,520
Financial assets measured at fair value (b)	9,375,852	11,211,050
Financial liabilities measured at amortised cost (c)	(395,760)	(3,120)
Net financial assets measured at amortised cost	<u>9,437,803</u>	<u>11,397,450</u>
(a) Financial assets at amortised cost include cash and other debtors		
(b) Financial assets at fair value include investments		
(c) Financial liabilities include other creditors		

W G S TRUST

England & Wales - Charity number 505207

Accounts

W G S TRUST
Charity Number: 505207
ANNUAL REPORT
YEAR ENDED 31 AUGUST 2021

W G S TRUST

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W G S TRUST

REFERENCE AND ADMINISTRATIVE INFORMATION

TRUSTEES

Lord Lee of Trafford (Chairman) DL, FCA
Mr R Bailey BA, ACA
Mr A Beardsworth MA (Cantab) ACA CTA
Mrs SJ Haslam BA
Mr DJ Illingworth BA, FCA
Mrs SE Marks, MA (Oxon) MA (Nott) FRSA
Mrs JD Pickering BSc
Mr CM Poston BSc, FCA

There were no movements of Trustees during the year.

Clerk to the Trustees

Mrs A Cohen LLB

Mrs Sharon Senn retired from her position of Bursar and Clerk to the Governors from Withington Girls' School on 31st August 2021. Her successor, Mrs Anna Cohen, commenced in the role from 1st September 2021 and becomes the Clerk to the Trust from that date.

ADVISERS

Auditors

Crowe U.K. LLP
3rd Floor, The Lexicon
Mount Street
MANCHESTER
M2 5NT

Stockbrokers

Brown Shipley
3 Hardman Street
Manchester
M3 3HF

Bankers

Lloyds Bank
223 Finney Lane
Heald Green
Cheshire
SK8 3PY

Registered and principal office

Withington Girls' School
Wellington Road
Fallowfield
Manchester
M14 6BL

Charity Number

505207

Constitution

The charity is unincorporated and is governed by a Trust Deed executed in 1976.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2021

The Trustees of the W G S Trust present their Annual Report and audited accounts for the year ended 31 August 2021 and confirm they comply with the requirements of the Charities Act 2011, as amended by the trust deed and the Charities SORP 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees determine the general policy adopted by the Trust and work with professional advisers to deal with the day to day management of investments. Administration of the Trust including management of bursaries is undertaken by staff of Withington Girls' School (Charity Number 1158226) ('the School').

Objectives and activities for the public benefit

The objects of the Trust, as set out in the Trust Deed, are as follows:

- the advancement of the educational work of the School
- charitable purposes (whether educational or not) of or associated with the School
- the advancement of education in any part of the world

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives.

Provision of means-tested bursaries

The principal way in which the Trust supports the advancement of the educational work of the School is by providing means-tested bursaries to girls who have performed well in the entrance examination and might otherwise be unable to take up places offered to them by the School. Bursaries are also awarded to pupils whose family circumstances change, to enable them to continue to attend the School. Bursaries are made solely on the basis of parental means or to relieve hardship where a pupil's education would otherwise be at risk for example in the case of redundancy. In assessing means a number of factors are taken into consideration including family income, investments, savings, opportunity to generate additional income and family circumstances, for example dependent relatives.

The bursary awards range from 10% to 100% of fees. Information about fee assistance through bursaries is provided to all parents of girls applying to the Senior School and also to parents of junior girls, as a limited number of bursaries have been available for girls entering Years 5 and 6 in the Junior School from September 2015. The availability of means-tested bursaries is publicised through School advertisements in the press and promotional materials at local libraries. Details of the bursary policy and how to apply are also on the School website.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2021

Support for Capital Projects at the School

The other major way in which the Trust supports the educational advancement of the School is by providing financial assistance, in the form of grants and repayable loans, to enable a programme of capital development to take place.

Trustees agreed at their meeting in February 2021 to provide a capital grant of £1m for a two-storey extension to the Dining Room of the School. Work commenced on this project in April 2021 and it is expected to be completed in February 2022. The capital support is expected to be required in two instalments (December 2021 and May 2022). Trustees confirmed at their meeting in May 2021 that the capital grant would be financed from the partial disposal of investments. The start date for this project was delayed as a result of the pandemic. While planning permission for this project was obtained in April 2020, Governors of the the School put major capital expenditure on hold until they felt that the time was right for this major project to commence. That decision was taken in February 2021.

The previous major capital project undertaken by the School was the Sports Development Project which was completed during the 2017/18 academic year. Work started in August 2017 and was completed at Easter 2018.

The Development Office launched a Capital Appeal for this project with a target of £500,000 and cumulative donations as at 31st August 2020 were £350,904 (2019: £350,754). No donations were received in the year ended 31 August 2021. The balance on the Unrestricted – designated reserve as at 31st August 2020 (of £24,304) was paid to the School before 31st August 2021.

Recruitment and Training of Trustees

The statutory power of appointing new Trustees is vested in the Governors of Withington Girls' School. This power is to be exercised so that immediately after any appointment, at least one of the Trustees is not a Governor, and the power shall cease to have effect upon being released in writing by the Governors or if the School shall be discontinued or shall become a maintained school or if the power of appointing all or a majority of the Governors shall be vested in a local or other public authority and/or any officer or department of the government. However, if the power of appointing new Trustees as indicated above shall cease to have effect, the statutory power of appointing Trustees shall be vested in the surviving or continuing Trustee or Trustees for the time being, or the personal representative of the last surviving or continuing Trustee.

New Trustees are selected to provide the Trust with an appropriate breadth of abilities and experience. New Trustees are inducted into the workings of the Charity by the Chairman of the Trust, the Headmistress of the School and the Clerk to the Trust.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2021

Risk Management

The Trustees are responsible for the management of the risks faced by the Trust. The principal risk faced by the Trust is the performance of the investment portfolio.

Trustees of the Charity manage the portfolio under the guidance of the Chair of the Trust. The Trustees bring a diverse range of skills and experiences to the Charity. The fund is administered by external stockbrokers. Trustees actively monitor the performance of the investment portfolio, mainly through quarterly reports from the stockbrokers. The investment policy of the Trustees is to aim to achieve an above average dividend yield to provide the income for means-tested bursaries, with a view to long-term capital appreciation of the holdings, consistent with an acceptable level of risk. Trustees have taken the decision to invest primarily in smaller UK quoted companies and no one holding should normally represent appreciably more than 7.5% of the overall portfolio in order to ensure a suitable spread of risk.

The key controls used by the Charity include:

- Formal agendas and supporting papers for all Trust meetings
- Consideration of regulatory compliance at all Trust meetings
- Comprehensive budgeting, management accounting, and reports on investment performance
- Clear authorisation and approval levels
- Use of a Risk Register to assess the likelihood and impact of each risk together with the steps taken in mitigation
- Regular meetings of Trustees, a standing item of which is Conflicts of Interest and/or Conflicts of Loyalty
- Active monitoring of the investment portfolio and mechanisms to effect transactions at short notice

The Trustees are satisfied that the major risks identified have been adequately managed where necessary. It is recognised that systems can only provide reasonable but not absolute assurance.

W G S TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 AUGUST 2021

OBJECTIVES AND ACTIVITIES

Charitable Objects

The objects of the Charity, which are set out in the Trust Deed, are the advancement of the educational work of Withington Girls' School, charitable purposes of, or associated with, the School and the advancement of education in any part of the world. The School is a separate charity which provides a day school for girls from the ages of seven to eighteen.

In setting and planning our objectives Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

A specific aim of the Charity is to maintain and enhance the level of means-tested bursary support to safeguard the diversity of the school community. The School has never offered financial support on a non-means-tested basis, such as academic scholarships. The School is committed to providing public benefit as is evidenced in its published Annual Report.

ACHIEVEMENTS AND PERFORMANCE

REVIEW OF THE YEAR

The Trust has generated incoming resources of £977,256 (2020: £876,074) for the year.

Governors of the School approved a new Development & Alumnae Strategy (2019 to 2024) at their meeting in September 2019. The key focus of this Strategy, which dovetails with the School's Development Plan, is to continue to raise funds for School priorities. A significant focus is to increase funding for means-tested bursaries as one of the aims of the School is to maintain and increase the level of Governors' means-tested bursary support to secure the diversity of the School community, with the eventual aim of needs-blind admission.

Donations received by the WGS Trust for the bursary fund amount to £173,727 (2020: £125,662).

This amount excludes £75,000 received from the Zochonis Charitable Trust (2020: £75,000) the terms of which are that this money must be spent on bursaries in the 2021/22 year. As a result, this donation has been included within Withington Girls' School's accounts as a payment on account for the year to 31 August 2021.

The Development Office of the School launched a bursary/hardship appeal in July 2020 supported by an alumna (and her husband) who pledged to match the first £12,633 donated. The response from this direct mail appeal, the first carried out by the school, has been exceptional. The amount raised in total (including pledges), when this appeal closed in October 2020, was £114,339. The alumna increased her pledge to ensure that more than £100,000 was raised.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2021

This direct mail appeal was part of the newly approved strategy to diversify methods of making a fundraising ask. Half of all donors who gave to the appeal were either new donors or long lapsed donors who had not given for more than ten years.

One of the key priorities for the Development Office in the last year was to increase engagement with the alumnae body. In the last year, engaged alumni have increased by over 17% and almost 50% of alumnae can now be classified as 'engaged' with the School. This has largely been driven by offering an increased number of virtual reunions which, through the lock-down period, has appealed to a greater number of former pupils from across the world. Engagement in new communications such as a new podcast, 'Spotcast On', the inaugural Ad Lucem Alumnae Awards and Withington Connect have all contributed to this success which has also been extremely beneficial for current pupils.

The winners of the first Ad Lucem Alumnae Awards were announced in October 2021 following nominations from the school community. The Head Girl team participated in the shortlisting process and a final vote was taken by all girls in the Senior School. The main Ad Lucem Alumna Award was awarded to world renowned neuroscientist, Brenda Milner. The Ad Lucem Young Alumna award was awarded to Bronya Sykes, a Cambridge University Student who was part of the winning 2021 Oxford/Cambridge Boat Race squad. During the course of the shortlisting process it was decided that we would introduce a third award, the Rose Acton Ad Lucem Award. Rose, from the Class of 2010, died in December 2020 and this award will recognise those who display qualities such as courage, curiosity, kindness, humour, determination, resilience and a desire to improve outcomes for others. Most importantly, like Rose, future recipients will inspire and support those around them to achieve more than they thought they could.

Inspired by the national project, 'Portraits for NHS Heroes', which was initiated by artist, Tom Croft, the School's Art Department, in conjunction with the Development Team, decided to follow in Tom's footsteps and offer a free portrait to our key worker alumnae to say thank you and to express the depth of our gratitude and our heartfelt thanks for all that they have done and are continuing to do for us during the pandemic. GCSE and A level pupils of the School, as well as staff, created the portraits that were displayed in an online exhibition before the portraits were sent to the alumnae.

The last annual Emily Simon Society Lunch was held on 11th March 2020. This provided an opportunity for members of the Society to visit the School, meet some current bursary recipients, and to learn about the School's partnership, WithGambia, that has been running for many years. This year we met virtually in December 2020 when members were able to watch highlights from our virtual Christmas concerts.

The Annual Fund was renamed and relaunched as the 'Ad Lucem Fund' and applications were invited from staff members of the School to bid for funding to support projects which enhance and enrich the girls' learning, but that normally fall outside the reach of the annual school budget. This year, the School particularly encouraged projects that provide opportunities to compensate for experiences lost during the COVID-19 outbreak.

A telephone campaign, 'Withington Calling 2021', ran for two weeks in August 2021. The campaign was run remotely and conducted by a calling team of 12 Sixth Form pupils and recent alumnae. The campaign was managed by an external company, supported by our Development Office, and the callers made contact with more than 450 alumnae. The purpose was not only to raise funds for bursaries and specific Annual Fund projects, but also to engage further with alumnae.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2021

The running costs for the Development Office have been borne equally by the WGS Trust and the School. In the year ended 31st August 2021, the direct costs for each were £88,356 (2020: £78,581).

The School paid £402,057 (2020: £397,852) into the Trust. This equates to 4% of fee income plus an additional sum of £50,000 for the year to 31st August 2021 (the same calculation as the previous ten years).

Bursaries were awarded to 112 girls (2020: 108 girls): 106 in the Senior School and 6 from the Junior School. This equates to over 18% of girls in the Senior School and almost 6% of girls in Year 5 and 6 of the Junior School receiving bursary support, of whom 17 benefited from full remission of fees. Thirty-two girls in the Senior School obtained a bursary worth 80% or more of fees. The total cost of these bursaries was £740,587 (2020: £710,609). The bursaries enabled girls who have met the entrance criteria, whose families would not otherwise have been able to afford the fees, to attend the School.

The pupils in receipt of bursaries may also receive support with the purchase of school uniform, individual music/drama lessons, curriculum-related school trips and similar expenses.

The overall result for the investment portfolio for the year was a gain of £2,715,514 (2020: loss of £138,164) of which the realised position for 2020 was a gain of £644,068 (2020: gain of £439,427).

As described in Note 12, Trustees undertook an exercise in May 2021 to re-evaluate the level of Restricted Reserves for bursaries. Trustees felt that, in the context of their agreement to provide a capital grant of £1m to the School for the two-storey Dining Room extension, it was appropriate to consider if additional funds should be classified as restricted for bursaries. The decision to transfer £2,171,055 from Unrestricted Funds to Restricted Funds was made following careful and considered analysis.

Trustees ensure that the portfolio is invested in a diverse range of sectors while at the same time ensuring that no single holding is appreciably more than 7.5% of the investment portfolio. Particular focus is given to any holdings which are approaching or in excess of this threshold to determine whether the level of risk is acceptable or whether it is appropriate to sell a proportion or all of the holding.

Trustees compare the performance of the portfolio with the FTSE 250 (ex-Investment Trust) Index and one or more appropriate charity indices at each of their meetings.

The overall result for the year was a net increase in funds of £2,818,211 (2020: reduction in funds of £67,308).

Trustees monitor the effect of the pandemic and other global market conditions on the return of the investment portfolio and the movement of investments at their meetings.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2021

For the year ended 31st August 2021 the capital return of the portfolio posted a positive return of 31.98% compared to a rise in the FTSE 250 ex Investment Trust index of 40.4% and a rise in the FTSE All Share index of 22.7%.

For the same period last year, the capital return for the portfolio was a positive 2.47% whilst the FTSE 250 ex Investment Trust index dropped by 11.2% on a capital return basis and a drop in the FTSE All Share index of 12.6% on a capital return basis.

While the long-term effects of the pandemic are still unknown, as for many entities at this time, there has been a significant recovery in the investment portfolio during the year. Trustees acknowledge that there is potential for increased demand for bursary funding from Withington Girls' School (Charity 1158226) moving forwards and further volatility of the investment portfolio is possible.

The fundraising approach

The School employs an in-house Development Team to carry out fundraising on its behalf. This is led by a Director of Development who has experience in fundraising and follows best practice.

The Development Director reports directly to the Headmistress of the School who is also a Trustee of the Trust. A professional fund-raiser is engaged specifically to assist with the biennial telephone campaign. As mentioned earlier, all running costs of the Development Office are shared equally between the Trust and the School.

The Trust registered as a member of the Fundraising Regulator in October 2017. Registration is optional for charities which spend less than £100,000 on fundraising each year and, as a result, there was no requirement for the Trust to register. The Trust's voluntary registration is evidence of its desire to follow best practice.

The Director of Development is a member of the Institute of Fundraising which also has a code of practice. The Development Team are pleased to confirm that all fundraising activities for the School or the Trust have complied with the requirements of the Fundraising Regulator and the Institute of Fundraising's Code of Practice. The School and Trust have also adopted a WGS Fundraising Code of Practice that sets out the principles by which we will pursue and accept donations and also to demonstrate a commitment to ethical practices in relation to donors, so as to ensure openness, transparency and respect.

Careful monitoring of the activities of the Development Office is carried out by Governors of the School and Trustees of the WGS Trust. The Development Director submits a report on fundraising activities for each Governors' meeting and each Trustees' meeting and attends the meetings to answer any questions raised.

There have been no complaints about fundraising activities in the year to 31 August 2021 (2020: NIL).

W G S TRUST

TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 AUGUST 2021

General Data Protection Regulations (GDPR) Update

The School and the Trust are fully aware of their responsibilities under the General Data Protection Regulations (GDPR) which came into effect from May 2018. Over recent years, the Development Team has requested and recorded communication preferences for contacts and conducts Data Protection Impact Assessments as appropriate to carefully consider who is being approached for support, how the approach is made and how often this is done, to ensure that our fundraising is not unreasonably intrusive or persistent. All consent and communication preferences are retained on a specialist database.

W G S TRUST
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 AUGUST 2021

INVESTMENT POWERS

These are governed by the Trust Deed which permits the Trustees to invest in a manner that they see fit. The Trustees have a policy designed to achieve an above average dividend yield, with a view to long term capital appreciation, consistent with acceptable risk.

In order to achieve this high yield combined with longer term capital growth the Trustees have decided to invest predominantly in a broad range of smaller UK quoted companies. The Trustees are minded to avoid exposure to investments which are deemed to be unsuitable in the context of the objectives and interests of the WGS Trust and Withington Girls' School, when considering the portfolio as a whole. This includes preference to avoid sectors or companies involved in the following activities: tobacco and payday lending.

The Trustees seek to maintain a conservative approach to funds and at their meeting on 24th April 2015 it was agreed that no single holding should normally represent appreciably more than 7.5% of the investment portfolio. Particular focus is given to any holdings which are approaching or in excess of this threshold to determine whether the level of risk is acceptable or whether it is appropriate to sell a proportion or all of the holding. The level of liquidity depends on anticipated financial support for future School projects.

The Trustees monitor the investment performance against the FTSE Small Cap (ex Investment Trust) Index and one or more appropriate charity indices.

W G S TRUST

TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 AUGUST 2021

RESERVES

In formulating their reserves policy the Trustees are concerned that the Trust has a sufficient level of reserves to enable it to meet its objects and policies, which have been described earlier in this report. In particular the Trustees consider that the Trust should have adequate capital to provide income up to the level required to support Junior and Senior pupils throughout their school career, and the provision of financial assistance for the building programme of the School.

Mindful of the increased demand for bursary funding together with financial support for the School's building and maintenance programme, the Trustees and the professional advisers consider that generation of total reserves of a minimum of £12 million is required to meet these demands, half of which is required to be ring-fenced in the Restricted Reserve specifically for bursaries. This will enable both an active bursary outreach programme to continue to be developed and future building/maintenance projects to be financed. Achievement of this aim can only happen over a period of time and Trustees are encouraged by the outstanding performance of the investment portfolio in the current year which has generated a gain of £2,715,514 (2020: loss of £138,164) and a large increase in the overall level of reserves as at 31st August 2021 to £11,397,450 (2020: £8,579,239). Free reserves as at 31st August 2021 are £5,861,817 (2020: £5,107,103) after taking into account the commitment of £1m to the School

Approved by the Trustees on _____ and signed on its behalf by:

9th December 2021

Lord Lee of Trafford

Lee of Trafford.

WGS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, as amended by the trust deed and the Charities SORP 2015. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

WGS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES YEAR ENDED 31ST AUGUST 2021

Opinion

We have audited the financial statements of WGS Trust ('the charity') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 charity's affairs as at 31 August 2021 and of 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 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 trustee's 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 within 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.

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 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.

WGS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES YEAR ENDED 31ST AUGUST 2021

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 in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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 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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Acts 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity 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

WGS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES YEAR ENDED 31ST AUGUST 2021

Charities Act 2011 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 charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were the Charities Act Regulations.

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 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, reading minutes of meetings of those charged with governance and sample testing of income.

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.

Use of our report

This report is made solely to the charity'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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP
Statutory Auditor
The Lexicon
Mount Street
Manchester
M2 5NT

Date 22nd April 2022

WGS TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR YEAR ENDED 31st AUGUST 2021**

	Notes	Unrestricted Funds 2021	Capital Appeal 2021	Restricted Funds 2021	Total 2021	Unrestricted Funds 2020	Capital Appeal 2020	Restricted Funds 2020	Total 2020
		£	£	£	£	£	£	£	£
INCOME AND EXPENDITURE									
INCOME									
Donations		3,473	0	173,727	177,200	125,662	150	0	125,812
Contributions from Withington Girls' School		0	0	402,057	402,057	397,852	0	0	397,852
Investment Income	2	239,808	0	158,191	397,999	299,126	0	52,829	351,955
Income generating activities	3	0	0	0	0	455	0	0	455
Total income		243,281	0	733,975	977,256	823,095	150	52,829	876,074
EXPENDITURE									
Costs of raising funds	4	88,356	0	0	88,356	78,581	0	0	78,581
Expenditure on charitable activities		88,356	0	0	88,356	78,581	0	0	78,581
Bursaries paid to pupils of Withington Girls' School	5	0	0	740,587	740,587	657,780	0	52,829	710,609
Annual Fund	6	2,829	0	0	2,829	0	0	0	0
Capital Grant to Withington Girls' School		0	24,304	0	24,304				
Other Charitable Expenditure	7	18,483	0	0	18,483	16,028	0	0	16,028
Total Charitable Activities Expenditure		21,312	24,304	740,587	786,203	673,808	0	52,829	726,637
Total expenditure		109,668	24,304	740,587	874,559	752,389	0	52,829	805,218
Net income/(expenditure) before gains on investment		133,613	(24,304)	(6,612)	102,697	70,706	150	0	70,856
Net gain/(loss) on investments		1,621,101	0	1,094,413	2,715,514	(117,083)	0	(21,081)	(138,164)
TRANSFER BETWEEN RESERVES	12	0	0	0	0	(2,176,571)	5,516	2,171,055	0
NET MOVEMENT IN FUNDS	12	1,754,714	(24,304)	1,087,801	2,818,211	(2,222,948)	5,666	2,149,974	(67,308)
RECONCILIATION OF FUNDS									
TOTAL FUNDS BROUGHT FORWARD	12	5,107,103	24,304	3,447,832	8,579,239	7,330,051	18,638	1,297,858	8,646,547
TOTAL FUNDS CARRIED FORWARD	12	6,861,817	0	4,535,633	11,397,450	5,107,103	24,304	3,447,832	8,579,239

The notes on pages 20 to 25 form part of these accounts.
All amounts relate to continuing operations.

WGS TRUST

BALANCE SHEET AS AT 31st AUGUST 2021

	Notes	2021 £	£	2020 £
INVESTMENTS	8		11,211,050	8,506,325
CURRENT ASSETS				
Debtors	9	62,943		27,436
Cash	10	<u>126,577</u>		<u>450,907</u>
		189,520		478,343
CREDITORS				
Amounts falling due within one year	11	<u>(3,120)</u>		<u>(405,429)</u>
NET CURRENT ASSETS			186,400	72,914
NET ASSETS			<u><u>11,397,450</u></u>	<u><u>8,579,239</u></u>
ACCUMULATED FUNDS				
Restricted	12		4,535,633	3,447,832
Unrestricted - designated	12		0	24,304
Unrestricted - not designated	12		<u>6,861,817</u>	<u>5,107,103</u>
			<u><u>11,397,450</u></u>	<u><u>8,579,239</u></u>

Approved by the Board of Trustees on
and signed on its behalf by

9th December 2021

Lord Lee of Trafford

Lee of Trafford

Mrs S J Haslam

S. J. Haslam

WGS TRUST

STATEMENT OF CASH FLOWS

FOR YEAR ENDED 31 AUGUST 2021

	2021	2020
	£	£
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	2,818,211	(67,308)
Deduct interest income shown in investing activities	(61)	(106)
Add net (gain)/loss on investment portfolio	(2,715,514)	138,164
(Increase) in debtors	(35,507)	(19,339)
(Decrease)/increase in creditors	(402,310)	87,453
Net cash from operating activities	<u>(335,181)</u>	<u>138,864</u>
Cash flows from investing activities		
Interest income	61	106
Purchase of investments	(890,806)	(1,949,083)
Disposal of investments	889,465	1,778,616
Cash used in investing activities	<u>(1,280)</u>	<u>(170,361)</u>
(Decrease) in cash equivalents in the year	(336,461)	(31,498)
Cash and cash equivalents at the beginning of the year	463,037	494,534
Total cash and cash equivalents at the end of the year	<u>126,577</u>	<u>463,036</u>
Breakdown of Cash and Cash Equivalents		
	£	£
Lloyds Bank Current Account	<u>126,577</u>	<u>450,907</u>
	126,577	450,907
Cash held by Stockbrokers	0	12,130
Total cash and cash equivalents at the end of the year	<u>126,577</u>	<u>463,037</u>

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2021

1. ACCOUNTING POLICIES

(a) **Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), 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) - effective 1 January 2015.

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

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The Charity is a Public Benefit Entity registered as a charity in England and Wales. Its charity number is 505207 (England and Wales).

(b) **Incoming resources**

All income is included within the Statement of Financial Activities ('SOFA') on a receivable basis.

(c) **Resources expended**

All expenditure is accounted for on an accruals basis and allocated directly to the category to which it relates. Governance costs comprise those costs incurred complying with constitutional and statutory requirements. Capital grants are accounted for when the Charity has made an obligation to pay the monies.

(d) **Investments**

Investments are stated at market value.

(e) **Fund accounting**

Funds held by the charity are either:

Unrestricted funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds are those ear-marked for a specific purpose. As at 31st August 2021 there were no funds in this category as the amount payable as at 31st August 2020 was paid to the School during the year.

Restricted funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when the funds are raised for particular restricted purposes.

(f) **Financial Instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost 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 specific provision is made for debts for which recoverability 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.

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2021

1. ACCOUNTING POLICIES CONTINUED

(g) **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, Trustees 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 affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

(h) **Going Concern**

Trustees consider that the WGS Trust is a Going Concern. Trustees monitor the School's requirement for bursary funding and capital projects at each of their meetings to ensure that this can be funded.

Trustees monitor the impact of the pandemic on the return of the investment portfolio and the movement of investments at their meetings. The School provides Trustees with an indication of the funding required for bursaries. The Trustees then decide the amount that is paid to the School.

The Trustees believe that the Trust is able 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 have therefore prepared the financial statements on a going concern basis.

2. INVESTMENT INCOME

	2021	2020
	£	£
Bank interest	61	106
Dividends on UK listed investments	397,938	351,849
	<u>397,999</u>	<u>351,955</u>

3. INCOME GENERATING ACTIVITIES

	2021	2020
	£	£
Alumnae networking events	0	455
	<u>0</u>	<u>455</u>

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2021

4. FUNDRAISING COSTS

	2021	2020
	£	£
Staff costs recharged from Withington Girls' School	66,271	65,379
Promotional materials	3,270	4,546
Telephone Campaign	13,041	6,767
Giving Day	4,263	0
Other fundraising costs	1,511	1,889
	88,356	78,581
	88,356	78,581

5. BURSARIES

	2021	2020
	£	£
Bursaries paid for pupils of Withington Girls' School	740,587	710,609
	740,587	710,609
	740,587	710,609

The total number of pupils in receipt of bursaries during the year was 112 (2020: 108).

6 ANNUAL FUND

	2021	2020
	£	£
Purchase of equipment for Withington Girls' School	2,829	0
	2,829	0
	2,829	0

7 OTHER CHARITABLE EXPENDITURE

	2021	2020
	£	£
Sundry expenses	2,093	2,076
Subscriptions	919	0
Clerk to the Trust	2,500	2,500
Stockbroking fee	678	672
Postage	2,113	2,869
Office expenses	1,112	478
Database software	2,660	2,323
Trustee Indemnity Insurance	2,058	1,960
Governance Costs		
Audit Fees	4,350	3,150
	18,483	16,028
	18,483	16,028

The Trustees received no remuneration or reimbursement of expenses during the year (2020 £NIL).

There are no employees of the Charity.

There are no employees who received employee benefits (excluding pension costs) of more than £60,000.

WGS TRUST
NOTES ON THE FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2021

8 INVESTMENTS

The movements on this account during the year were as follows:

	2021 £	2020 £
UK quoted investments		
At valuation:		
At 1 September 2020	8,494,195	8,461,892
Additions at cost	890,806	1,949,083
Disposal proceeds	(889,465)	(1,778,616)
Changes in market value	2,715,514	(138,164)
At 31 August 2021	11,211,050	8,494,195
Cash held by stockbrokers	0	12,130
	11,211,050	8,506,325

All investments are held for charity use.

The historical cost of investments held is £7,166,391 (2020: £6,471,777).

Trustees continue to monitor the impact of the pandemic on the portfolio.

9 DEBTORS

	2021 £	2020 £
Income tax recoverable	44,171	27,436
Amount due from Withington Girls' School	18,772	0
	62,943	27,436

10 CASH AT BANK

	2021 £	2020 £
Lloyds Bank Current Account	126,577	450,907
	126,577	450,907

11 CREDITORS

	2021 £	2020 £
Amounts falling due within one year		
Accruals	3,120	3,120
Amount due to Withington Girls' School	0	402,309
	3,120	405,429

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2021

12 ACCUMULATED FUNDS

	2021 £	2020 £
Restricted - for Bursaries		
At 1 September 2020	3,447,832	1,297,858
Net gain/(loss) on investments	1,094,413	(21,081)
Net (expenditure) before gains on investment	(6,612)	0
Transfer from Unrestricted Reserve	0	2,171,055
At 31 August 2021	4,535,633	3,447,832
	2021 £	2020 £
Unrestricted - not designated		
At 1 September 2020	5,107,103	7,330,051
Net income before gains on investment	133,613	70,706
Net gain/(loss) on investments	1,621,101	(117,083)
Transfer to Restricted Reserve - for Bursaries	0	(2,171,055)
Transfer to Unrestricted - designated Reserve	0	(5,516)
At 31 August 2021	6,861,817	5,107,103
Unrestricted - designated		
At 1 September 2020	24,304	18,638
Net (expenditure)/income before gains on investment	(24,304)	150
Transfer from Unrestricted Reserve	0	5,516
At 31 August 2021	0	24,304
Total	11,397,450	8,579,239

As a result of Trustees' commitment, at their meeting in February 2021, to provide a £1m Capital Grant to the School for a two-storey extension to the Dining Room, a decision was made to re-evaluate the level of Restricted Reserves for bursaries prior to the finalisation of the accounts for the year ended 31 August 2020. Following a review of the overall Reserves of the Trust, resulting from fundraising appeals from the period from 2004 to 2020, Trustees determined that a transfer be made from Unrestricted Reserves to Restricted Reserves for £2,171,055.

The Restricted Funds represent a fund specifically for bursaries.

The balance remaining in the Unrestricted - designated fund for the Sports Development project was paid over to the School before the end of August 2021.

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Investments £	Other assets £	Total £
Restricted funds	4,535,633	0	4,535,633
Unrestricted funds	6,675,417	186,400	6,861,817
	11,211,050	186,400	11,397,450

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2021

14 RELATED PARTY

The Governors of Withington Girls' School (Charity Number 1158226) appoint the Trustees of WGS Trust. Transactions with Withington Girls' School have been identified and disclosed within the accounts as appropriate.

Donations received from Trustees during the year were £1,040 (2020: £220).
The value including gift aid is £1,300 (2020: 275)

Trustees confirmed their commitment to provide a capital grant to Withington Girls' School of £1m at their meeting in February 2021. The capital grant is for a two-storey extension to the Dining Room. Work commenced on the project in April 2021 and the capital support is expected to be required in two instalments (December 2021 and May 2022).

Trustees confirmed at their meeting in May 2021 that the capital grant will be financed from the partial disposal of investments.

15 FINANCIAL INSTRUMENTS

	2021 £	2020 £
Financial assets measured at amortised cost (a)	189,520	496,225
Financial assets measured at fair value (b)	11,211,050	8,468,298
Financial liabilities measured at amortised cost (c)	(3,120)	(317,976)
Net financial assets measured at amortised cost	<u>11,397,450</u>	<u>8,646,547</u>
(a) Financial assets at amortised cost include cash and other debtors		
(b) Financial assets at fair value include investments		
(c) Financial liabilities include other creditors		

W G S TRUST

England & Wales - Charity number 505207

Accounts

W G S TRUST
Charity Number: 505207
ANNUAL REPORT
YEAR ENDED 31 AUGUST 2020

W G S TRUST

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W G S TRUST

REFERENCE AND ADMINISTRATIVE INFORMATION

TRUSTEES

Lord Lee of Trafford (Chairman) DL, FCA
Mr R Bailey BA, ACA
Mr A Beardsworth MA (Cantab) ACA CTA
Mrs SJ Haslam BA
Mr DJ Illingworth BA, FCA
Mrs SE Marks, MA (Oxon) MA (Nott) FRSA
Mrs JD Pickering BSc
Mr CM Poston BSc, FCA

Mr Ian Goulty resigned as a Trustee on 3rd April 2020. There were no other movements of Trustees during the year.

Clerk to the Trustees

Mrs S Senn BSc (Econ), ACA

ADVISERS

Auditors

Crowe U.K. LLP
3rd Floor, The Lexicon
Mount Street
MANCHESTER
M2 5NT

Stockbrokers

Brown Shipley
3 Hardman Street
Manchester
M3 3HF

Bankers

Bank of Scotland
224 Ingram Street
Glasgow
G1 1DR

Lloyds Bank
223 Finney Lane
Heald Green
Cheshire
SK8 3PY

Registered and principal office

Withington Girls' School
Wellington Road
Fallowfield
Manchester
M14 6BL

Charity Number

505207

Constitution

The charity is unincorporated and is governed by a Trust Deed executed in 1976.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2020

The Trustees of the W G S Trust present their Annual Report and audited accounts for the year ended 31 August 2020 and confirm they comply with the requirements of the Charities Act 2011, as amended by the trust deed and the Charities SORP 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees determine the general policy adopted by the Trust and work with professional advisers to deal with the day to day management of investments. Administration of the Trust including management of bursaries is undertaken by staff of Withington Girls' School (Charity Number 1158226) ('the School').

Objectives and activities for the public benefit

The objects of the Trust, as set out in the Trust Deed, are as follows:

- the advancement of the educational work of the School
- charitable purposes (whether educational or not) of or associated with the School
- the advancement of education in any part of the world

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives.

Provision of means-tested bursaries

The principal way in which the Trust supports the advancement of the educational work of the School is by providing means-tested bursaries to girls who have performed well in the entrance examination and might otherwise be unable to take up places offered to them by the School. Bursaries are also awarded to pupils whose family circumstances change, to enable them to continue to attend the School. Bursaries are made solely on the basis of parental means or to relieve hardship where a pupil's education would otherwise be at risk for example in the case of redundancy. In assessing means a number of factors are taken into consideration including family income, investments, savings, opportunity to generate additional income and family circumstances, for example dependent relatives.

The bursary awards range from 10% to 100% of fees. Information about fee assistance through bursaries is provided to all parents of girls applying to the Senior School and also to parents of junior girls, as a limited number of bursaries have been available for girls entering Years 5 and 6 in the Junior School from September 2015. The availability of means-tested bursaries is publicised through School advertisements in the press and promotional materials at local libraries. Details of the bursary policy and how to apply are also on the School website.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2020

Support for Capital Projects at the School

The other major way in which the Trust supports the educational advancement of the School is by providing financial assistance, in the form of grants and repayable loans, to enable a programme of capital development to take place.

Trustees agreed at their meeting in February 2021 to provide a capital grant of £1m for a two-storey extension to the Dining Room of the School. Work commenced on this project in April 2021 and it is expected to be completed in January 2022. The capital support is expected to be required in two instalments (September 2021 and December 2021). Trustees confirmed at their meeting in May 2021 that the capital grant will be financed from the partial disposal of investments. The start date for this project was delayed as a result of the pandemic. While planning permission for this project was obtained in April 2020, Governors of the the School put major capital expenditure on hold until they felt that the time was right for this major project to commence. That decision was taken in February 2021.

The previous major capital project undertaken by the School was the Sports Development Project which was completed during the 2017/18 academic year. Work started in August 2017 and was completed at Easter 2018.

The Development Office launched a Capital Appeal for this project with a target of £500,000 and cumulative donations as at 31st August 2020 were £350,904 (2019: £350,754).

Recruitment and Training of Trustees

The statutory power of appointing new Trustees is vested in the Governors of Withington Girls' School. This power is to be exercised so that immediately after any appointment, at least one of the Trustees is not a Governor, and the power shall cease to have effect upon being released in writing by the Governors or if the School shall be discontinued or shall become a maintained school or if the power of appointing all or a majority of the Governors shall be vested in a local or other public authority and/or any officer or department of the government. However, if the power of appointing new Trustees as indicated above shall cease to have effect, the statutory power of appointing Trustees shall be vested in the surviving or continuing Trustee or Trustees for the time being, or the personal representative of the last surviving or continuing Trustee.

New Trustees are selected to provide the Trust with an appropriate breadth of abilities and experience. New Trustees are inducted into the workings of the Charity by the Chairman of the Trust, the Headmistress of the School and the Clerk to the Trust.

Risk Management

The Trustees are responsible for the management of the risks faced by the Trust. The principal risk faced by the Trust is the performance of the investment portfolio.

W G S TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 AUGUST 2020

Trustees of the Charity manage the portfolio under the guidance of the Chair of the Trust. The Trustees bring a diverse range of skills and experiences to the Charity. The fund is administered by external stockbrokers. Trustees actively monitor the performance of the investment portfolio, mainly through quarterly reports from the stockbrokers. The investment policy of the Trustees is to aim to achieve an above average dividend yield to provide the income for means-tested bursaries, with a view to long-term capital appreciation of the holdings, consistent with an acceptable level of risk. Trustees have taken the decision to invest primarily in smaller UK quoted companies and no one holding should normally represent appreciably more than 7.5% of the overall portfolio in order to ensure a suitable spread of risk.

The key controls used by the Charity include:

- Formal agendas and supporting papers for all Trust meetings
- Consideration of regulatory compliance at all Trust meetings
- Comprehensive budgeting, management accounting, and reports on investment performance
- Clear authorisation and approval levels
- Use of a Risk Register to assess the likelihood and impact of each risk together with the steps taken in mitigation
- Regular meetings of Trustees, a standing item of which is Conflicts of Interest and/or Conflicts of Loyalty
- Active monitoring of the investment portfolio and mechanisms to effect transactions at short notice

The Trustees are satisfied that the major risks identified have been adequately managed where necessary. It is recognised that systems can only provide reasonable but not absolute assurance.

W G S TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 AUGUST 2020

OBJECTIVES AND ACTIVITIES

Charitable Objects

The objects of the Charity, which are set out in the Trust Deed, are the advancement of the educational work of Withington Girls' School, charitable purposes of, or associated with, the School and the advancement of education in any part of the world. The School is a separate charity which provides a day school for girls from the ages of seven to eighteen.

In setting and planning our objectives Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

A specific aim of the Charity is to maintain and enhance the level of means-tested bursary support to safeguard the diversity of the school community. The School has never offered financial support on a non-means-tested basis, such as academic scholarships. The School is committed to providing public benefit as is evidenced in its published Annual Report.

ACHIEVEMENTS AND PERFORMANCE

REVIEW OF THE YEAR

The Trust has generated incoming resources of £876,074 (2019: £787,993) for the year.

Governors of the School approved a new Development & Alumnae Strategy (2019 to 2024) at their meeting in September 2019. The key focus of this Strategy, which dovetails with the School's Development Plan, is to continue to raise funds for School priorities. A significant focus is to increase funding for means-tested bursaries as one of the aims of the School is to maintain and increase the level of Governors' means-tested bursary support to secure the diversity of the School community, with the eventual aim of needs-blind admission.

Donations received by the WGS Trust for the bursary fund amount to £125,662 (2019: £71,075).

This amount excludes £75,000 received from the Zochonis Charitable Trust (2019: £70,000) the terms of which are that this money must be spent on bursaries in the 2020/21 year. As a result, this donation has been included within Withington Girls' School's accounts as a payment on account for the year to 31 August 2020.

The Development Office of the School launched a bursary/hardship appeal in July 2020 supported by an alumna (and her husband) who pledged to match the first £12,633 donated. The response from this direct mail appeal, the first carried out by the school, has been exceptional. The amount raised in total (including pledges), when this appeal closed in October 2020, was £114,339. The alumna increased her pledge to ensure that more than £100,000 was raised.

W G S TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 AUGUST 2020

This direct mail appeal was part of the newly approved strategy to diversify our methods of making a fundraising ask. Half of all donors who gave to the appeal were either new donors or long lapsed donors who had not given for more than ten years.

The annual Emily Simon Society Lunch was held on 11th March 2020. This provided an opportunity for members of the Society to visit the School, meet some current bursary recipients, and to learn about the School's partnership, WithGambia, that has been running for many years.

The Annual Fund was renamed and relaunched as the 'Ad Lucem Fund' and applications were invited from staff members to bid for funding to support projects which enhance and enrich the girls' learning but that normally fall outside the reach of the annual school budget. This year we particularly encouraged projects that provide opportunities to compensate for experiences lost during the COVID-19 outbreak.

The running costs for the Development Office have been borne equally by the WGS Trust and the School. In the year ended 31st August 2020, the direct costs for each were £78,581 (2019: £72,653).

The School paid £397,852 (2019: £382,258) into the Trust. This equates to 4% of fee income plus an additional sum of £50,000 for the year to 31st August 2020 (the same calculation as the previous nine years).

Bursaries were awarded to 108 girls (2019: 104 girls): 100 in the Senior School and 8 from the Junior School. This equates to over 17% of girls in the Senior School and almost 9% of girls in Year 5 and 6 of the Junior School receiving bursary support, of whom 17 benefited from full remission of fees. Thirty-three girls in the Senior School obtained a bursary worth 80% or more of fees. The total cost of these bursaries was £710,609 (2019: £672,434). The bursaries enabled girls who have met the entrance criteria, whose families would not otherwise have been able to afford the fees, to attend the School.

The pupils in receipt of bursaries may also receive support with the purchase of school uniform, individual music/drama lessons, curriculum-related school trips and similar expenses.

The overall result for the investment portfolio for the year was a loss of £138,164 (2019: loss of £340,544) of which the realised position for 2020 was a gain of £439,427 (2019: gain of £1,803,481).

As described in Note 12, Trustees undertook an exercise in May 2021 to re-evaluate the level of Restricted Reserves for bursaries. Trustees felt that, in the context of their agreement to provide a capital grant of £1m to the School for the two-storey Dining Room extension, it was appropriate to consider if additional funds should be classified as restricted for bursaries. The decision to transfer £2,171,055 from Unrestricted Funds to Restricted Funds was made following careful and considered analysis.

W G S TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 AUGUST 2020

Trustees ensure that the portfolio is invested in a diverse range of sectors while at the same time ensuring that no single holding is appreciably more than 7.5% of the investment portfolio. Particular focus is given to any holdings which are approaching or in excess of this threshold to determine whether the level of risk is acceptable or whether it is appropriate to sell a proportion or all of the holding.

Trustees compare the performance of the portfolio with the FTSE 250 (ex-Investment Trust) Index and one or more appropriate charity indices at each of their meetings.

The overall result for the year was a net reduction in funds of £67,308 (2019: reduction in funds of £316,852).

The effect of the pandemic continues to have an impact on the return of the investment portfolio and the movement of investments. This is being monitored by Trustees at their meetings.

For the year ended 31st August 2020 the capital return of the portfolio posted a positive return of 2.47% compared with a drop in the FTSE 250 ex Investment Trust index of 12.6% and a drop in the FTSE All Share index of 12.6%. For the same period last year, the capital return for the portfolio was a negative return 2.49% whilst the FTSE 250 ex Investment Trust index dropped by 7.9% on a total return basis.

The long-term effects of the pandemic are still unknown and, as for many entities at this time, there is potential for increased demand for bursary funding from Withington Girls' School (Charity 1158226) and continued volatility of the investment portfolio.

The fundraising approach

The School employs an in-house Development Team to carry out fundraising on its behalf. This is led by a Director of Development who has experience in fundraising and follows best practice.

The Development Director reports directly to the Headmistress of the School who is also a Trustee of the Trust. A professional fund-raiser is engaged specifically to assist with the biennial telephone campaign. As mentioned earlier, all running costs of the Development Office are shared equally between the Trust and the School.

The Trust registered as a member of the Fundraising Regulator in October 2017. Registration is optional for charities which spend less than £100,000 on fundraising each year and, as a result, there was no requirement for the Trust to register. The Trust's voluntary registration is evidence of its desire to follow best practice.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2020

The Director of Development is a member of the Institute of Fundraising which also has a code of practice. The Development Team are pleased to confirm that all fundraising activities for the School or the Trust have complied with the requirements of the Fundraising Regulator and the Institute of Fundraising's Code of Practice. The School and Trust have also adopted a WGS Fundraising Code of Practice that sets out the principles by which we will pursue and accept donations and also to demonstrate a commitment to ethical practices in relation to donors, so as to ensure openness, transparency and respect.

Careful monitoring of the activities of the Development Office is carried out by Governors of the School and Trustees of the WGS Trust. The Development Director submits a report on fundraising activities for each Governors' meeting and each Trustees' meeting and attends the meetings to answer any questions raised.

There have been no complaints about fundraising activities in the year to 31 August 2020 (2019: NIL).

General Data Protection Regulations (GDPR) Update

The School and the Trust are fully aware of their responsibilities under the General Data Protection Regulations (GDPR) which came into effect from May 2018. Over recent years, the Development Team has requested and recorded communication preferences for contacts and conducts Data Protection Impact Assessments as appropriate to carefully consider who is being approached for support, how the approach is made and how often this is done, to ensure that our fundraising is not unreasonably intrusive or persistent. All consent and communication preferences are retained on a specialist database.

In July 2020, the Development Office became aware that the School's database software provider, Blackbaud, had suffered a ransomware attack and that there had been a data breach. The company provided the School with a data file which enabled analysis to be carried out to determine which individuals were affected and which data had been breached. Data subjects known to have personal data included in the breach were informed by email at the beginning of August. The breach was reported to the ICO, the Charity Commission and Action Fraud in respect of the Trust and the School. The Charity Commission acknowledged the Serious Incident Report noting that Trustees were dealing with the matter appropriately and responsibly.

W G S TRUST
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 AUGUST 2020

INVESTMENT POWERS

These are governed by the Trust Deed which permits the Trustees to invest in a manner that they see fit. The Trustees have a policy designed to achieve an above average dividend yield, with a view to long term capital appreciation, consistent with acceptable risk.

In order to achieve this high yield combined with longer term capital growth the Trustees have decided to invest predominantly in a broad range of smaller UK quoted companies. The Trustees are minded to avoid exposure to investments which are deemed to be unsuitable in the context of the objectives and interests of the WGS Trust and Withington Girls' School, when considering the portfolio as a whole. This includes preference to avoid sectors or companies involved in the following activities: tobacco and payday lending.

The Trustees seek to maintain a conservative approach to funds and at their meeting on 24th April 2015 it was agreed that no single holding should normally represent appreciably more than 7.5% of the investment portfolio. Particular focus is given to any holdings which are approaching or in excess of this threshold to determine whether the level of risk is acceptable or whether it is appropriate to sell a proportion or all of the holding. The level of liquidity depends on anticipated financial support for future School projects.

The Trustees monitor the investment performance against the FTSE Small Cap (ex Investment Trust) Index and one or more appropriate charity indices.

RESERVES

In formulating their reserves policy the Trustees are concerned that the Trust has a sufficient level of reserves to enable it to meet its objects and policies, which have been described earlier in this report. In particular the Trustees consider that the Trust should have adequate capital to provide income up to the level required to support Junior and Senior pupils throughout their school career, and the provision of financial assistance for the building programme of the School.

Trustees have reviewed the allocation of reserves between Unrestricted and Restricted during the year and further details of transfers carried out are shown in Note 12.

W G S TRUST
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 AUGUST 2020

Mindful of the increased demand for bursary funding together with financial support for the School's building and maintenance programme, the Trustees and the professional advisers consider that generation of reserves of a minimum of £10 million is required to meet these demands. This will enable both an active bursary outreach programme to continue to be developed and future building/maintenance projects to be financed. Achievement of this aim can only happen over a period of time and Trustees are encouraged by the resilience of the investment portfolio in the current year which has generated a loss of £138,164 (2019: loss of £340,554) and a small decrease in the overall level of reserves as at 31st August 2020 to £8,579,239 (2019: £8,646,547). Following the transfers from Unrestricted Reserves to Restricted Reserves, as described in Note 12, free reserves as at 31st August 2020 are £5,107,103 (2019: £7,330,051).

Approved by the Trustees on 24/6/21 and signed on its behalf by:



Lord Lee of Trafford

WGS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, as amended by the trust deed and the Charities SORP 2015. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WGS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES YEAR ENDED 31ST AUGUST 2020

Opinion

We have audited the financial statements of WGS Trust for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the 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 charity's affairs as at 31 August 2020 and of its incoming resources and application of resources, 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 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.

WGS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES YEAR ENDED 31ST AUGUST 2020

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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; 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 set out on page 12, 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

We have been appointed as auditor under section 144 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

WGS TRUST

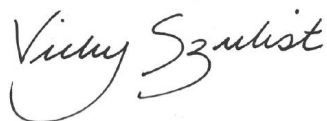
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES YEAR ENDED 31ST AUGUST 2020

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

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

Use of our report

This report is made solely to the charity'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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Vicky Szulist

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

The Lexicon
Mount Street
Manchester
M2 5NT

30th June

2021

WGS TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31st AUGUST 2020

	Notes	Unrestricted Funds 2020	Capital Appeal 2020	Restricted Funds 2020	Total 2020	Unrestricted Funds 2019	Capital Appeal 2019	Restricted Funds 2019	Total 2019
		£	£	£	£	£	£	£	£
INCOME AND EXPENDITURE									
INCOME									
Donations		125,662	150	0	125,812	71,075	4,150	0	75,225
Contributions from Withington Girls' School		397,852	0	0	397,852	382,258	0	0	382,258
Investment Income	2	299,126	0	52,829	351,955	280,776	0	49,294	330,070
Income generating activities	3	455	0	0	455	440	0	0	440
Total income		823,095	150	52,829	876,074	734,549	4,150	49,294	787,993
EXPENDITURE									
Costs of raising funds	4	78,581	0	0	78,581	72,653	0	0	72,653
		78,581	0	0	78,581	72,653	0	0	72,653
Expenditure on charitable activities									
Bursaries paid to pupils of Withington Girls' School	5	657,780	0	52,829	710,609	623,140	0	49,294	672,434
Annual Fund	6	0	0	0	0	2,032	0	0	2,032
Other Charitable Expenditure	7	16,028	0	0	16,028	17,172	0	0	17,172
Total Charitable Activities Expenditure		673,808	0	52,829	726,637	642,344	0	49,294	691,638
Total expenditure		752,389	0	52,829	805,218	714,997	0	49,294	764,291
Net income before gains on investment		70,706	150	0	70,856	19,552	4,150	0	23,702
Net (loss) on investments		(117,083)	0	(21,081)	(138,164)	(299,768)	0	(40,786)	(340,554)
TRANSFER BETWEEN RESERVES	12	(2,176,571)	5,516	2,171,055	0	0	0	0	0
NET MOVEMENT IN FUNDS	12	(2,222,948)	5,666	2,149,974	(67,308)	(280,216)	4,150	(40,786)	(316,852)
RECONCILIATION OF FUNDS									
TOTAL FUNDS BROUGHT FORWARD	12	7,330,051	18,638	1,297,858	8,646,547	7,610,267	14,488	1,338,644	8,963,399
TOTAL FUNDS CARRIED FORWARD	12	5,107,103	24,304	3,447,832	8,579,239	7,330,051	18,638	1,297,858	8,646,547

The notes on pages 19 to 24 form part of these accounts.
All amounts relate to continuing operations.

WGS TRUST

BALANCE SHEET AS AT 31st AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
INVESTMENTS	8		8,506,325		8,468,298
CURRENT ASSETS					
Debtors	9		27,436		8,097
Cash	10		450,907		488,128
			<u>478,343</u>		<u>496,225</u>
CREDITORS					
Amounts falling due within one year	11		<u>(405,429)</u>		<u>(317,976)</u>
NET CURRENT ASSETS			72,914		178,249
NET ASSETS			<u>8,579,239</u>		<u>8,646,547</u>
ACCUMULATED FUNDS					
Restricted	12		3,447,832		1,297,858
Unrestricted - designated	12		24,304		18,638
Unrestricted - not designated	12		5,107,103		7,330,051
			<u>8,579,239</u>		<u>8,646,547</u>

Approved by the Board of Trustees on 24th June 2021
and signed on its behalf by

Lord Lee of Trafford

Lord Lee of Trafford

Mrs S J Haslam

S. J. Haslam

WGS TRUST

STATEMENT OF CASH FLOWS

FOR YEAR ENDED 31 AUGUST 2020

	2020	2019
	£	£
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	(67,308)	(316,852)
Deduct interest income shown in investing activities	(106)	(193)
Add net loss on investment portfolio	138,164	340,554
(Increase)/decrease in debtors	(19,339)	45,234
Increase in creditors	87,453	315,976
Net cash from operating activities	<u>138,864</u>	<u>384,719</u>
Cash flows from investing activities		
Interest income	106	193
Purchase of investments	(1,949,083)	(3,644,825)
Disposal of investments	1,778,616	3,397,721
Cash used in investing activities	<u>(170,361)</u>	<u>(246,911)</u>
(Decrease)/increase in cash and cash equivalents in the year	(31,498)	137,808
Cash and cash equivalents at the beginning of the year	494,534	356,726
Total cash and cash equivalents at the end of the year	<u>463,037</u>	<u>494,534</u>
Breakdown of Cash and Cash Equivalents		
	£	£
Lloyds Bank Current Account	<u>450,907</u>	<u>488,128</u>
	450,907	488,128
Cash held by Stockbrokers	12,130	6,406
Total cash and cash equivalents at the end of the year	<u>463,037</u>	<u>494,534</u>

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2020

1. ACCOUNTING POLICIES

(a) **Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), 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) - effective 1 January 2015.

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

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The Charity is a Public Benefit Entity registered as a charity in England and Wales. Its charity number is 505207 (England and Wales).

(b) **Incoming resources**

All income is included within the Statement of Financial Activities ('SOFA') on a receivable basis.

(c) **Resources expended**

All expenditure is accounted for on an accruals basis and allocated directly to the category to which it relates. Governance costs comprise those costs incurred complying with constitutional and statutory requirements. Capital grants are accounted for when the Charity has made an obligation to pay the monies.

(d) **Investments**

Investments are stated at market value.

(e) **Fund accounting**

Funds held by the charity are either:

Unrestricted funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds are those ear-marked for a specific purpose. As at 31st August 2020 these funds are due to be paid to the School for the Sports Development Project.

Restricted funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when the funds are raised for particular restricted purposes.

(f) **Financial Instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost 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 specific provision is made for debts for which recoverability 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.

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2020

1. ACCOUNTING POLICIES CONTINUED

(g) Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees 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 affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

Trustees have carried out an exercise to estimate an appropriate transfer from Unrestricted to Restricted Reserves, as explained in Note 12 on page 23 to these accounts.

In the view of the trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

(h) Going Concern

Trustees consider that the WGS Trust is a Going Concern. Trustees monitor the School's requirement for bursary funding and capital projects at each of their meetings to ensure that this can be funded.

Trustees monitor the impact of the pandemic on the return of the investment portfolio and the movement of investments at their meetings. The School provides Trustees with an indication of the funding required for bursaries. The Trustees then decide the amount that is paid to the School.

The Trustees believe that the Trust is able 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 have therefore prepared the financial statements on a going concern basis.

2. INVESTMENT INCOME

	2020	2019
	£	£
Bank interest	106	193
Dividends on UK listed investments	351,849	329,877
	<u>351,955</u>	<u>330,070</u>

3. INCOME GENERATING ACTIVITIES

	2020	2019
	£	£
Alumnae networking events	455	440
	<u>455</u>	<u>440</u>

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2020

4. FUNDRAISING COSTS

	2020	2019
	£	£
Staff costs recharged from Withington Girls' School	65,379	52,713
Promotional materials	4,546	5,822
Telephone Campaign	6,767	12,033
Other fundraising costs	1,889	2,085
	78,581	72,653

5. BURSARIES

	2020	2019
	£	£
Bursaries paid for pupils of Withington Girls' School	710,609	672,434

The total number of pupils in receipt of bursaries during the year was 108 (2019: 104).

6 ANNUAL FUND

	2020	2019
	£	£
Purchase of equipment for Withington Girls' School	0	2,032
	0	2,032

7 OTHER CHARITABLE EXPENDITURE

	2020	2019
	£	£
Sundry expenses	2,076	1,126
Subscriptions	0	482
Clerk to the Trust	2,500	2,500
Stockbroking fee	672	670
Postage	2,869	2,243
Recruitment costs	0	1,745
Office expenses	478	124
Database software	2,323	2,142
Trustee Indemnity Insurance	1,960	1,960
Governance Costs		
Audit Fees	3,150	4,180
	16,028	17,172

The Trustees received no remuneration or reimbursement of expenses during the year (2019 £NIL).

There are no employees of the Charity.

There are no employees who received employee benefits (excluding pension costs) of more than £60,000.

WGS TRUST
NOTES ON THE FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2020

8 INVESTMENTS

The movements on this account during the year were as follows:

	2020 £	2019 £
UK quoted investments		
At valuation:		
At 1 September 2019	8,461,892	8,555,342
Additions at cost	1,949,083	3,644,825
Disposal proceeds	(1,778,616)	(3,397,721)
Changes in market value	(138,164)	(340,554)
At 31 August 2020	8,494,195	8,461,892
Cash held by stockbrokers	12,130	6,406
	8,506,325	8,468,298

All investments are held for charity use.

The historical cost of investments held is £6,451,777 (2019: £5,841,909).

Trustees continue to monitor the impact of the pandemic on the portfolio.

9 DEBTORS

	2020 £	2019 £
Income tax recoverable	27,436	8,097
	27,436	8,097

10 CASH AT BANK

	2020 £	2019 £
Lloyds Bank Current Account	450,907	488,128
	450,907	488,128

11 CREDITORS

	2020 £	2019 £
Amounts falling due within one year		
Accruals	3,120	3,120
Amount due to Withington Girls' School	402,309	314,856
	405,429	317,976

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2020

12 ACCUMULATED FUNDS

	2020	2019
	£	£
Restricted - for Bursaries		
At 1 September 2019	1,297,858	1,338,644
Net (loss) on investments	(21,081)	(40,786)
Net income before gains on investment	0	0
Transfer from Unrestricted Reserve	2,171,055	0
At 31 August 2020	<u>3,447,832</u>	<u>1,297,858</u>
	2020	2019
	£	£
Unrestricted - not designated		
At 1 September 2019	7,330,051	7,610,267
Net income before gains on investment	70,706	19,552
Net (loss) on investments	(117,083)	(299,768)
Transfer to Restricted Reserve - for Bursaries	(2,171,055)	0
Transfer to Unrestricted - designated Reserve	(5,516)	0
At 31 August 2020	<u>5,107,103</u>	<u>7,330,051</u>
Unrestricted - designated		
At 1 September 2019	18,638	14,488
Net income before gains on investment	150	4,150
Transfer from Unrestricted Reserve	5,516	0
At 31 August 2020	<u>24,304</u>	<u>18,638</u>
Total	<u>8,579,239</u>	<u>8,646,547</u>

As a result of Trustees' commitment, at their meeting in February 2021, to provide a £1m Capital Grant to the School for a two-storey extension to the Dining Room, a decision was made to re-evaluate the level of Restricted Reserve for bursaries. A review of the overall Reserves of the Trust, resulting from fundraising appeals, was carried out for the period from 2004 to 2020.

Trustees considered detailed proposals at their meeting in May 2021 and determined that they felt it was appropriate for a transfer of £2,171,055 to be made from Unrestricted Reserves to Restricted Reserves for this purpose. Consideration was given to the donations provided for the 100 Plus Bursary Appeal which commenced in 2005 and reached its £2m target in 2011, in addition to a proportion of income and capital movements on the portfolio from 2005 to 31st August 2020, in making this assessment.

Trustees felt that while historically the Trust has provided capital support for major building projects, it was appropriate to ring fence a larger sum specifically for bursaries.

The School's capital project commenced in April 2021 and is expected to be completed in January 2022.

The Restricted Funds represent a fund specifically for bursaries.

In respect of the Unrestricted - designated fund for the Sports Development project, a transfer has been made from the Unrestricted Fund to reflect a proportion of income and capital movements from 2018 to 31st August 2020. This designated fund includes donations received to date which have not been paid over to the School. The value as at 31st August 2020 is £24,304 (2019: £18,638). This amount is due to be paid to the School before 31st August 2021.

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2020

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Investments £	Other assets £	Total £
Restricted funds	3,447,832	0	3,447,832
Unrestricted funds	5,058,493	72,914	5,131,407
	8,506,325	72,914	8,579,239

14 RELATED PARTY

The Governors of Withington Girls' School (Charity Number 1158226) appoint the Trustees of WGS Trust. Transactions with Withington Girls' School have been identified and disclosed within the accounts as appropriate.

Donations received from Trustees during the year were £220 (2019: NIL).
The value including gift aid is £275 (2019: NIL)

Trustees confirmed their commitment to provide a capital grant to Withington Girls' School of £1m at their meeting in February 2021. The capital grant is for a two-storey extension to the Dining Room. Work commenced on the project in April 2021 and the capital support is expected to be required in two instalments (September 2021 and December 2021). Trustees confirmed at their meeting in May 2021 that the capital grant will be financed from the partial disposal of investments.

15 FINANCIAL INSTRUMENTS

	2020 £	2019 £
Financial assets measured at amortised cost (a)	478,343	496,225
Financial assets measured at fair value (b)	8,506,325	8,468,298
Financial liabilities measured at amortised cost (c)	(405,429)	(317,976)
Net financial assets measured at amortised cost	8,579,239	8,646,547

(a) Financial assets at amortised cost include cash and other debtors
 (b) Financial assets at fair value include investments
 (c) Financial liabilities include other creditors