

LEICESTER GRAMMAR SCHOOL TRUST

England & Wales · Charity number 510809

Details

Other names LEICESTER GRAMMAR SCHOOL TRUST LIMITED

Status Registered

Legal form Charitable company

Company number [01521751](#)

Registered 1980-12-17

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

Contact

Address London Road
Great Glen
Leicester
LE8 9FL

Phone 01162591900

Email listerc@leicestergrammar.org.uk

Website www.leicestergrammar.org.uk

Activities

Objects: THE OBJECTS ARE TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION AND IN CONNECTION THEREWITH TO CONDUCT, CARRY ON, ACQUIRE AND DEVELOP IN THE UNITED KINGDOM OR ELSEWHERE A SCHOOL OR SCHOOLS WITH A CHRISTIAN ETHOS, FOR THE EDUCATION OF STUDENTS AND CHILDREN OF EITHER SEX OR BOTH SEXES.

Activities: Provision of education

Classification

- **How:** Makes Grants To Individuals, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- Leicester City
- Leicestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£23,566,561	£23,216,212	£19,246,573	309
2024-07-31	£2,128,235	£22,328,739	£18,868,637	300
2023-07-31	£21,424,544	£19,809,527	£17,658,616	282
2022-07-31	£19,395,643	£18,152,166	£16,040,988	269
2021-07-31	£18,212,803	£17,064,282	£14,795,754	264
2020-07-31	£16,746,200	£16,492,457	£13,586,680	260

Trustees

Name	Role	Appointed
Dr Deenesh KHOOSAL		
Dr Rohan Saigal		2022-10-12
Duncan Comrie GREEN		2011-11-01
Martyn Edwards		2025-09-01
Michael John HOLLEY		
Mukesh Ratilal Bulsara		2022-10-12
Neetal Popat		2026-03-10
Nils Feldmann		2024-03-13
William Giles Davis		2026-03-10

LEICESTER GRAMMAR SCHOOL TRUST

England & Wales - Charity number 510809

Accounts

Company Registration No. 01521751
Charity Registration No. 510809

LEICESTER GRAMMAR SCHOOL TRUST

**TRUSTEES' REPORT
AND
STATEMENT OF ACCOUNTS**

**FOR THE YEAR ENDED
31 JULY 2025**

LEICESTER GRAMMAR SCHOOL TRUST

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LEICESTER GRAMMAR SCHOOL TRUST

Legal and administrative information:

Charity Trustees

The Trustees of Leicester Grammar School Trust are also company directors, and carry the responsibilities accorded to them by the Charity Commission and under Company Law. They have all served in office throughout the year except where indicated:

Mrs E M Bailey (resigned 3 September 2024)
Mr M R Bulsara
Mrs J Burns (Vice chair, Academic)
Mr M C Edwards (appointed 1 September 2025)
Mr N Feldmann
Mr S Gasztowicz (Chairman)
Mr D C Green
Dr S E Hadley
Mr M J Holley (Vice chair, Financial)
Dr D I Khoosal
Mrs K Law (resigned 18 December 2024)
Mr A P M Osiatynski (resigned 4 July 2025)
Dr R Saigal
Professor J M Saker
The Ven R V Worsfold (resigned 4 July 2025)

Committees and sub-committees of the Board of Trustees

The following Trustees served on committees and sub-committees of the Board during the year:

Education Committee:

Mrs J Burns (committee Chairman)
Mr S Gasztowicz
Mr A P M Osiatynski
Dr R S P Saigal

Finance and General Purposes Committee:

Mr M J Holley (committee Chairman)
Mr M R Bulsara
Mr N Feldmann
Mr S Gasztowicz
Mr D C Green

Bursaries, Scholarships and Public Benefit Sub-Committee:

Mr S Gasztowicz (sub-committee Chairman)
Mr M R Bulsara

Health and Safety Committee:

Professor J M Saker (committee Chairman)
Dr S E Hadley
Dr D I Khoosal

Nominations and Governance Committee:

Mr S Gasztowicz (committee Chairman)
Mrs J Burns
Mr M J Holley

Safeguarding and Well-being Committee:

Dr S E Hadley (committee Chairman)
Mr A P M Osiatynski
The Ven R V Worsfold

LEICESTER GRAMMAR SCHOOL TRUST

Legal and administrative information cont.

Salaries Review Committee:

Mr S Gaszlowicz (committee Chairman)
Mrs J Burns
Mr M J Holley

The Board is a self-appointing body. One third of the Board is required to retire by rotation, each year. Board members are eligible to stand for re-election at the end of a term of office.

Officers

Headmaster of Leicester Grammar School and Principal of Leicester Grammar School Trust: Mr J W Watson (retired 31 August 2025); Dr G T Purves (appointed 1 September 2025)
Headmistress of Leicester Grammar Junior School: Mrs S V Ashworth Jones
Headmistress of LGS Stoneygate: Mrs C J McCullough
Director of Finance and Operations and Company Secretary: Mr S J Jeffries

Addresses

Leicester Grammar School and Leicester Grammar Junior School
London Road
Great Glen
Leicester
LE8 9FL
(School and registered office)

LGS Stoneygate
6 London Road
Great Glen
Leicester
LE8 9DT

Websites: www.leicestergrammar.org.uk
www.lgs-stoneygate.org.uk

Auditors

Moore Kingston Smith
6th Floor
9 Appold Street
London
EC2A 2AP

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (Incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2025

The Trustees present their report and financial statements for the year ended 31 July 2025 and confirm they comply with the requirements of the Charities Act 2011, including the Directors' and Strategic Report under the Companies Act 2006.

Reference and Administrative Information

The Charity was founded in 1980 and is registered with the Charity Commission under charity number 510809.

Leicester Grammar School Trust is also a company limited by guarantee, registered under company number 01521751.

The Trustees, executive officers and principal address of the Charity are as listed on page 1 and 2. Particulars of the Charity's professional advisers are given on page 2.

Structure, Governance and Management:

Governing Document

The Charity is governed by its Memorandum and Articles dating from 13 October 1980 and last amended on 3 December 2014.

Governing Bodies

The Charity operates three schools, Leicester Grammar School, Leicester Grammar Junior School and LGS Stoneygate.

There is a single Governing body, being the Charity Trustees, the details of which are explained on page 1.

Recruitment and Training of Trustees

The Charity's elected Trustees are appointed at a meeting of the Board of Leicester Grammar School Trust, on the basis of recommendations made by the Nominations and Governance Committee, a committee of the Board. The committee considers eligibility, skills and commitment when advising the Board and endeavours to ensure that the Board contains an appropriate balance of skills.

New Trustees receive a pack of written information as well as visiting all three schools and meeting with key officers and the Chairman of the Board. A skills audit is performed to identify individual training needs of Trustees and also any areas where additional expertise may need to be added to the Board. Trustees are also encouraged to assess their own training needs and individual Trustees attend courses as required.

Organisational Management

The Trustees are legally responsible for the overall management and control of the three Schools. The Board of Trustees meets at least four times each year.

The Education Committee meets once per term. This committee oversees the curriculum, teaching and learning and educational policy across the three Schools.

The Finance and General Purposes Committee meets four times a year. This committee oversees the implementation of certain Board policies, and also undertakes detailed reviews before making recommendations to the Board. The committee is chaired by a Trustee who is not Chairman of the full Board. The Bursaries, Scholarships and Public Benefit Sub-Committee meets to review applications and policy in detail at least once each year.

The Safeguarding and Well-being Committee meets once per term. The committee reviews and monitors policies and procedures related to safeguarding and the well-being of pupils at all three Schools.

The Health and Safety Committee meets once per term and reviews health and safety policies and procedures at all three Schools.

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FOR THE YEAR ENDED 31 JULY 2025

The Nominations and Governance Committee meets as and when required, but usually once a year. It considers the composition of the Board and applications from prospective Trustees. The Salaries Review Committee meets periodically to consider salaries payable to the Senior Leadership Team.

The day to day running of the schools is delegated to the respective Heads supported by their Senior Leadership Teams together with the Director of Finance and Operations. The Head Teachers and the Director of Finance and Operations attend meetings of the Board and its committees and sub-committees.

Key Management Personnel are considered to be the Principal and Headmaster of Leicester Grammar School, the Director of Finance and Operations, the Heads of Leicester Grammar Junior School and LGS Stoneygate, and the Deputy Heads of Leicester Grammar School. The remuneration of this senior staff group is determined by the Salaries Review Committee of the Board of Trustees with reference to appraisal records and benchmarking.

Objects, Aims, Objectives and Activities

Charitable Objects

The Trust's Objects, as set out in its Memorandum and Articles, are the advancement of education, through a school or schools, run according to Christian principles.

Aims and Intended Impact

Within these Objects the Trust's aim is to provide an excellent education for pupils of high academic ability, regardless of their financial means. The Trust aims to provide for the pupils' general instruction of high standard and quality, including physical, moral and religious education and to provide an environment where each pupil can develop his or her talents to the full.

Objectives for the Year

In setting objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing education and on fee-charging.

The maintenance of academic progress, underpinned by individual pastoral care and a strong sense of community, has been a key focus. Academic excellence is complemented by an emphasis on sport, music, drama and co-curricular activities, ensuring a rounded education for pupils of all ages.

The Trust remains committed to enrolling able children from all backgrounds regardless of ability to pay the fees and aims to play a full part in the life of the local, regional and indeed national community.

A key objective for the Trust for 2024-25 was to maintain pupil numbers despite understandable parental concerns over the ongoing affordability of school fees given the imposition of VAT by the government with effect from 1 January 2025. Furthermore, all independent schools have needed to manage their finances carefully following the removal of relief from Business Rates and an increase in Employers' National Insurance Contributions from April 2025.

Strategies to Achieve the Year's Objectives

The Trustees worked with senior leaders to ensure that pupils continued to achieve very well relative to their abilities, supported by enhancement of the academic programme and a clear focus on well-being. This approach was reflected in a successful inspection for LGS Stoneygate in November 2024, following on similar at Leicester Grammar School and the Junior School in January 2024. An emphasis on shared values ensures that we nurture well-rounded and generous human beings in all our schools.

Provision of means-tested bursaries remains a priority for the Trust, in order to ensure that the school is accessible to pupils from a wide range of backgrounds. The Trust continues to seek funding for additional bursaries and has a subsidiary company, LGS Enterprises Limited, which was established to generate additional income.

The Trustees continue to raise the profile of the schools and to extend outreach and partnership activities in order to attract applications from able candidates, regardless of financial means.

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2025

The Trust continues to foster links with the local community, not only by making its facilities available to local schools, groups and organisations but also through an increase in outreach and partnership activity.

Principal Activities of the Year

The Trust principally provides education to boys and girls from the age of 3 to 18.

The Trust continues to operate three schools.

All three of the schools are based in Great Glen, Leicestershire: Leicester Grammar School for pupils aged 10-18, Leicester Grammar Junior School for pupils aged 3-11 and LGS Stoneygate for pupils aged 4-16.

During the year Leicester Grammar School averaged 883 (2023-24: 881) pupils and Leicester Grammar Junior School averaged 403 (2023-24: 411) pupils. Both schools operate broadly at capacity. LGS Stoneygate, also situated in Great Glen, Leicestershire on a separate 45 acre site. During the year Stoneygate averaged 223 (2023-24: 221) pupils.

LGS Stoneygate offers high-quality education with a distinctive ethos, supported by attentive governance and management provided by the Trust.

The consolidation of pupil numbers at Stoneygate has resulted from clarification and redefinition of the senior school curriculum and more intensive admissions activity and marketing. It is the aim of Trustees to increase the pupil roll further and the addition of a new sports hall, which will be open from January 2026, is a key development for the school.

The Trust has continued to manage its finances carefully over the last year and a surplus commensurate with the need to maintain investment in our pupils' education was achieved.

The Trust is confident that the schools will continue to attract able pupils. This is a result of ongoing efforts to maintain the academic, pastoral and co-curricular standards for which the schools have become known, further investment in facilities and enhanced efforts to market the schools.

Our Ethos

The Trust is a charity which seeks to benefit the public through the pursuit of its stated aims. Fees are set at a level to ensure the financial viability of the schools and at a level which is consistent with the aim of providing a first-class education to boys and girls.

The schools welcome academically able pupils from all backgrounds. To admit a prospective pupil the schools need to be satisfied that they will be able to educate and develop that prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Pupils wishing to join the Grammar School are required to sit an entrance exam and pupils wishing to join Leicester Grammar Junior School or LGS Stoneygate undergo an assessment. Both forms of assessment are designed to satisfy the school and the parents that the potential pupil can cope with the pace of learning and benefit from the education provided. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of the assessment process.

The schools are committed to safeguarding and promoting the welfare of pupils and expect all staff and volunteers to share this commitment. The schools carry out appropriate background checks of adults who come into contact with pupils. The schools maintain regular contact with parents through the year including holding parents' evenings, issuing end of term reports, and sending home regular newsletters.

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The Trust is an equal opportunity organisation and is committed to a working environment which is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability.

Disabled employees

The Trust facilitates the employment of disabled persons and provides, wherever possible, training, career development and promotion. Where employees become disabled whilst in service, every effort is made to rehabilitate them to their former jobs or some other suitable alternative and provide appropriate training and specialist advice.

Access Policy

It is important that access to the education provided by the Trust and to its facilities is not restricted to those who can afford the fees. The Trust believes that all pupils benefit from learning within a diverse community. The Trust's bursaries policy, together with links with local state schools and other organisations which have access to the Trust's facilities, contribute to a widening of access.

Grant-making Policy

The Trustees view the bursary awards as essential in helping to ensure that children from families which would not otherwise be able to afford the fees can access the education on offer. The opportunity to apply for bursaries is available to all prospective pupils who pass the entrance exam to join the Grammar School in years 7 and above, and are made solely on the basis of parental means. Limited hardship support is also available to existing pupils whose financial circumstances change and whose ability to remain at the school is under threat, owing to an acute short-term need. The bursaries scheme also extends to pupils joining LGS Stoneygate in years 7 and above.

In assessing a bursary application, the Trust takes a number of factors into consideration, including family income, assets held, investments and savings, and the number of dependents. However, the Trust does not have a large endowment or extensive reserves to draw on. In funding bursary awards the Trust is mindful of the need to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

Bursary awards vary from 10% to 100% of fees and are re-assessed on an annual basis to take account of any changes in the family's financial situation. Information about fee assistance is available in the prospectus and on the school website, as well as being highlighted in advertising campaigns. The form completed by applicants includes a box to tick to indicate simply that the applicant wishes to be considered for a means tested bursary.

The Trustees have also set up a sub-committee of the Finance and General Purposes Committee: the Bursaries, Scholarships and Public Benefit Sub-Committee. This sub-committee reviews, monitors and advises on the Trust's Public Benefit role, particularly developing the provision of means tested bursaries, taking into account the Charities Act requirements and Charity Commission guidelines.

Volunteers

Old Leicestrians, Friends of Leicester Grammar School, Friends of Leicester Grammar Junior School and the Friends of LGS Stoneygate provided support, advice and enrichment opportunities during the year, as well as helping with fundraising and organising social and cultural events. The Board is grateful to them for their continuing and valuable support for the schools.

LEICESTER GRAMMAR SCHOOL TRUST
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FOR THE YEAR ENDED 31 JULY 2025

STRATEGIC REPORT Review of Achievements and Performance for the Year

Operational Performance of the schools

The Grammar School further enhanced its high national academic standing in the 2025 public examinations. At GCSE level, 74% of results were graded between 7 and 9. At 'A' level, an excellent 86% of grades were at A* - B, and 60% at A*/A grade; three students met their offers for Cambridge or Oxford and 12 were successful in gaining places for medicine or dentistry and 7 will be studying law.

LGS Stoneygate recorded a strong set of GCSE results in 2025, demonstrating a value added of +1.1, meaning pupils scored on average one grade higher across all qualifications than would be expected nationally. All pupils in French achieved a grade 7 or above and all pupils in Music achieved a grade 8 and above.

During the year ended 31 July 2025, the value of means tested bursaries awarded to pupils totalled £832,000 (2023-24 £858,000). This figure included bursaries worth £30,000 (2023-24 £47,000) funded by external benefactors. The value of means tested bursaries represented 3.5% of the gross fee income of the Trust (2023-24: 3.7%).

During the year, 11 pupils received a 100% bursary (2023-24: 9 pupils). A further 28 pupils received bursaries of between 80% and 99% of fees (2023-24: 34 pupils).

Further awards totalling £91,000 (2023-24: £108,000) were made to pupils at Leicester Grammar School Trust in the form of scholarships. The Trustees' policy is to make these awards on the basis of individual ability and potential. The Trustees have a stated aim of gradually reducing the total proportionate value of scholarships in favour of gradually increasing the number and value of means tested bursaries.

A full complement of staff qualified to teach their respective subjects was in place throughout the year at all three of the Trust's schools. The support staff positions were similarly all filled.

Public benefit – Contribution to the community

In 2024-25 the Trust continued to contribute to the local and wider community and the schools provided the following activities:

Charitable projects, examples include:

- Donations of over 10 boxes of food to local food banks.
- Three non-uniform days for various charities including Leicester Children's Holidays, raising over £3,000.
- Charity stalls during Sports Day raised over £500.
- Christmas Jumper Day for Save the Children.
- Second hand uniform shop sales for various charities.
- Easter egg collections for local food banks.
- World Book Day cake and book sales for Book Aid. We also donated an entire class set (25 books) of a chosen Year 6 reader to Churchill Junior School in Leicestershire.
- Christmas collection for YMCA and Toys on the Table.
- The House system also raised money for LOROS through small challenges throughout the year and Menphys, totalling £1,200.
- Making and selling laser cut poppies for the Royal British Legion.
- The textiles co-curricular club made dresses which were sent to children in Africa.
- Art Department 'Elephant' initiative raised over £1,000 for LOROS.

Educational partnerships, examples include:

- Initiatives with local maintained schools (Manor High School, Gartree High School, Lutterworth High School, The Beauchamp College and Robert Smyth Academy), including invitations to careers events, 6th Form medic practice interviews and Psychology visiting speakers.

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Community service, examples include:

- In the Summer term, a 6-weekly programme of outreach and community service for Sixth Form pupils, including running lunch time clubs at five local primary schools and attending three residential care homes.
- Music workshops and concerts delivered by the Sinfonietta to Overdale Primary, St Culbert's, and Hazel Community school, to inspire younger pupils.
- Hosted a Summer Tea Party for 50 residents of local care homes, with music and other entertainment provided by school pupils.
- 39 students from the Sixth Form completed Community Service placements ranging from listening to primary aged children read, to volunteering at the Air Ambulance charity shop in Market Harborough.

Facilities, Music and Sport for the Community, examples include:

- Hosting the DT Rotary Challenge, attended by twelve local state schools, each bringing four teams.
- South Leicestershire Sports Partnership, to enable local state schools to use school facilities.
- Hosting primary school hockey competitions and three county-level netball competitions.
- Weekly singing group with local primary school.
- Interactive music concert for GCSE pupils, attended by around 1,000 pupils of local state schools.
- Community use of school facilities for sports, music, drama and general use.
- Our swimming facilities continue to be used for lessons by the wider local community and we host competitive swimming clubs.
- We continue to partner with the Bardic Orchestra. The orchestra benefits from rehearsing at the school. Each year the orchestra gives a concert at the Grammar school hall.

Financial Review and Results for the Year

The Trust recorded a surplus of £378,000 (2023-24: £1,210,000) during the year. The surplus achieved is considered satisfactory for the Trust to enable investment and efficiency for repaying debt although significantly reduced owing to not passing on the full extent of VAT on school fees, increased business rates and higher employer national insurance contributions. Total income increased by £73,301, from £23,493,260 to £23,566,561

Investment Policy

The financial objective of the Trustees is to maintain the real value of the Trust's assets whilst generating a stable and sustainable return to help fund the charity's activities over the long term. The Trustees review the investment policy on a regular basis.

At the year end the Trust's investments included £460,734 (2023-24: £440,248) of investment assets held within an investment portfolio managed by Brewin Dolphin. The Finance and General Purposes Committee is charged with agreeing a suitable asset allocation strategy with the investment managers which is set with the aim of achieving the Trust's overall investment objectives. This strategy would reflect the Brewin Dolphin risk category 5-6: low to moderate investment risk. The Trustees adopt an ethical investment policy so that the Trust's assets are invested in line with its aims.

The Trust also owns an investment property valued at £280,000 which is let out on the open market. This residential property was acquired in May 2016 as part of the Stoneygate School site. Further short-term investments are held in the form of bank deposit accounts. During the year the Trust recorded a gain on investments of £27,587 (2023-24: £45,500), plus bank and other interest receivable of £212,288 (2023-24: £134,239).

Risk Management

The Trustees are responsible for the management of the risks faced by the schools. Risks are identified and assessed and controls established throughout the year. A formal risk register is in place and is reviewed and updated on a regular basis by the Senior Leadership Team and reviewed by the Board of Trustees.

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The principal risks and uncertainties identified in the Trust's risk register include:

- Recruiting sufficient able pupils into the schools each year in order to maintain the pupil roll and therefore fee income in line with forecast.
- External financial risks, which are kept under review by the Trustees, including changes to tax legislation or to the treatment of charities.
- Risks relating to tuition fees, including balancing the need to keep them at an affordable level, whilst meeting rising costs, including pension contributions for teaching staff, and interest and repayments on the bank loan, and meeting the requirement to comply with the bank covenants, and continuing to invest in the facilities available to pupils.
- Risks relating to child welfare.
- Health and safety risks.
- The need to continue to recruit top quality staff remains a high priority.

Key controls used by the charity include:

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

External financial risks, relating to changes to the VAT treatment of independent school fees and the removal of relief for business rates and increased employer national insurance contributions crystallised over the year for the Trust and the independent sector as a whole. It will remain particularly important for the Trust to manage its finances prudently to maintain an appropriate level of surplus, enabling flexibility to mitigate these risks whilst still ensuring investment to support and fulfil our educational aims.

Through the risk management processes established for the Trust, the Trustees are satisfied that the major risks identified have been, and are being, adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Charity Fundraising

The school has not made any fundraising appeals to the general public during the year, and is unlikely to do so in the future. There has been no outsourced fundraising via professional fundraisers or other third parties. As a result the charity is not registered with the fundraising regulator and received no fundraising complaints in the year.

Reserves Policy

The Trustees aim to hold funds which are sufficient but not excessive in order to fund current operational requirements and future development. The Trustees are mindful of the need to maintain a level of reserves which enables the organisation to respond to circumstances and mitigate risk, including ensuring compliance with the terms of the bank loans.

The Trust has a reserves policy such that the Trust aims to hold a minimum of £2m (cash balances) at all times. The value of cash and investments held at 31 July 2025 was £4.2m (2024: £7.2m).

At the end of the year the Trust's total reserves were £19,246,573 (2024: £18,868,637), including £18,175,685 (2024: £17,814,174) of unrestricted funds, £298,842 (2024: £287,213) of restricted funds and £772,046 (2024: £767,250) of endowment funds. The Trust's total reserves include £28,817,510 (2024: £27,634,490) which could only be realised by disposing of tangible fixed assets.

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The Trustees remain confident that the Trust is able to meet its financial obligations as they fall due, as well as continuing to invest in the fabric of the buildings and the facilities and equipment required to provide an excellent education at the Trust's schools. The Trust holds significant cash reserves and continues to generate an annual surplus after meeting its financial obligations and is forecast to continue to do so. The Trustees are confident, based on the Trust's sound financial position that the Trust can continue as a going concern.

Payment practices

The average number of days taken to make payments to the Trust's suppliers in the year was 29 (2024: 29). The percentages of payments made within the year which were paid: within 30 days was 54% (2024: 52%); between 31 and 60 days was 43% (2024: 43%); and after 61 days or longer was 3% (2024: 5%). The percentage of payments due within the reporting period which were not paid within agreed terms was 14% (2024: 12%).

Gender pay gap reporting

The Trust's gap for mean hourly rates of pay at 5 April 2025 was 10.4% (2024: 10.7%) in favour of male employees. The median hourly pay gap at 5 April 2025 was 4.2% (2024: 5.2%). The pay gap is impacted by the diversity of employed roles within the Trust and is kept under review on an annual basis.

Communication

Effective communication with employees is of vital importance and both Trustees and senior management provide information to, and consult with, staff on matters that affect them, including financial matters.

Environmental matters

Carbon Report - UK Greenhouse gas emissions and energy-use data

	2024/25	2023/24
Energy consumption used to calculate emissions (kWh)	3,505,433	3,216,452
□ Gas	2,413,643	2,150,147
□ Electricity	1,091,790	1,066,305
Scope 1 emissions in metric tonnes CO2e		
Gas consumption	480.86	464.93
Owned transport – mini-buses	50.18	38.06
Total Scope 1	531.04	502.99
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	193.25	206.20
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles was insignificant in the year.		
Total gross emissions in metric tonnes CO2e	724.29	709.19
Intensity ratio Tonnes CO2e per pupil	0.48	0.47

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2025 UK Government's Conversion Factors for the Company Reporting.

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The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

The Trust is committed to minimising the impact that its operations have on the environment and providing a safe environment for its staff and pupils. A pupil eco-group meets to suggest initiatives and the schools are conscious of ensuring the schools take a proactive view on environmental matters.

Subsidiary Company

The Trust has a wholly owned subsidiary company, LGS Enterprises Limited. This company undertakes commercial activities in order to generate funds to gift to Leicester Grammar School Trust.

Strategic Planning

The Trust established a new Development Plan during the year, which affirms the main aims of the Trust as being:

The Leicester Grammar School Trust seeks to be an inspiring centre for co-educational excellence in academic and personal development, within a Christian ethos.

The schools select pupils for entry in accordance with published admission procedures.

The Trust remains committed to maintaining its position as a leading provider amongst coeducational day schools.

Future Planning

The Trustees' vision for the Trust is for each of our schools:

To have:

- Excellent academic outcomes and co-curricular opportunities.
- Innovative teaching and learning supported by a digital strategy.
- A forward-looking and stimulating curriculum.
- An environmental focus with outstanding facilities.
- An international/ global outlook.

To be:

- Financially secure and adequately flexible to invest in developing our pupils and staff.
- A community with clear ethos and values.
- A community where well-being is promoted.
- A community which prioritises public benefit and outreach.

Leicester Grammar School:

The school aims to:

- Promote intellectual curiosity and academic excellence.
- Provide a broad, balanced and stimulating curriculum.
- Offer a rich range of co-curricular opportunities which enhance pupils' physical, cultural and personal development.
- Equip pupils with the self-belief, consideration and skills required for a principled and fulfilling life.

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2025

- Create a happy and mutually-supportive community of learners and staff, in which each individual is encouraged and enabled to do and be their best.
- Care for the mental and emotional well-being of pupils, and be proactive in the promotion of a healthy lifestyle.
- Welcome pupils of diverse backgrounds and faiths, nurturing their social and spiritual development.
- Foster a generous contribution to charity, community service and society.

Leicester Grammar Junior School:

The school aims to:

- Promote intellectual curiosity and a lifelong love of learning.
- Offer an extensive range of experiences which broaden the curriculum and develop the pupil.
- Create a stimulating, happy and supportive community where each pupil is allowed to flourish.
- Care for the mental and emotional well-being, promoting a healthy lifestyle and nurturing self-esteem.
- Enable the moral and spiritual well-being of each pupil to grow and thrive.

LGS Stoneygate:

The school aims to:

- Inspire intellectual curiosity and creativity.
- Provide a broad, balanced and stimulating curriculum and co-curricular programme.
- Enable pupils to achieve their academic and personal goals.
- Nurture self-esteem, well-being, and kindness within and beyond the school community.
- Equip our pupils as confident and proud global citizens who foster inclusion, collaboration and charity across cultures.

Vision: The school communities within the Trust will thrive through the following strategic objectives for 2024-27:

Inspiring learning (Teaching, learning and attainment)

- Benefit from developments in technology and pedagogy which support or enhance teaching and learning.
- Grow expert, inquisitive and collaborative staff, whose teaching results in high levels of engagement and attainment.

Stimulating curriculum (Curriculum and co-curriculum)

- Explore opportunities to enhance the curriculum, so that it best prepares adaptable and ambitious learners.
- Ensure a broad and attractive co-curricular programme, which supports pupils' holistic development.

Care and community (Pupils' well-being, support and guidance; staff professional development and well-being)

- Further develop strategies to equip and support all members of our community.
- Ensure the recruitment and professional development of highly valued, supported and caring staff.

Appeal and outreach (Marketing, admissions, outreach, fundraising and communications)

- Ensure effective marketing of our family of schools, building further loyalty to our brand.
- Be an ethically and environmentally responsible member of our local, national and global communities.

Environment and provision (Resources and facilities)

- Ensure adequate funding to refurbish and develop facilities according to educational need and aspiration.
- Maintain sufficient financial resource to invest appropriately in people, equipment and opportunities.

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2025

Trustees' Responsibilities Statement

The Trustees (who are also directors of Leicester Grammar School for the purposes of company law) are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees of Leicester Grammar School Trust on 8 December 2025, including the Strategic Report contained therein, and signed on its behalf by:



Mrs J Burns
Vice Chair (Academic) of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER GRAMMAR SCHOOL TRUST FOR THE YEAR ENDED 31 JULY 2025

Opinion

We have audited the financial statements of Leicester Grammar School Trust ('the company') for the year ended 31 July 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the audit of the financial statements

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

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

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

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

Jonathan Aikens

Jonathan Aikens (Senior Statutory Auditor)
for and on behalf of Moore Kingslon Smith LLP, Statutory Auditor

8 DECEMBER 2015.

6th Floor
9 Appold Street
London
EC2A 2AP

Leicester Grammar School Trust

STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure statement) for the year ended 31 July 2025

	Notes	Unrestricted / Designated funds £	Restricted funds £	Endowment fund £	Total 2025 £	Total 2024 £
INCOME FROM:						
Charitable Activities						
School fees	4	21,819,228	-	-	21,819,228	21,365,025
Other educational income	5	1,462,675	-	-	1,462,675	1,471,865
Other income						
Other trading income		1,056	-	-	1,056	-
Other activities	6	(11,705)	-	-	(11,705)	147,700
Investments						
Investment Income	7	196,387	-	15,901	212,288	134,239
Voluntary sources						
Grants and donations	8	-	83,019	-	83,019	374,431
Total income and endowments		23,467,641	83,019	15,901	23,566,561	23,493,260
EXPENDITURE ON:						
Charitable activities						
Schools operations	9	23,124,448	71,390	20,374	23,216,212	22,328,739
Total expenditure	9	23,124,448	71,390	20,374	23,216,212	22,328,739
Net operating income/(expenditure)		343,193	11,629	(4,473)	350,349	1,164,521
Net gains/(losses) on investments		18,318	-	9,269	27,587	45,500
Net income/(expenditure) and net movement in funds		361,511	11,629	4,796	377,936	1,210,021
Fund balances brought forward		17,814,174	287,213	767,250	18,868,637	17,658,616
Fund balances carried forward	18	18,175,685	298,842	772,046	19,246,573	18,868,637

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

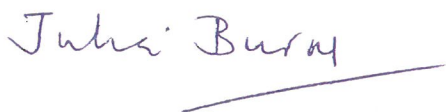
The accompanying notes form part of these financial statements.

Leicester Grammar School Trust

BALANCE SHEET as at 31 July 2025

	Notes	2025 £	2024 as restated £
FIXED ASSETS			
Tangible assets	13	28,207,883	27,634,490
Investments	14	740,734	720,249
		<u>28,948,617</u>	<u>28,354,739</u>
CURRENT ASSETS			
Stocks		6,820	7,782
Debtors	15	2,029,225	1,642,121
Cash at bank and in hand		3,711,235	6,757,881
		<u>5,747,280</u>	<u>8,407,784</u>
CREDITORS: Amounts falling due within one year	16	(4,802,532)	(5,077,528)
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES			
		29,893,365	31,684,995
CREDITORS: Amounts falling due after more than one year	17	(10,646,792)	(12,816,358)
NET ASSETS			
		<u>19,246,573</u>	<u>18,868,637</u>
FUNDS			
Restricted funds	18	298,842	287,213
Unrestricted funds – general	18	18,175,685	17,814,174
Endowment fund	18	772,046	767,250
		<u>19,246,573</u>	<u>18,868,637</u>

Approved and authorised for issue by the Board of Trustees on 8 December 2025 and signed on their behalf by:



Mrs J Burns
Vice Chair (Academic) of the Board of Trustees



Mr M R Bulsara
Vice Chair (Financial) of the Board of Trustees

The accompanying notes form part of these financial statements.
Company Number: 01521751

Leicester Grammar School Trust

CASHFLOW STATEMENT

for the year ended 31 July 2025

CASH FLOW STATEMENT	2025	2024
	£	£
Net cash inflow from operating activities	989,031	7,012,269
Cash flows from investing activities:		
Bank interest and investment income received	212,288	134,239
Purchase of investments	(57,590)	(52,786)
Proceeds from sale of investments	46,462	36,214
Payments to acquire fixed assets	(2,231,648)	(1,488,504)
Proceeds from sale of fixed assets	-	7,700
Cash transfer between investments and cash	7,101	-
Net cash outflow from investing activities	<u>(2,023,387)</u>	<u>(1,363,137)</u>
Financing:		
Loans repaid	(1,145,596)	(1,895,438)
Interest paid	(866,694)	(972,735)
Net cash outflow from financing activities	<u>(2,012,290)</u>	<u>(2,868,173)</u>
(Decrease)/increase in cash	(3,046,646)	2,780,959
Cash and cash equivalents at the beginning of the reporting period	<u>6,757,881</u>	<u>3,976,922</u>
Cash and cash equivalents at the end of the reporting period	<u><u>3,711,235</u></u>	<u><u>6,757,881</u></u>

RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025	2024
	£	£
Reconciliation of operating result to net cash inflow from operating activities		
Net movement in funds	377,936	1,210,021
Gains on investments	(16,458)	(45,500)
Depreciation	1,309,631	1,316,666
Bank interest and investment income received	(212,288)	(134,239)
Interest payable	866,694	972,735
Non cash changes to fixed assets for VAT	348,624	-
(Decrease)/increase in creditors	(1,298,966)	4,080,273
(Increase)/Decrease in debtors	(387,104)	(387,488)
Decrease/(increase) in stocks	962	(199)
	<u>989,031</u>	<u>7,012,269</u>

NET DEBT RECONCILIATION

	At 1 August		Other non-cash changes	At 31 July
	2024	Cashflows		2025
	£	£	£	£
Cash at bank and in hand	6,757,881	(3,046,646)	-	3,711,235
Bank loans falling due < 1 year	1,211,779	-	(4,397)	1,207,382
Bank loans falling due 1 - 5 years	5,213,155	-	88,441	5,301,596
Bank loans falling due > 5 years	5,151,841	-	(1,229,640)	3,922,201

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2025

1 COMPANY INFORMATION

Leicester Grammar School Trust is a company limited by guarantee with registered number 01521751, incorporated and domiciled in England and Wales. Its registered office is London Road, Great Glen, Leicester, LE8 9FL.

2 ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011. Leicester Grammar School Trust meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

2.2 GOING CONCERN

The accounts have been prepared on a going concern basis. The Leicester Grammar School Trust Board reviews the financial information for the charitable company and consider whether the charitable company is a going concern for a period of at least 12 months from the date of approval of the accounts. After making enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

2.3 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee, the guarantors at the present time being the Trustees, to the extent of £1 each.

2.4 FEES RECEIVABLE AND SIMILAR INCOME

Fees receivable and other educational income are accounted for in the period in which the service is provided net of VAT. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school. Fees received in advance of education to be provided in future years under an Advance Fee Payments Scheme contract are included in liabilities until either taken to income in the term when used or refunded.

2.5 ANCILLARY AND NON-ANCILLARY TRADING INCOME

Ancillary trading income represents amounts from activities to generate funds within the charitable objects for example, school refectory sales, coaches to and from school and school trips. Non-ancillary trading income represents amounts from activities not directly related to the charitable objects, for example lettings of school facilities. Income from these activities is recognised in the statement of financial activities when the goods are sold or services provided.

2.6 GRANTS AND DONATIONS

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can reliably be quantified and the economic benefit is considered probable.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS

for the year ended 31 July 2025

2.7 FUND ACCOUNTING

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity. Endowment funds are further sub-divided into permanent and expendable, where required by the terms of the trust.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and have not been designated for other purposes.

2.8 EXPENDITURE

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs comprise the costs of running the Trust, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

2.9 FIXED ASSETS AND DEPRECIATION

In accordance with Section 35.10 (d) of FRS102, Leicester Grammar School has elected to use the carrying value of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost at the date of transition to FRS102, 1 August 2014.

Tangible fixed assets are stated at cost less depreciation.

Where tangible fixed assets have been acquired with the aid of specific grants they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset based on current market prices, over its expected useful life, as follows:

Freehold land	- Not depreciated
Freehold	- 2% to 20% per annum on cost
Computers and equipment	- 25% on cost
Fixtures and	- 12.5% to 33% on cost

Leicester Grammar School Trust exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS

for the year ended 31 July 2025

2.10 INVESTMENT

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at market value at the Balance Sheet date, unless market value cannot be measured reliably in which case it is measured at cost less impairment.

Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate fund according to the 'ownership' of the underlying assets. Realised gains and losses are the difference between sales proceeds and opening market value where the investment was held at the beginning of the year, or sales proceeds less cost of purchase where the investment was acquired in the year. Uninvested cash is the balance of liquid cash, held as an investment, which has not been invested in securities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in net gains/(losses) on investments in the Statement of Financial Activities.

2.11 STOCKS

Stocks are stated at the lower of cost or net realisable value.

2.12 PENSIONS

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and Skills.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

The Trust also pays contributions into a defined contribution schemes for support staff and teachers. The assets of the schemes are held separately from those of the Trust in independently administered funds. The Pension schemes charges represents contributions payable by the Trust in accordance with the rules of the Scheme.

2.13 LEASES AND HIRE PURCHASE CONTRACTS

Where assets are financed by finance leases and hire purchase agreements the assets are included in the Balance Sheet at cost less depreciation in accordance with the school's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the Statement of Financial Activities over the period of the lease in proportion to the balance of capital payments outstanding.

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

2.14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of 100 days or less.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS

for the year ended 31 July 2025.

2.15 FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. Given the School only have basic financial instruments it is not considered necessary to disclose these separately in the financial statements.

2.16 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

2.17 FOREIGN CURRENCY TRANSLATION

The charity's presentation currency is Pounds Sterling. Transactions occurring in foreign currency throughout the year have been translated using publicly available average exchange rates.

Monetary assets and liabilities are denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. All foreign currency differences are recognised in expenditure.

3 KEY ESTIMATES & JUDGEMENTS

In the application of the accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 on-going 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 affects both current and future periods.

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the opinion of the trustees, no estimates and assumptions have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2025

4 FEE INCOME

The School's activities are carried out within the UK.
The school's fee income comprised:

	2025	2024
	£	£
Gross fees	23,515,448	23,176,103
Less: Discounts, Scholarships and bursaries	(1,696,220)	(1,811,078)
Total bursaries and awards	<u>21,819,228</u>	<u>21,365,025</u>

Leicester Grammar School Trust makes awards to individual families to support schooling.

	2025	2024
	£	£
From Unrestricted Funds:		
Bursaries	832,219	811,443
Scholarships and awards	90,534	112,395
Other discounts	773,467	887,240
	<u>1,696,220</u>	<u>1,811,078</u>

All fee income is unrestricted.

5 OTHER EDUCATIONAL INCOME

Extras and disbursements:

Canteen receipts, bus fares and after school care
Sundry income

	2025	2024
	£	£
Canteen receipts, bus fares and after school care	1,124,328	1,143,989
Sundry income	338,347	327,876
	<u>1,462,675</u>	<u>1,471,865</u>

All other educational income is unrestricted.

6 OTHER INCOME

Insurance reclaim

Profit on disposal of fixed assets

	2025	2024
	£	£
Insurance reclaim	(11,705)	140,000
Profit on disposal of fixed assets	-	7,700
	<u>(11,705)</u>	<u>147,700</u>

7 INVESTMENT INCOME

Interest received and other investment income

	2025	2024
	£	£
Interest received and other investment income	212,288	134,239
	<u>212,288</u>	<u>134,239</u>

Included within the above is an amount of £15,903 (2024: £15,624) which relates to endowment income. All other investment income is unrestricted.

8 DONATIONS AND GRANTS

Donations and gifts from LGS Enterprises Limited
Other donations

	2025	2024
	£	£
Donations and gifts from LGS Enterprises Limited	59,640	94,877
Other donations	23,379	279,554
	<u>83,019</u>	<u>374,431</u>

Included within the above is an amount of £83,019 (2024: £373,641) which relates to restricted income. All other donation and grant income is unrestricted.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS
for the year ended 31 July 2025

9 EXPENDITURE

(a) Charitable expenditure	Staff costs (note 10) £	Other Costs £	Depreciation £	Total 2025 £
Teaching	11,738,022	3,104,774	965,148	15,807,944
Welfare	1,046,982	729,294	88,780	1,865,056
Premises and Estates	493,973	1,677,626	41,887	2,213,486
Administration and governance	2,164,409	951,501	213,816	3,329,726
Total Charitable Expenditure	15,443,386	6,463,195	1,309,631	23,216,212
Total Expended	15,443,386	6,463,195	1,309,631	23,216,212

Included within teaching costs is an amount of £71,390 (2024: £95,042) relating to restricted expenditure.

Charitable expenditure	Staff costs (note 10) £	Other £	Depreciation £	Total 2024 £
Teaching	11,137,687	3,640,990	1,015,429	15,794,106
Welfare	1,032,861	685,987	94,166	1,813,014
Premises and Estates	466,881	1,400,606	42,566	1,910,053
Administration and governance	1,804,368	842,693	164,505	2,811,566
Total Charitable Expenditure	14,441,797	6,570,276	1,316,666	22,328,739
Total Expended	14,441,797	6,570,276	1,316,666	22,328,739

(b) Other Governance Costs included within Administration Costs:	2025 £	2024 £
Auditors' remuneration		
- Audit Fees	16,820	16,300
- Other Auditors remuneration	8,674	4,700
Legal and Professional Fees	25,494	21,000

(c) Administration Costs	2025 £	2024 £
Staff costs	2,164,409	1,804,368
IT support and lease costs	288,129	313,939
Postage, stationery and telephones	172,232	213,913
Legal and Professional Fees	117,270	157,884
Other Administration Costs	348,376	135,957
	3,304,232	2,790,566

NET INCOME FOR THE YEAR	2025 £	2024 £
Net income is stated after charging:		
Depreciation of tangible fixed assets	1,309,631	1,316,666
Loan Interest	866,694	972,735
Operating lease rentals – other	43,988	48,631

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2025

10 STAFF COSTS	2025 £	2024 £
Wages and salaries	11,772,170	11,216,113
Social security costs	1,256,546	1,104,387
Other pension costs	2,414,670	2,121,297
	<u>15,443,386</u>	<u>14,441,797</u>

Wages and salaries includes £102,905 (2024: £25,000) in relation to termination payments made in the year.

The average monthly number of employees during the year was as follows:	2025 No.	2024 No.
Teaching	177	170
Office and non-teaching staff	132	130
	<u>309</u>	<u>300</u>

The number of employees whose emoluments amounted to over £60,000 in the

	2025 No.	2024 No.
£60,000 - £70,000	13	5
£70,001 - £80,000	1	3
£80,001 - £90,000	2	2
£90,001 - £100,000	3	-
£130,001 - £140,000	-	-
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-
£180,001 - £190,000	-	1
£190,001 - £200,000	1	-
	<u>21</u>	<u>12</u>

Pension contributions for the year amounted to £430,242 (2024: £266,220) for the above employees.

Key management personnel consist of the senior management team. During the year, the total employee benefits (including pension and Employer National Insurance contributions) totalled £1,168,866 (2024: £1,110,112).

11 TRUSTEES REMUNERATION AND BENEFITS

There were no Trustees' remuneration, expenditure reimbursement or other benefits for the year ended 31 July 2025 nor for the year ended 31 July 2024.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS
for the year ended 31 July 2025

12 PENSIONS

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £ 2,235,182 (2024: £1,963,814) and at the year-end £227,194 (2024 - £187,859) was accrued in respect of contributions to this scheme.

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

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

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

13 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Furniture, Fixtures & Fittings & Equipment £	Computers £	Motor Vehicles £	Total £
Cost:					
At 1 August 2024	37,805,856	1,909,882	1,502,896	281,411	41,500,045
Additions	1,925,969	145,801	123,941	35,937	2,231,648
Disposals	(142,787)	(321,808)	(262,600)	(41,610)	(768,805)
	<u>39,589,038</u>	<u>1,733,875</u>	<u>1,364,237</u>	<u>275,738</u>	<u>42,962,888</u>
At 31 July 2025					
Depreciation:					
At 1 August 2024	11,318,099	1,395,152	1,037,322	114,982	13,865,555
Charge for year	907,713	171,455	158,761	71,701	1,309,630
Disposals	-	(215,773)	(193,007)	(11,400)	(420,180)
	<u>12,225,812</u>	<u>1,350,834</u>	<u>1,003,076</u>	<u>175,283</u>	<u>14,755,005</u>
At 31 July 2025					
Net book value:					
At 31 July 2025	<u>27,363,226</u>	<u>383,041</u>	<u>361,161</u>	<u>100,455</u>	<u>28,207,883</u>
At 1 August 2024	<u>26,487,757</u>	<u>514,730</u>	<u>465,574</u>	<u>166,429</u>	<u>27,634,490</u>

All assets are used for charitable purposes.

During the year the Trust put in a VAT pre-registration claim. This has resulted in part disposals of £300,515 (2024: £0) and associated depreciation of £92,199 (2024: £0).

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2025

14 INVESTMENTS

	Shares in group undertakings	Listed investments	Investment Property	2025	2024
	£	£	£	£	£
Cost/valuation At 1 August 2024	1	433,147	280,000	713,148	665,875
Additions	-	57,590	-	57,590	52,786
Disposals	-	(46,462)	-	(46,462)	(48,741)
Gains/(Losses) arising from movements in valuations	-	16,458	-	16,458	50,329
Cost/valuation At 31 July 2025	1	460,733	280,000	740,734	720,249
UK fixed interest	-	31,087	-	31,087	34,754
UK equities	1	63,251	-	63,252	73,776
International equities	-	351,360	-	351,360	304,043
Property	-	6,786	280,000	286,766	287,326
Other investments	-	8,269	-	8,269	20,350
	1	460,733	280,000	740,734	720,249

Investment gains shown on the Statement of Financial Activities of £16,457 (2024: £45,500) include unrealised gains on investments of £22,078 (2024: £50,329) and realised losses on investment of £5,621 (2024: £4,829).

Leicester Grammar School Trust owns 100% of the ordinary share capital of LGS Enterprises Ltd (registered number: 06419726) a company registered in England and Wales with a registered office of Leicester Grammar School, London Road, Great Glen, Leicester, LE8 9FL. The principal activities of LGS Enterprises Ltd are the hiring out of the School facilities and the running of the café. It is intended that profits made by the company will be donated to the Trust unless required for the furtherance of LGS Enterprise Ltd's own trading activities.

For the year ended 31 July 2025 LGS Enterprises Ltd made a gift-aid donation of £59,640 (2024: £94,877) and had capital and reserves of £76,217 (2024: £51,247).

The Trustees provided an initial working capital loan to LGS Enterprises Ltd to cover essential set-up costs and have advanced a further loan to finance the construction of the café. Loans are secured on the assets of that company and interest is charged at 6%. The Trustees have reviewed the financial forecast of the company for further years and are satisfied that it is a going concern and that it is expected to generate a profit before donations during 2025/26 and thereafter. Consolidated accounts have not been prepared on the grounds of materiality.

Investment property	2025	2024
	£	£
Valuation at 1 August 2024	280,000	280,000
Valuation at 31 July 2025	280,000	280,000

Investment properties consist of the Lodge/Gatehouse property at LGS Stonegate held for investment purposes and which are not used in the Trust's own activities, primarily a residential house which is let out on the open market. Leicester Grammar School Trust is responsible for improvements and maintenance of the properties.

A formal valuation of the property was prepared by Newton Fallowell as 30 September 2025. The Trustees have assessed and agreed the valuation of the property in 2025.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2025

15 DEBTORS	2025	2024
	£	£
Trade debtors	987,116	765,797
Other debtors	299,816	-
Prepayments and accrued income	407,087	458,974
Amount due from group undertaking	335,206	417,350
	<u>2,029,225</u>	<u>1,642,121</u>
16 CREDITORS	2025	2024
Amounts falling due within one year:	£	£
Loans	1,207,382	1,211,779
Trade creditors	850,931	611,973
Taxation and social security costs	308,795	274,518
Fee Deposits	50,124	32,100
Fees in advance	1,343,152	2,076,916
Other creditors	403,198	575,663
Accruals and deferred income	638,950	294,579
	<u>4,802,532</u>	<u>5,077,528</u>
17 CREDITORS DUE AFTER ONE YEAR	2025	2024
Amounts falling due after more than one year:	£	£
Bank loan	9,223,797	10,364,996
School fee deposits	418,521	431,348
Fees in advance	1,004,474	2,020,014
	<u>10,646,792</u>	<u>12,816,358</u>
	2025	2024
	£	£
Loans due in:		
In one year or less	1,207,382	1,211,779
Between one and two years	1,277,175	1,281,572
Between two and five years	4,024,421	3,931,583
After five years	3,922,201	5,151,841
	<u>10,431,179</u>	<u>11,576,775</u>

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2025

17 CREDITORS DUE AFTER ONE YEAR (continued)

At 31 July 2025 the Trust had two bank loans secured by a debenture over the assets of the charity. The original loan was repayable in equal quarterly instalments. Interest was payable at 7.77% until January 2025 and thereafter at a SONIA rate plus 2.55%. The second loan was repayable in monthly instalments. Interest is payable at bank base rate plus 2.95%.

Subsequent to the year end, the Trust entered into a new loan facility with Barclays Bank. Further details are provided in the Post Balance Sheet Events note.

	2025	2024
	£	£
Fees in advance due :		
Brought forwards	4,096,930	275,994
Released in the year	(2,076,916)	(275,994)
Received in year	<u>327,612</u>	<u>4,096,930</u>
	<u>2,347,626</u>	<u>4,096,930</u>

Parents may enter into an agreement to pay the school a number of years tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the school, advance fees will be released as they fall due.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2025

18 STATEMENT OF FUNDS

	At 1 August 2024	Income	Expenditure	Gains/ (losses)	At 31 July 2025
	£	£	£	£	£
Unrestricted funds:					
General reserve	17,814,174	23,467,641	(23,124,448)	18,318	18,175,685
Restricted funds:					
Vestments	61	-	(61)	-	-
Chapel Fund	205	-	(205)	-	-
Neville Hall Travel Fund	4,094	-	-	-	4,094
Other small prize funds	2,739	550	(190)	-	3,099
Bursary donations	264,000	5,850	-	-	269,850
Singing Prize	650	-	(15)	-	635
LGJS Friends	-	10,000	(10,000)	-	-
LGSS Friends	-	1,279	(1,279)	-	-
St Nicholas Hall acoustic fundraiser	15,464	5,700	-	-	21,164
General Bursaries Fund	-	59,640	(59,640)	-	-
Total restricted	287,213	83,019	(71,390)	-	298,842
Endowment Bursary funds:					
Edward Smith Fund	29,708	429	(1,519)	2,609	31,227
Mrs M E Smith Fund	11,428	1,405	(1,405)	-	11,428
Parent donations	4,574	91	(91)	-	4,574
Bishop Mort fund	10,000	200	(200)	-	10,000
The Hon Lady A Brooks	45,391	689	(2,132)	3,454	47,402
Edith Murphy Foundation	10,000	200	(200)	-	10,000
John Higginbotham Fund	18,000	360	(360)	-	18,000
Telereal Trillium Fund	600,000	12,000	(12,000)	-	600,000
Margaret Float Travel Fund	36,508	527	(1,867)	3,206	38,374
Margaret Float Travel Cash	1,641	-	(600)	-	1,041
Total endowment	767,250	15,901	(20,374)	9,269	772,046
Total funds	18,868,637	23,566,561	(23,216,212)	27,587	19,246,573

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS
for the year ended 31 July 2025

18 STATEMENT OF FUNDS (Continued)

	At 1 August 2023	Income	Expenditure	Gains/ (losses)	At 31 July 2024
	£	£	£	£	£
Unrestricted funds:					
General reserve	16,893,258	23,103,995	(22,208,814)	25,735	17,814,174
Restricted funds:					
Vestments	61	-	-	-	61
Chapel Fund	205	-	-	-	205
Neville Hall Travel Fund	4,094	-	-	-	4,094
Other small prize funds	2,904	-	(165)	-	2,739
Bursary donations	-	264,000	-	-	264,000
Singing Prize	650	-	-	-	650
LGJS Friends	-	-	-	-	-
St Nicholas Hall acoustic fundraiser	700	14,764	-	-	15,464
General Bursaries Fund	-	94,877	(94,877)	-	-
Total restricted	8,614	373,641	(95,042)	-	287,213
Endowment Bursary funds:					
Edward Smith Fund	26,751	351	(2,957)	5,563	29,708
Mrs M E Smith Fund	11,428	1,405	(1,405)	-	11,428
Parent donations	4,574	91	(91)	-	4,574
Bishop Mort fund	10,000	200	(200)	-	10,000
The Hon Lady A Brooks	41,476	586	(4,036)	7,365	45,391
Edith Murphy Foundation	10,000	200	(200)	-	10,000
John Higginbotham Fund	18,000	360	(360)	-	18,000
Telereal Trillium Fund	600,000	12,000	(12,000)	-	600,000
Margaret Float Travel Fund	32,874	431	(3,634)	6,837	36,508
Margaret Float Travel Cash	1,641	-	-	-	1,641
Total endowment	756,744	15,624	(24,883)	19,765	767,250
Total funds	17,658,616	23,493,260	(22,328,739)	45,500	18,868,637

Restricted funds

Endowment Bursary funds are established to provide means tested bursary funds to enable pupils to attend the school who would not otherwise be able to.

Other small prize funds comprise 14 individual funds, which are established to provide a school prize, annually, out of income.

General bursary support for pupils is provided by the Telereal Trillium Fund; The Hon Lady A Brooks fund; Mrs M E Smith Fund; Edith Murphy Foundation and parent donations.

Specific bursary support for pupils is provided by the Edward Smith Fund (pupils applying to year 7); Bishop Mort Fund (pupil hardship); John Higginbotham Fund (Music tuition); and Margaret Float Travel Fund/Cash (supporting sixth form students).

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2025

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted funds £	Restricted funds £	Endowment fund £	2025 Total £
Tangible fixed assets	28,207,883	-	-	28,207,883
Investments	631,930	-	108,804	740,734
Current assets	4,785,196	298,842	663,242	5,747,280
Current liabilities	(4,802,532)	-	-	(4,802,532)
Long term liabilities	(10,646,792)	-	-	(10,646,792)
Total net assets	18,175,685	298,842	772,046	19,246,573
	Unrestricted funds £	Restricted funds £	Endowment fund £	2024 Total £
Tangible fixed assets	27,634,490	-	-	27,634,490
Investments	612,121	-	108,128	720,249
Current assets	7,461,449	287,213	659,122	8,407,784
Current liabilities	(5,077,528)	-	-	(5,077,528)
Long term liabilities	(12,816,358)	-	-	(12,816,358)
Total net assets (as restated)	17,814,174	287,213	767,250	18,868,637

20 COMMITMENTS UNDER OPERATING LEASES

At 31 July 2025, the Trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025	2024
Due within one year	28,437	71,651
Due between two and five years	70,077	27,075
Due after more than five years	-	65,072
	98,514	163,798

21 RELATED PARTIES

There were no related party transactions during the year (2024: none).

22 POST BALANCE SHEET EVENTS

After the year end, The Trust entered into new loan facilities with Barclays Bank for £12.0m to replace the current facilities provided by Natwest. This facilities were not in place at the balance sheet date and therefore have not been recognised in these financial statements.

23 CAPITAL COMMITMENTS

At 31 July 2025, The Trust had contracted capital commitments of £1,246,675 (2024: £nil) in respect of the construction of a new sports hall at Stoneygate. These amounts were not provided for in the financial statements.

24 TAXATION

The Trust is a registered charity and therefore no liability to taxation arises on its charitable activities.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS
for the year ended 31 July 2025

25 SHARE CAPITAL

The company is limited by guarantee and does not have any share capital. The liability of the members of the Trust is limited to £1 each.

26 PRIOR YEAR RESTATEMENT

Prior year figures for the fees in advance creditor has been restated for the split between that due in less than one year and greater than one year. An additional £1,012,079 has been moved from due in greater than one year to due in less than one year.

LEICESTER GRAMMAR SCHOOL TRUST

England & Wales - Charity number 510809

Accounts

Company Registration No. 01521751
Charity Registration No. 510809

LEICESTER GRAMMAR SCHOOL TRUST

**TRUSTEES' REPORT
AND
STATEMENT OF ACCOUNTS**

**FOR THE YEAR ENDED
31 JULY 2024**

WEDNESDAY



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COMPANIES HOUSE

LEICESTER GRAMMAR SCHOOL TRUST

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LEICESTER GRAMMAR SCHOOL TRUST

Legal and administrative information

Charity Trustees

The Trustees of Leicester Grammar School Trust are also company directors, and carry the responsibilities accorded to them by the Charity Commission and under Company Law. They have all served in office throughout the year except where indicated:

Mrs E M Bailey (resigned 3 September 2024)
Mr M R Bulsara
Mrs J Burns (Vice chair, Academic)
Mr N Feldmann (appointed 13 March 2024)
Mr S Gasztowicz (Chairman)
Mr D C Green
Dr S E Hadley
Mr M J Holley (Vice chair, Financial)
Mr N J M Imlach (resigned 26 June 2024)
Dr D I Khoosal
Mrs K Law
Mr A P M Osiatynski
Dr R S P Saigal
Professor J M Saker
The Ven R V Worsfold

Committees and sub-committees of the Board of Trustees

The following Trustees served on committees and sub-committees of the Board during the year:

Education Committee:

Mrs J Burns (committee Chairman)
Mrs E M Bailey
Mr S Gasztowicz
Mr A P M Osiatynski
Dr R S P Saigal

Finance and General Purposes Committee:

Mr M J Holley (committee Chairman)
Mrs E M Bailey
Mr M R Bulsara
Mr S Gasztowicz
Mr D C Green
Mr N J M Imlach

Bursaries, Scholarships and Public Benefit Sub-Committee:

Mrs E M Bailey (sub-committee Chairman)
Mr M R Bulsara

Health and Safety Committee:

Professor J M Saker (committee Chairman)
Dr D I Khoosal
Dr S E Hadley

Nominations and Governance Committee:

Mr S Gasztowicz (committee Chairman)
Mrs J Burns
Mr M J Holley

Safeguarding and Well-being Committee:

Dr S E Hadley (committee Chairman)
Mr A P M Osiatynski
The Ven R V Worsfold

LEICESTER GRAMMAR SCHOOL TRUST

Legal and administrative information cont.

Salaries Review Committee:

Mr S Gasztowicz (committee Chairman)

Mrs J Burns

Mr M J Holley

The Board is a self-appointing body. One third of the Board is required to retire by rotation, each year. Board members are eligible to stand for re-election at the end of a term of office.

Officers

Headmaster of Leicester Grammar School and Principal of Leicester Grammar School Trust: Mr J W Watson

Headmistress of Leicester Grammar Junior School: Mrs S V Ashworth Jones

Headmistress of LGS Stoneygate: Mrs C J McCullough

Director of Finance and Operations and Company Secretary: Mr S J Jeffries

Addresses

Leicester Grammar School and Leicester Grammar Junior School

London Road

Great Glen

Leicester

LE8 9FL

(School and registered office)

LGS Stoneygate

6 London Road

Great Glen

Leicester

LE8 9DT

Websites: www.leicestergrammar.org.uk

www.lgs-stoneygate.org.uk

Auditors

Moore Kingston Smith

6th Floor

9 Appold Street

London

EC2A 2AP

Bankers

NatWest

1 Granby Street

Leicester

LE1 9GT

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2024

The Trustees present their report and financial statements for the year ended 31 July 2024 and confirm they comply with the requirements of the Charities Act 2011, including the Directors' and Strategic Report under the Companies Act 2006.

Reference and Administrative Information

The Charity was founded in 1980 and is registered with the Charity Commission under charity number 510809.

Leicester Grammar School Trust is also a company limited by guarantee, registered under company number 01521751.

The Trustees, executive officers and principal address of the Charity are as listed on page 1 and 2. Particulars of the Charity's professional advisers are given on page 2.

Structure, Governance and Management

Governing Document

The Charity is governed by its Memorandum and Articles dating from 13 October 1980 and last amended on 3 December 2014.

Governing Bodies

The Charity operates three schools, Leicester Grammar School, Leicester Grammar Junior School and LGS Stoneygate.

There is a single Governing body, being the Charity Trustees, the details of which are explained on page 1.

Recruitment and Training of Trustees

The Charity's elected Trustees are appointed at a meeting of the Board of Leicester Grammar School Trust, on the basis of recommendations made by the Nominations and Governance Committee, a committee of the Board. The committee considers eligibility, skills and commitment when advising the Board and endeavours to ensure that the Board contains an appropriate balance of skills.

New Trustees receive a pack of written information as well as visiting all three schools and meeting with key officers and the Chairman of the Board. A skills audit is performed to identify individual training needs of Trustees and also any areas where additional expertise may need to be added to the Board. Trustees are also encouraged to assess their own training needs and individual Trustees attend courses as required.

Organisational Management

The Trustees are legally responsible for the overall management and control of the three Schools. The Board of Trustees meets at least four times each year.

The Education Committee meets once per term. This committee oversees the curriculum, teaching and learning and educational policy across the three Schools.

The Finance and General Purposes Committee meets four times a year. This committee oversees the implementation of certain Board policies, and also undertakes detailed reviews before making recommendations to the Board. The committee is chaired by a Trustee who is not Chairman of the full Board. The Bursaries, Scholarships and Public Benefit Sub-Committee meets to review applications and policy in detail typically twice each year.

The Safeguarding and Well-being Committee meets once per term. The committee reviews and monitors policies and procedures related to safeguarding and the well-being of pupils at all three Schools.

The Health and Safety Committee meets once per term and reviews health and safety policies and procedures at all three Schools.

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The Nominations and Governance Committee meets as and when required, but usually once a year. It considers the composition of the Board and applications from prospective Trustees. The Salaries Review Committee meets periodically to consider salaries payable to the Senior Leadership Team.

The day to day running of the schools is delegated to the respective Heads supported by their Senior Leadership Teams together with the Director of Finance and Operations. The Head Teachers and the Director of Finance and Operations attend meetings of the Board and its committees and sub-committees.

Key Management Personnel are considered to be the Principal and Headmaster of Leicester Grammar School, the Director of Finance and Operations, the Heads of Leicester Grammar Junior School and LGS Stoneygate, and the Deputy Heads of Leicester Grammar School. The remuneration of this senior staff group is determined by the Salaries Review Committee of the Board of Trustees with reference to appraisal records and benchmarking.

Objects, Aims, Objectives and Activities

Charitable Objects

The Trust's Objects, as set out in its Memorandum and Articles, are the advancement of education, through a school or schools, run according to Christian principles.

Aims and Intended Impact

Within these Objects the Trust's aim is to provide an excellent education for pupils of high academic ability, regardless of their financial means. The Trust aims to provide for the pupils' general instruction of high standard and quality, including physical, moral and religious education and to provide an environment where each pupil can develop his or her talents to the full.

Objectives for the Year

In setting objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing education and on fee-charging.

The maintenance of academic progress, underpinned by individual pastoral care and a strong sense of community, has been a key focus. Academic excellence is complemented by an emphasis on sport, music, drama and co-curricular activities, ensuring a rounded education for pupils of all ages.

The Trust remains committed to enrolling able children from all backgrounds regardless of ability to pay the fees and aims to play a full part in the life of the local, regional and indeed national community.

A key objective for the Trust for 2023-24 was to maintain pupil numbers despite understandable parental concerns over the ongoing affordability of school fees given the stated policy to charge VAT on school fees and to remove relief from Business Rates of the likely incoming government in advance of the July 2024 General Election.

Strategies to Achieve the Year's Objectives

The Trustees worked with senior leaders to ensure that pupils continued to achieve very well relative to their abilities, supported by enhancement of the academic programme and a clear focus on well-being. This approach was reflected in a successful inspection for Leicester Grammar School and the Junior School, while the former was one of eight national finalists for the TES award of Independent Senior School of the Year. It was also crowned East Midlands Independent Senior School of the Year in 2024. An emphasis on shared values ensures that we nurture well-rounded and generous human beings in all our schools.

Provision of means-tested bursaries remains a priority for the Trust, in order to ensure that the school is accessible to pupils from a wide range of backgrounds. The Trust continues to seek funding for additional bursaries and has a subsidiary company, LGS Enterprises Limited, which was established to generate additional income.

The Trustees continue to raise the profile of the schools and to extend outreach and partnership activities in order to attract applications from able candidates, regardless of financial means.

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The Trust continues to foster links with the local community, not only by making its facilities available to local schools, groups and organisations but also through an increase in outreach and partnership activity.

Principal Activities of the Year

The Trust principally provides education to boys and girls from the age of 3 to 18.

The Trust continues to operate three schools.

Two of the schools are based on a shared site in Great Glen, Leicestershire: Leicester Grammar School for pupils aged 10-18 and Leicester Grammar Junior School for pupils aged 3-11. During the year Leicester Grammar School averaged 881 (2022-23: 879) pupils and Leicester Grammar Junior School averaged 411 (2022-23: 418) pupils. Both schools operate broadly at capacity.

The Trust also operates LGS Stoneygate, also situated in Great Glen, Leicestershire on a separate 45 acre site. During the year Stoneygate averaged 221 (2022-23: 227) pupils. The school offers high-quality education with a distinctive ethos, supported by attentive governance and management provided by the Trust.

The consolidation of pupil numbers at Stoneygate has resulted from clarification and redefinition of the senior school curriculum and more intensive admissions activity and marketing. It is the aim of Trustees to increase the pupil roll further and there are plans to invest in the school, with the construction of a sports hall, planned for 2025 - a key priority.

The Trust has continued to manage its finances carefully over the last year and a surplus commensurate with the need to maintain investment in our pupils' education was achieved.

The Trust is confident that the schools will continue to attract able pupils. This is a result of ongoing efforts to maintain the academic, pastoral and co-curricular standards for which the schools have become known, further investment in facilities and enhanced efforts to market the schools.

Our Ethos

The Trust is a charity which seeks to benefit the public through the pursuit of its stated aims. Fees are set at a level to ensure the financial viability of the schools and at a level which is consistent with the aim of providing a first-class education to boys and girls.

The schools welcome academically able pupils from all backgrounds. To admit a prospective pupil the schools need to be satisfied that they will be able to educate and develop that prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Pupils wishing to join the Grammar School are required to sit an entrance exam and pupils wishing to join Leicester Grammar Junior School or LGS Stoneygate undergo an assessment. Both forms of assessment are designed to satisfy the school and the parents that the potential pupil can cope with the pace of learning and benefit from the education provided. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of the assessment process.

The schools are committed to safeguarding and promoting the welfare of pupils and expect all staff and volunteers to share this commitment. The schools carry out appropriate background checks of adults who come into contact with pupils. The schools maintain regular contact with parents through the year including holding parents' evenings, issuing end of term reports, and sending home regular newsletters.

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The Trust is an equal opportunity organisation and is committed to a working environment which is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability.

Disabled employees

The Trust facilitates the employment of disabled persons and provides, wherever possible, training, career development and promotion. Where employees become disabled whilst in service, every effort is made to rehabilitate them to their former jobs or some other suitable alternative and provide appropriate training and specialist advice.

Access Policy

It is important that access to the education provided by the Trust and to its facilities is not restricted to those who can afford the fees. The Trust believes that all pupils benefit from learning within a diverse community. The Trust's bursaries policy, together with links with local state schools and other organisations which have access to the Trust's facilities, contribute to a widening of access.

Grant-making Policy

The Trustees view the bursary awards as essential in helping to ensure that children from families which would not otherwise be able to afford the fees can access the education on offer. Bursaries are available to all prospective pupils who pass the entrance exam to join the Grammar School in years 7 and above, and are made solely on the basis of parental means. Limited hardship support is also available to existing pupils whose financial circumstances change and whose ability to remain at the school is under threat, owing to an acute short-term need. The bursaries scheme also extends to pupils joining LGS Stoneygate in years 7 and above.

In assessing a bursary application, the Trust takes a number of factors into consideration, including family income, assets held, investments and savings, and the number of dependents. However, the Trust does not have a large endowment or extensive reserves to draw on. In funding bursary awards the Trust is mindful of the need to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

Bursary awards vary from 10% to 100% of fees and are re-assessed on an annual basis to take account of any changes in the family's financial situation. Information about fee assistance is available in the prospectus and on the school website, as well as being highlighted in advertising campaigns. The form completed by applicants includes a box to tick to indicate simply that the applicant wishes to be considered for a means tested bursary.

The Trustees have also set up a sub-committee of the Finance and General Purposes Committee: the Bursaries, Scholarships and Public Benefit Sub-Committee. This sub-committee reviews, monitors and advises on the Trust's Public Benefit role, particularly developing the provision of means tested bursaries, taking into account the Charities Act requirements and Charity Commission guidelines.

Volunteers

Old Leicestrians, Friends of Leicester Grammar School, Friends of Leicester Grammar Junior School and the Friends of LGS Stoneygate provided support, advice and enrichment opportunities during the year, as well as helping with fundraising and organising social and cultural events. The Board is grateful to them for their continuing and valuable support for the schools.

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STRATEGIC REPORT Review of Achievements and Performance for the Year

Operational Performance of the schools

The Grammar School further enhanced its high national academic standing in the 2024 public examinations. At GCSE level, 80.6% of results were graded between 7 and 9. At 'A' level, an excellent 83.2% of grades were at A* - B, and 55.5% at A*/A grade; four students met their offers for Cambridge or Oxford and 18 were successful in gaining places for medicine or dentistry.

LGS Stoneygate recorded a strong set of GCSE results in 2024, with 92% of all grades at 4 or above and 44% graded between 7 and 9.

During the year ended 31 July 2024, the value of means tested bursaries awarded to pupils totalled £811,000 (2022-23 £735,000). Bursaries worth £47,000 (2022-23 £28,000) were funded by external benefactors. The value of means tested bursaries represented 3.7% of the gross fee income of the Trust (2022-23: 3.6%).

During the year, 9 pupils received a 100% bursary (2022-23: 9 pupils). A further 34 pupils received bursaries of between 80% and 99% of fees (2022-23: 34 pupils).

Further awards totalling £112,395 (2022-23: £99,777) were made to pupils at Leicester Grammar School Trust in the form of scholarships. The Trustees' policy is to make these awards on the basis of individual ability and potential. The Trustees have a stated aim of gradually reducing the total proportionate value of scholarships in favour of gradually increasing the number and value of means tested bursaries.

A full complement of staff qualified to teach their respective subjects was in place throughout the year at all three of the Trust's schools. The support staff positions were similarly all filled.

Public benefit – Contribution to the community

In 2023-24 the Trust continued to contribute to the local and wider community and the schools provided the following activities:

Charitable projects, examples include:

- Donations of over 15 boxes of food to local food banks.
- Three non-uniform days for various charities including Adhar in Leicester, raising over £3,000.
- Lower school disco for Rainbows Hospice which raised over £300.
- Christmas Jumper Day for Save the Children.
- Second hand uniform shop sales for charities such as the Air Ambulance and Hope Against Cancer.
- Easter egg collections for local food banks.
- World Book Day cake and book sales for Book Aid. We also donated an entire class set (25 books) of a chosen Year 6 reader to Alfred Lord Tennyson School in Rushton.
- £4,000 was raised for charities as well as numerous individual charitable projects led by pupils for charities of their choice such as MPS Society Charity where we had a blue theme cake sale which raised £150.
- The House system also raised money for LOROS through small challenges throughout the year.

Educational partnerships, examples include:

- Initiatives with local maintained schools (Manor High School, Gartree High School, Lutterworth High School, The Beauchamp College and Robert Smyth Academy), including invitations to careers events, 6th Form medic practice interviews and Psychology visiting speakers.
- GCSE study skills sessions run by Year 13 for Year 11 and Year 10 pupils at a local maintained school (Manor High School).

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Community service, examples include:

- In the Summer term, a 6-weekly programme of outreach and community service for Sixth Form pupils, including running lunch time clubs at five local primary schools and attending three residential care homes.
- Music workshops and concerts delivered by the Sinfonietta to Overdale Primary, St Cuthbert's, and Hazel Community school, to inspire younger pupils.
- Hosted a Carols and Craft and a Summer Tea Party, each for 50 residents of local care homes, with music and other entertainment provided by school pupils.
- Delivered STEM-themed assemblies for two local primary schools, led by Sixth Form students.

Facilities, Music and Sport for the Community, although impacted in the year owing to Covid 19 restrictions, examples include:

- Organising the Bright Sparks STEM Fair, to which over 3,000 members of the local community attended.
- Hosting the DT Rotary Challenge, attended by six local state schools, each bringing four teams.
- South Leicestershire Sports Partnership, to enable local state schools to use school facilities.
- Weekly singing group with local primary school.
- Interactive music concert for GCSE pupils, attended by around 1,000 pupils of local state schools.
- Community use of school facilities for sports, music, drama and general use.
- Our swimming facilities continue to be used for lessons by the wider local community and we host competitive swimming clubs.
- We continue to partner with the Bardi Orchestra. The orchestra benefits from rehearsing at the school. Each year the orchestra gives a concert at the Grammar school hall.

Financial Review and Results for the Year

The Trust recorded a surplus of £1,210,021 (2022-23 £1,617,628) during the year. The Surplus achieved is considered satisfactory for the Trust to enable investment and efficiency for repaying debt. Total income increased by £2,068,716, from £21,424,544 to £23,493,260.

Investment Policy

The financial objective of the Trustees is to maintain the real value of the Trust's assets whilst generating a stable and sustainable return to help fund the charity's activities over the long term. The Trustees review the investment policy on a regular basis.

At the year end the Trust's investments included £440,248 (2022-23: £385,874) of investment assets held within an investment portfolio managed by Brewin Dolphin. The Finance and General Purposes Committee is charged with agreeing a suitable asset allocation strategy with the investment managers which is set with the aim of achieving the Trust's overall investment objectives. This strategy would reflect the Brewin Dolphin risk category 5-6: low to moderate investment risk, to moderate investment risk. The Trustees adopt an ethical investment policy so that the Trust's assets are invested in line with its aims.

The Trust also owns an investment property valued at £280,000 which is let out on the open market. This residential property was acquired in May 2016 as part of the Stoneygate School site. Further short-term investments are held in the form of bank deposit accounts. During the year the Trust recorded a gain on investments of £45,500 (2022-23: £2,611), plus bank and other interest receivable of £134,239 (2022-23: £108,824) and a further £5,297 of gains on investments (2022-23: £6,617).

Risk Management

The Trustees are responsible for the management of the risks faced by the schools. Risks are identified and assessed and controls established throughout the year. A formal risk register is in place and is reviewed and updated on a regular basis by the Senior Leadership Team and reviewed by the Finance & General Purposes Committee.

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The principal risks and uncertainties identified in the Trust's risk register include:

- Recruiting sufficient able pupils into the schools each year in order to maintain the pupil roll and therefore fee income in line with forecast.
- External financial risks, which are kept under review by the Trustees, including changes to tax legislation or to the treatment of charities.
- Risks relating to tuition fees, including balancing the need to keep them at an affordable level, whilst meeting rising costs, including pension contributions for teaching staff, and interest and repayments on the bank loan, and meeting the requirement to comply with the bank covenants, and continuing to invest in the facilities available to pupils.
- Risks relating to child welfare.
- Health and safety risks.
- The need to continue to recruit top quality staff remains a high priority.

Key controls used by the charity include:

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

External financial risks, relating to changes to the VAT treatment of independent school fees and the removal of relief for business rates are expected to crystallise over the next year for the Trust and the independent sector as a whole. It is therefore particularly important for the Trust to manage its finances prudently to maintain an appropriate level of surplus, enabling flexibility to mitigate these risks whilst still ensuring investment to support and fulfil our educational aims.

Through the risk management processes established for the Trust, the Trustees are satisfied that the major risks identified have been, and are being, adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Charity Fundraising

The school has not made any fundraising appeals to the general public during the year, and is unlikely to do so in the future. There has been no outsourced fundraising via professional fundraisers or other third parties. As a result the charity is not registered with the fundraising regulator and received no fundraising complaints in the year.

Reserves Policy

The Trustees aim to hold funds which are sufficient but not excessive in order to fund current operational requirements and future development. The Trustees are mindful of the need to maintain a level of reserves which enables the organisation to respond to circumstances and mitigate risk, including ensuring compliance with the terms of the bank loans.

The Trust has a reserves policy such that the Trust aims to hold a minimum of £2m (cash balances) at all times. The value of cash and investments held at 31 July 2024 was £7.2m (2023: £4.4m).

At the end of the year the Trust's total reserves were £18,868,637 (2023: £17,658,616), including £17,814,174 (2023: £16,893,258) of unrestricted funds, £287,213 (2023: £8,614) of restricted funds and £767,250 (2023: £756,744) of endowment funds. The Trust's total reserves include £27,634,490 (2023: £27,462,654) which could only be realised by disposing of tangible fixed assets.

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The Trustees remain confident that the Trust is able to meet its financial obligations as they fall due, as well as continuing to invest in the fabric of the buildings and the facilities and equipment required to provide an excellent education at the Trust's schools. The Trust holds significant cash reserves and continues to generate an annual surplus after meeting its financial obligations and is forecast to continue to do so. The Trustees are confident, based on the Trust's sound financial position that the Trust can continue as a going concern.

Payment practices

The average number of days taken to make payments to the Trust's suppliers in the year was 29 (2023: 30). The percentages of payments made within the year which were paid: within 30 days was 52% (2023: 51%); between 31 and 60 days was 43% (2023: 42%); and after 61 days or longer was 5% (2023: 7%). The percentage of payments due within the reporting period which were not paid within agreed terms was 12% (2023: 13%).

Gender pay gap reporting

The Trust's gap for mean hourly rates of pay at 5 April 2024 was 10.7% (2023: 12.2%) in favour of male employees. The median hourly pay gap at 5 April 2024 was 5.2% (2023: 9.0%). The pay gap is impacted by the diversity of employed roles within the Trust and is kept under review on an annual basis.

Communication

Effective communication with employees is of vital importance and both Trustees and senior management provide information to, and consult with, staff on matters that affect them, including financial matters.

Environmental matters

Carbon Report - UK Greenhouse gas emissions and energy-use data	2023/24	2022/23
Energy consumption used to calculate emissions (kWh)	3,216,452	3,409,540
□ Gas	2,150,147	2,193,154
□ Electricity	1,066,305	1,216,386
Scope 1 emissions in metric tonnes CO ₂ e		
Gas consumption	464.93	479.28
Owned transport – mini-buses	38.06	44.48
Total Scope 1	<u>502.99</u>	<u>523.76</u>
Scope 2 emissions in metric tonnes CO ₂ e		
Purchased electricity	206.20	235.22
Scope 3 emissions in metric tonnes CO ₂ e		
Business travel in employee owned vehicles was insignificant in the year.		
Total gross emissions in metric tonnes CO ₂ e	<u>709.19</u>	<u>758.98</u>
Intensity ratio Tonnes CO ₂ e per pupil	<u>0.47</u>	<u>0.50</u>

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for the Company Reporting.

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The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

The Trust is committed to minimising the impact that its operations have on the environment and providing a safe environment for its staff and pupils. A pupil eco-group meets to suggest initiatives and the schools are conscious of ensuring the schools take a proactive view on environmental matters.

Subsidiary Company

The Trust has a wholly owned subsidiary company, LGS Enterprises Limited. This company undertakes commercial activities in order to generate funds to gift to Leicester Grammar School Trust.

Strategic Planning

The Trust Development Plan was extended, owing to the pandemic, for a fourth year ending 31 July 2024 and affirms the main aims of the Trust as being:

The Leicester Grammar School Trust seeks to be an inspiring centre for co-educational excellence in academic and personal development, within a Christian ethos.

The schools select pupils for entry in accordance with published admission procedures.

The Trust remains committed to maintaining its position as a leading provider amongst coeducational day schools.

Future Planning

At the March 2024 strategy awayday, the 2030 Vision for the Trust was reaffirmed by Trustees.

Each of our schools will have:

- Excellent academic outcomes and co-curricular opportunities.
- Innovative teaching and learning supported by a digital strategy.
- A forward-looking and stimulating curriculum.
- An environmental focus with outstanding facilities.
- An international/ global outlook.

Each of our schools will be:

- Financially secure and adequately flexible to invest in developing our pupils and staff.
- A community with clear ethos and values.
- A community where well-being is promoted.
- A community which prioritises public benefit and outreach.

Leicester Grammar School:

In order to fulfil this mission, the school aims to:

- Promote intellectual curiosity and academic excellence.
- Provide a broad, balanced and stimulating curriculum.
- Offer a rich range of co-curricular opportunities which enhance pupils' physical, cultural and personal development.
- Equip pupils with the self-belief, consideration and skills required for a principled and fulfilling life.

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- Create a happy and mutually-supportive community of learners and staff, in which each individual is encouraged and enabled to do and be their best.
- Care for the mental and emotional well-being of pupils, and be proactive in the promotion of a healthy lifestyle.
- Welcome pupils of diverse backgrounds and faiths, nurturing their social and spiritual development.
- Foster a generous contribution to charity, community service and society.

Leicester Grammar Junior School:

In order to fulfil this mission, the school aims to:

- Promote intellectual curiosity and a lifelong love of learning.
- Offer an extensive range of experiences which broaden the curriculum and develop the pupil.
- Create a stimulating, happy and supportive community where each pupil is allowed to flourish.
- Care for the mental and emotional well-being, promoting a healthy lifestyle and nurturing self-esteem.
- Enable the moral and spiritual well-being of each pupil to grow and thrive.

LGS Stoneygate:

In order to fulfil this mission, the school aims to:

- Inspire intellectual curiosity and creativity.
- Provide a broad, balanced and stimulating curriculum and co-curricular programme.
- Enable pupils to achieve their academic and personal goals.
- Nurture self-esteem, well-being, and kindness within and beyond the school community.
- Equip our pupils as confident and proud global citizens who foster inclusion, collaboration and charity across cultures.

Vision: The school communities within the Trust will thrive through the following strategic objectives for 2024-27:

Inspiring learning (Teaching, learning and attainment)

- Benefit from developments in technology and pedagogy which support or enhance teaching and learning.
- Grow expert, inquisitive and collaborative staff, whose teaching results in high levels of engagement and attainment.

Stimulating curriculum (Curriculum and co-curriculum)

- Explore opportunities to enhance the curriculum, so that it best prepares adaptable and ambitious learners.
- Ensure a broad and attractive co-curricular programme, which supports pupils' holistic development.

Care and community (Pupils' well-being, support and guidance; staff professional development and well-being)

- Further develop strategies to equip and support all members of our community.
- Ensure the recruitment and professional development of highly valued, supported and caring staff.

Appeal and outreach (Marketing, admissions, outreach, fundraising and communications)

- Ensure effective marketing of our family of schools, building further loyalty to our brand.
- Be an ethically and environmentally responsible member of our local, national and global communities.

Environment and provision (Resources and facilities)

- Ensure adequate funding to refurbish and develop facilities according to educational need and aspiration.
- Maintain sufficient financial resource to invest appropriately in people, equipment and opportunities.

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Trustees' Responsibilities Statement

The Trustees (who are also directors of Leicester Grammar School for the purposes of company law) are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees of Leicester Grammar School Trust on 9 December 2024, including the Strategic Report contained therein, and signed on its behalf by:



Mr S Gasztowicz
Chairman of Trustees

Leicester Grammar School Trust

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER GRAMMAR SCHOOL TRUST FOR THE YEAR ENDED 31 JULY 2024

Opinion

We have audited the financial statements of Leicester Grammar School Trust ('the company') for the year ended 31 July 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

Leicester Grammar School Trust

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER GRAMMAR SCHOOL TRUST FOR THE YEAR ENDED 31 JULY 2024

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the audit of the financial statements

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

Leicester Grammar School Trust

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER GRAMMAR SCHOOL TRUST FOR THE YEAR ENDED 31 JULY 2024

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

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Leicester Grammar School Trust

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER GRAMMAR SCHOOL TRUST FOR THE YEAR ENDED 31 JULY 2024

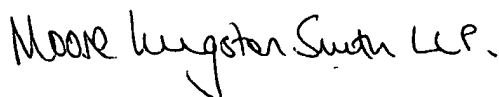
Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

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



Jonathan Aikens (Senior Statutory Auditor)

20 February 2025

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Leicester Grammar School Trust

STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure statement) for the year ended 31 July 2024

	Notes	Unrestricted / Designated funds £	Restricted funds £	Endowment fund £	Total 2024 £	Total 2023 £
INCOME FROM:						
Charitable Activities						
School fees	4	21,365,025	-	-	21,365,025	19,960,278
Other educational income	5	1,471,865	-	-	1,471,865	1,290,233
Other income						
Other activities	6	147,700	-	-	147,700	-
Investments						
Investment Income	7	118,615	-	15,624	134,239	108,824
Voluntary sources						
Grants and donations	8	790	373,641	-	374,431	65,209
Total income and endowments		23,103,995	373,641	15,624	23,493,260	21,424,544
EXPENDITURE ON:						
Charitable activities						
Schools operations	9	22,208,814	95,042	24,883	22,328,739	19,809,527
Total expenditure	9	22,208,814	95,042	24,883	22,328,739	19,809,527
Net operating income/(expenditure)		895,181	278,599	(9,259)	1,164,521	1,615,017
Net gains/(losses) on investments		25,735	-	19,765	45,500	2,611
Net income/(expenditure) and net movement in funds		920,916	278,599	10,506	1,210,021	1,617,628
Fund balances brought forward		16,893,258	8,614	756,744	17,658,616	16,040,988
Fund balances carried forward	18	17,814,174	287,213	767,250	18,868,637	17,658,616

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

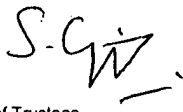
The accompanying notes form part of these financial statements.

Leicester Grammar School Trust

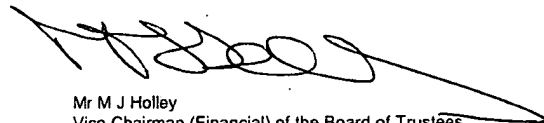
BALANCE SHEET as at 31 July 2024

	Notes	2024 £	2023 £
FIXED ASSETS			
Tangible assets	13	27,634,490	27,462,654
Investments	14	<u>720,249</u>	<u>665,875</u>
		28,354,739	28,128,529
CURRENT ASSETS			
Stocks		7,782	7,583
Debtors	15	1,642,121	1,254,633
Cash at bank and in hand		<u>6,757,881</u>	<u>3,976,922</u>
		8,407,784	5,239,138
CREDITORS: Amounts falling due within one year	16	<u>(4,065,449)</u>	<u>(3,642,643)</u>
NET CURRENT ASSETS		<u>4,342,335</u>	<u>1,596,495</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>32,697,074</u>	<u>29,725,024</u>
CREDITORS: Amounts falling due after more than one year	17	<u>(13,828,437)</u>	<u>(12,066,408)</u>
NET ASSETS		<u>18,868,637</u>	<u>17,658,616</u>
FUNDS			
Restricted funds	18	287,213	8,614
Unrestricted funds – general	18	17,814,174	16,893,258
Endowment fund	18	767,250	756,744
		<u>18,868,637</u>	<u>17,658,616</u>

Approved and authorised for issue by the Board of Trustees on 9 December 2024 and signed on their behalf by:



Mr S Gasztowicz
Chairman of the Board of Trustees



Mr M J Holley
Vice Chairman (Financial) of the Board of Trustees

The accompanying notes form part of these financial statements.
Company Number: 01521751

Leicester Grammar School Trust

CASHFLOW STATEMENT for the year ended 31 July 2024

CASH FLOW STATEMENT	2024 £	2023 £
Net cash inflow from operating activities	7,012,269	3,863,110
Cash flows from investing activities:		
Bank interest and investment income received	134,239	108,824
Purchase of investments	(52,786)	(70,434)
Proceeds from sale of investments	36,214	77,417
Payments to acquire fixed assets	(1,488,504)	(896,382)
Proceeds from sale of fixed assets	7,700	-
Net cash outflow from investing activities	<u>(1,363,137)</u>	<u>(780,575)</u>
Financing:		
Loans repaid	(1,895,438)	(4,403,845)
Interest paid	(972,735)	(1,099,029)
Net cash outflow from financing activities	<u>(2,868,173)</u>	<u>(5,502,874)</u>
Increase/(decrease) in cash	2,780,959	(2,420,339)
Cash and cash equivalents at the beginning of the reporting period	3,976,922	6,397,261
Cash and cash equivalents at the end of the reporting period	<u>6,757,881</u>	<u>3,976,922</u>

RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Reconciliation of operating result to net cash inflow from operating activities		
Net movement in funds	1,210,021	1,617,628
Gains on investments	(45,500)	(2,611)
Depreciation	1,316,666	1,193,810
Bank interest and investment income received	(134,239)	(108,824)
Interest payable	972,735	1,099,029
Increase in creditors	4,080,273	201,683
(Increase) in debtors	(387,488)	(144,767)
(Increase)/Decrease in stocks	(199)	7,162
	<u>7,012,269</u>	<u>3,863,110</u>

NET DEBT RECONCILIATION

	At 1 August 2023 £	Cashflows £	Other non- cash changes £	At 31 July 2024 £
Cash at bank and in hand	3,976,922	2,780,959	-	6,757,881
Bank loans falling due < 1 year	1,938,878	-	(727,099)	1,211,779
Bank loans falling due < 5 years	5,094,676	-	118,479	5,213,155
Bank loans falling due > 5 years	6,438,659	-	(1,286,818)	5,151,841

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2024

1 COMPANY INFORMATION

Leicester Grammar School Trust is a company limited by guarantee with registered number 01521751, incorporated and domiciled in England and Wales. Its registered office is London Road, Great Glen, Leicester, LE8 9FL.

2 ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011. Leicester Grammar School Trust meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

2.2 GOING CONCERN

The accounts have been prepared on a going concern basis. The Leicester Grammar School Trust Board reviews the financial information for the charitable company and consider whether the charitable company is a going concern for a period of at least 12 months from the date of approval of the accounts. After making enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

2.3 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee, the guarantors at the present time being the Trustees, to the extent of £1 each.

2.4 FEES RECEIVABLE AND SIMILAR INCOME

Fees receivable and other educational income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school. Fees received in advance of education to be provided in future years under an Advance Fee Payments Scheme contract are included in liabilities until either taken to income in the term when used or refunded.

2.5 ANCILLARY AND NON-ANCILLARY TRADING INCOME

Ancillary trading income represents amounts from activities to generate funds within the charitable objects for example, school refectory sales, coaches to and from school and school trips. Non-ancillary trading income represents amounts from activities not directly related to the charitable objects, for example lettings of school facilities. Income from these activities is recognised in the statement of financial activities when the goods are sold or services provided.

2.6 GRANTS AND DONATIONS

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can reliably be quantified and the economic benefit is considered probable.

2.7 FUND ACCOUNTING

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity. Endowment funds are further sub-divided into permanent and expendable, where required by the terms of the trust.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and have not been designated for other purposes.

2.8 EXPENDITURE

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs comprise the costs of running the Trust, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2024

2.9 FIXED ASSETS AND DEPRECIATION

In accordance with Section 35.10 (d) of FRS102, Leicester Grammar School has elected to use the carrying value of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost at the date of transition to FRS102, 1 August 2014.

Tangible fixed assets are stated at cost less depreciation.

Where tangible fixed assets have been acquired with the aid of specific grants they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset based on current market prices, over its expected useful life, as follows:

Freehold land	- Not depreciated
Freehold buildings	- 2% to 20% per annum on cost
Computers and equipment	- 25% on cost
Fixtures and fittings	- 12.5% to 33% on cost

Leicester Grammar School Trust exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

2.10 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at market value at the Balance Sheet date, unless market value cannot be measured reliably in which case it is measured at cost less impairment.

Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate fund according to the 'ownership' of the underlying assets. Realised gains and losses are the difference between sales proceeds and opening market value where the investment was held at the beginning of the year, or sales proceeds less cost of purchase where the investment was acquired in the year. Uninvested cash is the balance of liquid cash, held as an investment, which has not been invested in securities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in net gains/(losses) on investments in the Statement of Financial Activities.

2.11 STOCKS

Stocks are stated at the lower of cost or net realisable value.

2.12 PENSIONS

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and Skills.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

The school also pays contributions into a defined contribution scheme for Support staff. The assets of the Scheme are held separately from those of the School in an independently administered fund. The Pension Scheme charge represents contributions payable by the school in accordance with the rules of the Scheme.

2.13 LEASES AND HIRE PURCHASE CONTRACTS

Where assets are financed by finance leases and hire purchase agreements the assets are included in the Balance Sheet at cost less depreciation in accordance with the school's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the Statement of Financial Activities over the period of the lease in proportion to the balance of capital payments outstanding.

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

2.14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of 100 days or less.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2024

2.15 FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. Given the School only have basic financial instruments it is not considered necessary to disclose these separately in the financial statements.

2.16 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

2.17 FOREIGN CURRENCY TRANSLATION

The charity's presentation currency is Pounds Sterling. Transactions occurring in foreign currency throughout the year have been translated using publicly available average exchange rates.

Monetary assets and liabilities are denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. All foreign currency differences are recognised in expenditure.

3 KEY ESTIMATES & JUDGEMENTS

In the application of the accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 on-going 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 affects both current and future periods.

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the opinion of the trustees, no estimates and assumptions have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2024

4 FEE INCOME

The School's activities are carried out within the UK.
The school's fee income comprised:

	2024	2023
	£	£
Gross fees	23,176,103	21,429,143
Less: Discounts, Scholarships and bursaries	(1,811,078)	(1,468,865)

Total bursaries and awards

Leicester Grammar School Trust makes awards to individual families to support schooling

	2024	2023
	£	£
From Unrestricted Funds:		
Bursaries	811,443	735,406
Scholarships and awards	112,395	99,777
Other discounts	887,240	633,682
	1,811,078	1,468,865

All fee income is unrestricted.

5 OTHER EDUCATIONAL INCOME

	2024	2023
	£	£
<i>Extras and disbursements:</i>		
Canteen receipts, bus fares and after school care	1,143,989	969,316
Sundry income	327,876	320,917
	1,471,865	1,290,233

All other educational income is unrestricted.

6 OTHER INCOME

	2024	2023
	£	£
Insurance claim	140,000	-
Profit on disposal of fixed assets	7,700	-
	147,700	-

7 INVESTMENT INCOME

	2024	2023
	£	£
Interest received and other investment income	134,239	108,824
	134,239	108,824

Included within the above is an amount of £15,624 (2023: £15,934) which relates to endowment income. All other investment income is unrestricted.

8 DONATIONS AND GRANTS

	2024	2023
	£	£
Donations and gifts from LGS Enterprise	94,877	58,458
Other donations	279,554	6,751
	374,431	65,209

Included within the above is an amount of £373,641 (2023: £62,209) which relates to restricted income. All other donation and grant income is unrestricted.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS
for the year ended 31 July 2024

9 EXPENDITURE

(a) Charitable expenditure	Staff costs (note 10) £	Other £	Depreciation £	Total 2024 £
Teaching	11,137,687	3,640,990	1,015,429	15,794,106
Welfare	1,032,861	685,987	94,166	1,813,014
Premises and Estates	466,881	1,400,606	42,566	1,910,053
Administration and governance	1,804,368	842,693	164,505	2,811,566
Total Charitable Expenditure	14,441,797	6,570,276	1,316,666	22,328,739
Total Expended	14,441,797	6,570,276	1,316,666	22,328,739

Included within teaching costs is an amount of £95,042 (2023: £65,734) relating to restricted expenditure.

Charitable expenditure	Staff costs (note 10) £	Other £	Depreciation £	Total 2023 £
Teaching	10,045,631	3,285,620	945,290	14,276,541
Welfare	821,993	619,033	77,350	1,518,376
Premises and Estates	470,002	1,263,903	44,227	1,778,132
Administration and governance	1,349,091	760,444	126,943	2,236,478
Total Charitable Expenditure	12,686,717	5,929,000	1,193,810	19,809,527
Total Expended	12,686,717	5,929,000	1,193,810	19,809,527

(b) Other Governance Costs included within Administration Costs:	2024 £	2023 £
Auditors' remuneration		
- Audit Fees	16,300	14,750
- Other Auditors remuneration	4,700	4,450
Legal and Professional Fees	21,000	19,200

(c) Administration Costs	2024 £	2023 £
Staff costs	1,804,368	1,349,091
IT support and lease costs	313,939	283,352
Postage, stationery and telephones	213,913	198,686
Depreciation	164,505	126,943
Legal and Professional Fees	157,884	123,559
Other Administration Costs	135,957	135,647
	2,790,566	2,217,278

NET INCOME FOR THE YEAR

	2024 £	2023 £
Net income is stated after charging:		
Depreciation of tangible fixed assets	1,316,666	1,193,810
Loan Interest	972,735	1,099,029
Operating lease rentals – other	48,631	47,601

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2024

10 STAFF COSTS	2024 £	2023 £
Wages and salaries	11,216,113	9,915,189
Social security costs	1,104,387	999,935
Other pension costs	2,121,297	1,771,593
	<u>14,441,797</u>	<u>12,686,717</u>

Wages and salaries includes £25,000 (2023: £Nil) in relation to termination payments made in the year.

The average monthly number of employees during the year was as follows:	2024 No.	2023 No.
Teaching	170	161
Office and non-teaching staff	130	121
	<u>300</u>	<u>282</u>

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2024 No.	2023 No.
£60,000 - £70,000	5	3
£70,001 - £80,000	3	2
£80,001 - £90,000	2	1
£130,001 - £140,000	1	1
£140,001 - £150,000	1	-
£170,001 - £180,000	-	1
£180,001 - £190,000	1	-
	<u>13</u>	<u>8</u>

Pension contributions for the year amounted to £266,220 (2023: £161,516) for the above employees.

Key management personnel consist of the senior management team. During the year, the total employee benefits (including pension and Employer National Insurance contributions) totalled £1,110,112 (2023: £1,010,697)

11 TRUSTEES REMUNERATION AND BENEFITS

There were no Trustees' remuneration, expenditure reimbursement or other benefits for the year ended 31 July 2024 nor for the year ended 31 July 2023.

12 PENSIONS

The School participates in the Teachers' Pension Scheme ('the TPS') for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,963,814 (2023: £1,634,563) and at the year end £187,859 (2023: £137,680) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation has valued the 'greater value' benefits for groups of relevant members.

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

The Trust also contributes to a defined contribution pension scheme for non-teaching staff. The pension charge for the year includes contributions payable to Standard Life of £159,098 (2023: £137,030) and at the year end £13,798 (2023: £11,787) was accrued in respect of contributions to this scheme.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS
for the year ended 31 July 2024

13 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Furniture, Fixtures & Fittings £	Computers and Equipment £	Total £
Cost:				
At 1 August 2023	37,067,890	2,074,215	1,432,652	40,574,757
Additions	737,966	495,112	255,426	1,488,504
Disposals	-	(378,034)	(185,182)	(563,216)
At 31 July 2024	37,805,856	2,191,293	1,502,896	41,500,045
Depreciation:				
At 1 August 2023	10,431,146	1,656,261	1,024,696	13,112,103
Charge for year	886,953	231,907	197,807	1,316,667
Disposals	-	(378,034)	(185,181)	(563,216)
At 31 July 2024	11,318,099	1,510,134	1,037,322	13,865,555
Net book value:				
At 31 July 2024	26,487,757	681,159	465,574	27,634,490
At 1 August 2023	26,636,744	417,954	407,956	27,462,654

All assets are used for charitable purposes.

14 INVESTMENTS

	Shares in group undertakings £	Listed investments £	Investment Property £	2024 £	2023 £
Cost/valuation At 1 August 2023	1	385,874	280,000	665,875	670,247
Additions	-	52,786	-	52,786	70,434
Disposals	-	(48,741)	-	(48,741)	(78,989)
Gains/(Losses) arising from movements in valuations	-	50,329	-	50,329	4,183
Cost/valuation At 31 July 2024	1	440,248	280,000	720,249	665,875
UK fixed interest	-	34,754	-	34,754	65,149
UK equities	1	73,775	-	73,776	70,180
International equities	-	304,043	-	304,043	208,336
Property	-	7,326	280,000	287,326	287,359
Other investments	-	20,350	-	20,350	34,851
	1	440,248	280,000	720,249	665,875

Investment gains shown on the Statement of Financial Activities of £45,500 (2023: £2,611) include unrealised gains on investments of £50,329 (2023: £4,183) and realised losses on investment of £4,829 (2023: £1,572).

Leicester Grammar School Trust owns 100% of the ordinary share capital of LGS Enterprises Ltd (registered number: 06419726) a company registered in England and Wales with a registered office of Leicester Grammar School, London Road, Great Glen, Leicester, LE8 9FL. The principal activities of LGS Enterprises Ltd are the hiring out of the School facilities and the running of the café. It is intended that profits made by the company will be donated to the Trust unless required for the furtherance of LGS Enterprise Ltd's own trading activities.

For the year ended 31 July 2024 LGS Enterprises Ltd made a gift-aid donation of £94,877 (2023: £58,458) and had capital and reserves of £51,247 (2023: £55,911).

The Trustees provided an initial working capital loan to LGS Enterprises Ltd to cover essential set-up costs and have advanced a further loan to finance the construction of the café. Loans are secured on the assets of that company and interest is charged at 6%. The Trustees have reviewed the financial forecast of the company for further years and are satisfied that it is a going concern and that it is expected to generate a profit before donations during 2024/25 and thereafter. Consolidated accounts have not been prepared on the grounds of materiality.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2024

14 INVESTMENTS (continued)

Investment property	2024	2023
	£	£
Valuation at 1 August 2023	280,000	280,000
Valuation at 31 July 2024	<u>280,000</u>	<u>280,000</u>

Investment properties consist of the Lodge/Gatehouse property at LGS Stoneygate held for investment purposes and which are not used in the Trust's own activities, primarily a residential house which is let out on the open market. Leicester Grammar School Trust is responsible for improvements and maintenance of the properties.

A formal valuation of the property was prepared by Mr Richard Chesterton of Newton Fallowell as 22 February 2022. The Trustees have assessed and agreed the valuation of the property in 2024.

15 DEBTORS

	2024	2023
	£	£
Trade debtors	765,797	456,898
Prepayments and accrued income	458,974	468,073
Amount due from group undertaking	417,350	329,662
	<u>1,642,121</u>	<u>1,254,633</u>

16 CREDITORS

Amounts falling due within one year:	2024	2023
	£	£
Loans	1,211,779	1,938,878
Trade creditors	611,973	513,184
Taxation and social security costs	274,518	255,044
Fee Deposits	32,100	37,800
Fees in advance	1,064,837	164,721
Other creditors	575,663	483,679
Accruals and deferred income	294,579	249,337
	<u>4,065,449</u>	<u>3,642,643</u>

Fee prepayment scheme due within one year:	2024	2023
	£	£
Brought forwards	164,721	91,831
Released in year	(164,721)	(91,831)
Received in year	1,064,837	164,721
Carried forwards	<u>1,064,837</u>	<u>164,721</u>

17 CREDITORS DUE AFTER ONE YEAR

Amounts falling due after more than one year:	2024	2023
	£	£
Bank loan	10,364,996	11,533,335
School fee deposits	431,348	421,800
Fees in advance	3,032,093	111,273
	<u>13,828,437</u>	<u>12,066,408</u>

Loans due in:	2024	2023
	£	£
In one year or less	1,211,779	1,938,878
Between one and two years	1,281,572	1,245,112
Between two and five years	3,931,583	3,849,564
After five years	5,151,841	6,438,659
	<u>11,576,775</u>	<u>13,472,213</u>

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS
for the year ended 31 July 2024

17 CREDITORS DUE AFTER ONE YEAR (continued)

The Trust has three bank loans secured by a debenture over the assets of the charity. The original loan is repayable in equal quarterly instalments. Interest is payable at 7.77% until January 2025 and thereafter at a SONIA rate plus 2.55%. The second loan is repayable in monthly instalments. Interest is payable at bank base rate plus 2.95%. The third loan was taken out under the Coronavirus Business Interruption Loan scheme (CBILs) in 2019-20. Interest is payable at bank base rate plus 2.34%. The CBILs loan was fully repaid during the year.

	£	£
Fees in advance due after one year:		
Brought forwards	111,273	-
Released in the year	(111,273)	-
Received in year	<u>3,032,093</u>	<u>111,273</u>
	<u><u>3,032,093</u></u>	<u><u>111,273</u></u>

Parents may enter into an agreement to pay the school a number of years tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the school, advance fees will be released as they fall due.

18 STATEMENT OF FUNDS

	At 1 August 2023	Income	Expenditure	Gains/ (losses)	At 31 July 2024
	£	£	£	£	£
Unrestricted funds:					
General reserve	16,893,258	23,103,995	(22,208,814)	25,735	17,814,174
Restricted funds:					
Vestments	61	-	-	-	61
Chapel Fund	205	-	-	-	205
Neville Hall Travel Fund	4,094	-	-	-	4,094
Other small prize funds	2,904	-	(165)	-	2,739
J Drury Bursary Fund	-	14,000	-	-	14,000
Bursary donations	-	250,000	-	-	250,000
Singing Prize	650	-	-	-	650
St Nicholas Hall acoustic fundraiser	700	14,764	-	-	15,464
General Bursaries Fund	-	94,877	(94,877)	-	-
Total restricted	<u>8,614</u>	<u>373,641</u>	<u>(95,042)</u>	<u>-</u>	<u>287,213</u>
Endowment Bursary funds:					
Edward Smith Fund	26,751	351	(2,957)	5,563	29,708
Mrs M E Smith Fund	11,428	1,405	(1,405)	-	11,428
Parent donations	4,574	91	(91)	-	4,574
Bishop Mort fund	10,000	200	(200)	-	10,000
The Hon Lady A Brooks	41,476	586	(4,036)	7,365	45,391
Edith Murphy Foundation	10,000	200	(200)	-	10,000
John Higginbotham Fund	18,000	360	(360)	-	18,000
Telereal Trillium Fund	600,000	12,000	(12,000)	-	600,000
Margaret Float Travel Fund	32,874	431	(3,634)	6,837	36,508
Margaret Float Travel Cash	1,641	-	-	-	1,641
Total endowment	<u>756,744</u>	<u>15,624</u>	<u>(24,883)</u>	<u>19,765</u>	<u>767,250</u>
Total funds	<u><u>17,658,616</u></u>	<u><u>23,493,260</u></u>	<u><u>(22,328,739)</u></u>	<u><u>45,500</u></u>	<u><u>18,868,637</u></u>

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS
for the year ended 31 July 2024

18 STATEMENT OF FUNDS (Continued)

	At 1 August 2022	Income	Expenditure	Gains/ (losses)	At 31 July 2023
	£	£	£	£	£
Unrestricted funds:					
General reserve	15,272,787	21,346,401	(19,728,733)	2,803	16,893,258
Restricted funds:					
Vestments	61	-	-	-	61
Chapel Fund	205	-	-	-	205
Neville Hall Travel Fund	4,094	-	-	-	4,094
Other small prize funds	7,279	-	(4,375)	-	2,904
Singing Prize	500	150	-	-	650
LGJS Friends	-	2,791	(2,791)	-	-
St Nicholas Hall acoustic fundraiser	-	700	-	-	700
General Bursaries Fund	-	58,568	(58,568)	-	-
Total restricted	12,139	62,209	(65,734)	-	8,614
Endowment Bursary funds:					
Edward Smith Fund	26,559	438	(192)	(54)	26,751
Mrs M E Smith Fund	11,428	1,405	(1,405)	-	11,428
Parent donations	4,574	91	(91)	-	4,574
Bishop Mort fund	10,000	200	(200)	-	10,000
The Hon Lady A Brooks	41,222	701	(375)	(72)	41,476
Edith Murphy Foundation	10,000	200	(200)	-	10,000
John Higginbotham Fund	18,000	360	(360)	-	18,000
Telereal Trillium Fund	600,000	12,000	(12,000)	-	600,000
Margaret Float Travel Fund	32,638	539	(236)	(67)	32,874
Margaret Float Travel Cash	1,641	-	-	-	1,641
Total endowment	756,062	15,934	(15,060)	(192)	756,744
Total funds	16,040,988	21,424,544	(19,809,527)	2,611	17,658,616

Restricted funds

Endowment Bursary funds are established to provide means tested bursary funds to enable pupils to attend the school who would not otherwise be able to.

Other small prize funds comprise 11 individual funds, which are established to provide a school prize, annually, out of income.

General bursary support for pupils is provided by the Telereal Trillium Fund; The Hon Lady A Brooks fund; Mrs M E Smith Fund; Edith Murphy Foundation and parent donations.

Specific bursary support for pupils is provided by the Edward Smith Fund (pupils applying to year 7); Bishop Mort Fund (pupil hardship); John Higginbotham Fund (Music tuition); and Margaret Float Travel Fund/Cash (supporting sixth form students).

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS
for the year ended 31 July 2024

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Endowment fund £	2024 Total £
Tangible fixed assets	27,634,490	-	-	27,634,490
Investments	612,121	-	108,128	720,249
Current assets	7,461,449	287,213	659,122	8,407,784
Current liabilities	(4,065,449)	-	-	(4,065,449)
Long term liabilities	(13,828,437)	-	-	(13,828,437)
Total net assets	17,814,174	287,213	767,250	18,868,637
	Unrestricted funds £	Restricted funds £	Endowment fund £	2023 Total £
Tangible fixed assets	27,462,654	-	-	27,462,654
Investments	565,648	-	100,227	665,875
Current assets	4,574,007	8,614	656,517	5,239,138
Current liabilities	(3,642,643)	-	-	(3,642,643)
Long term liabilities	(12,066,408)	-	-	(12,066,408)
Total net assets	16,893,258	8,614	756,744	17,658,616

20 COMMITMENTS UNDER OPERATING LEASES

At 31 July 2024, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
Due within one year	71,651	79,339
Due between two and five years	27,075	23,281
Due after more than five years	65,072	71,105
	163,798	173,725

21 RELATED PARTIES

There were no related party transactions during the year (2023: none)

22 TAXATION

The Trust is a registered charity and therefore no liability to taxation arises on its charitable activities.

23 SHARE CAPITAL

The company is limited by guarantee and does not have any share capital. The liability of the members of the Trust is limited to £1 each.

LEICESTER GRAMMAR SCHOOL TRUST

England & Wales - Charity number 510809

Accounts

Company Registration No. 01521751
Charity Registration No. 510809

LEICESTER GRAMMAR SCHOOL TRUST

**TRUSTEES' REPORT
AND
STATEMENT OF ACCOUNTS**

**FOR THE YEAR ENDED
31 JULY 2023**

LEICESTER GRAMMAR SCHOOL TRUST

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LEICESTER GRAMMAR SCHOOL TRUST

Legal and administrative information

Charity Trustees

The Trustees of Leicester Grammar School Trust are also company directors, and carry the responsibilities accorded to them by the Charity Commission and under Company Law. They have all served in office throughout the year except where indicated:

Mrs E M Bailey
Mr M R Bulsara (appointed 12 October 2022)
Mrs J Burns (Vice chair, Academic)
Professor D Cartmell (resigned 5 July 2023)
Mr S Gasztowicz (Chairman)
Mr D C Green
Dr S E Hadley
Mr M J Holley (Vice chair, Financial)
Mr N J M Imlach
Dr D I Khoosal
Mrs K Law
Mr A P M Osiatynski
Dr R S P Saigal (appointed 12 October 2022)
Professor J M Saker
The Ven R V Worsfold

Committees and sub-committees of the Board of Trustees

The following Trustees served on committees and sub-committees of the Board during the year:

Education Committee:

Mrs J Burns (committee Chairman)
Mrs E M Bailey
Mr S Gasztowicz
The Ven R V Worsfold

Finance and General Purposes Committee:

Mr M J Holley (committee Chairman)
Mrs E M Bailey
Mr M R Bulsara (appointed 12 October 2022)
Mr S Gasztowicz
Mr D C Green
Mr N J M Imlach

Bursaries, Scholarships and Public Benefit Sub-Committee:

Mrs E M Bailey (sub-committee Chairman)
Professor D Cartmell (resigned 5 July 2023)

Health and Safety Committee:

Professor J M Saker (committee Chairman)
Dr D I Khoosal
Dr S E Hadley

Nominations and Governance Committee:

Mr S Gasztowicz (committee Chairman)
Mrs J Burns
Mr M J Holley

Safeguarding and Well-being Committee:

Dr S E Hadley (committee Chairman)
The Ven R V Worsfold

LEICESTER GRAMMAR SCHOOL TRUST

Legal and administrative information cont.

Salaries Review Committee:

Mr S Gasztowicz (committee Chairman)

Mrs J Burns

Mr M J Holley

The Board is a self-appointing body. One third of the Board is required to retire by rotation, each year. Board members are eligible to stand for re-election at the end of a term of office.

Officers

Headmaster of Leicester Grammar School and Principal of Leicester Grammar School Trust:

Mr J W Watson

Headmistress of Leicester Grammar Junior School: Mrs S V Ashworth Jones

Headmistress of LGS Stoneygate: Mrs C McCullough (appointed 1 September 2023);

Headmaster: Mr N Price (appointed 1 September 2022; resigned 31 August 2023);

Mr J Dobson (resigned 31 August 2022)

Director of Finance and Operations and Company Secretary: Mr S J Jeffries

Addresses

Leicester Grammar School and Leicester Grammar Junior School

London Road

Great Glen

Leicester

LE8 9FL

(School and registered office)

LGS Stoneygate

6 London Road

Great Glen

Leicester

LE8 9DT

Websites: www.leicestergrammar.org.uk

www.lgs-stoneygate.org.uk

Auditors

Moore Kingston Smith

6th Floor

9 Appold Street

London

EC2A 2AP

Bankers

NatWest

1 Granby Street

Leicester

LE1 9GT

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2023

The Trustees present their report and financial statements for the year ended 31 July 2023 and confirm they comply with the requirements of the Charities Act 2011, including the Directors' and Strategic Report under the Companies Act 2006.

Reference and Administrative Information

The Charity was founded in 1980 and is registered with the Charity Commission under charity number 510809.

Leicester Grammar School Trust is also a company limited by guarantee, registered under company number 01521751.

The Trustees, executive officers and principal address of the Charity are as listed on page 1 and 2. Particulars of the Charity's professional advisers are given on page 2.

Structure, Governance and Management

Governing Document

The Charity is governed by its Memorandum and Articles dating from 13 October 1980 and last amended on 3 December 2014.

Governing Bodies

The Charity operates three schools, Leicester Grammar School, Leicester Grammar Junior School and LGS Stoneygate.

There is a single Governing body, being the Charity Trustees, the details of which are explained on page 1.

Recruitment and Training of Trustees

The Charity's elected Trustees are appointed at a meeting of the Board of Leicester Grammar School Trust, on the basis of recommendations made by the Nominations and Governance Committee, a committee of the Board. The committee considers eligibility, skills and commitment when advising the Board and endeavours to ensure that the Board contains an appropriate balance of skills.

New Trustees receive a pack of written information as well as visiting all three schools and meeting with key officers and the Chairman of the Board. A skills audit is performed to identify individual training needs of Trustees and also any areas where additional expertise may need to be added to the Board. Trustees are also encouraged to assess their own training needs and individual Trustees attend courses as required.

Organisational Management

The Trustees are legally responsible for the overall management and control of the three Schools. The Board of Trustees meets at least four times each year.

The Education Committee meets once per term. This committee oversees the curriculum, teaching and learning and educational policy across the three Schools.

The Finance and General Purposes Committee meets four times a year. This committee oversees the implementation of certain Board policies, and also undertakes detailed reviews before making recommendations to the Board. The Finance and General Purposes Committee is chaired by a Trustee who is not Chairman of the full Board. The Bursaries, Scholarships and Public Benefit Sub-Committee meets to review applications and policy in detail at least twice each year.

The Safeguarding and Well-being Committee meets once per term. The committee reviews and monitors policies and procedures related to safeguarding and the well-being of pupils at all three Schools.

The Health and Safety Committee meets once per term and reviews health and safety policies and procedures at all three Schools.

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2023

The Nominations and Governance Committee meets as and when required, but usually once a year. It considers the composition of the Board and applications from prospective Trustees. The Salaries Review Committee meets periodically to consider salaries payable to the Senior Leadership Team.

The day to day running of the schools is delegated to the respective Heads supported by their Senior Leadership Teams together with the Director of Finance and Operations. The Head Teachers and the Director of Finance and Operations attend meetings of the Board and its committees and sub-committees.

Key Management Personnel are considered to be the Principal and Headmaster of Leicester Grammar School, the Director of Finance and Operations, the Heads of Leicester Grammar Junior School and LGS Stoneygate, and the Deputy Heads of Leicester Grammar School. The remuneration of this senior staff group is determined by the Salaries Review Committee of the Board of Trustees with reference to appraisal records and benchmarking.

Objects, Aims, Objectives and Activities

Charitable Objects

The Trust's Objects, as set out in its Memorandum and Articles, are the advancement of education, through a school or schools, run according to Christian principles.

Aims and Intended Impact

Within these Objects the Trust's aim is to provide an excellent education for pupils of high academic ability, regardless of their financial means. The Trust aims to provide for the pupils' general instruction of high standard and quality, including physical, moral and religious education and to provide an environment where each pupil can develop his or her talents to the full.

Objectives for the Year

In setting objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing education and on fee-charging.

The maintenance of academic progress, underpinned by individual pastoral care and a strong sense of community, has been a key focus. Academic excellence is complemented by an emphasis on sport, music, drama and co-curricular activities, ensuring a rounded education for pupils of all ages.

The Trust remains committed to enrolling able children from all backgrounds regardless of ability to pay the fees.

A key objective for the Trust for 2022-23 was to maintain and build pupil numbers and to return to the full scope of pre COVID-19 pandemic operations across the three schools.

The Trust aims to play a full part in the life of the local, regional and indeed national community.

Strategies to Achieve the Year's Objectives

The Trustees worked with senior leaders to ensure that pupils built on their good academic progress during the pandemic and that examination candidates were therefore very well prepared for final assessment. There has been an increased focus on teaching and learning strategies, and a new Sixth Form programme (Aspire) introduced in September 2020 has resulted in more external interest than ever. Further enhancements to proactive wellbeing strategies have supported the happiness and success of our school communities.

Provision of means-tested bursaries remains a high priority for the Trust, in order to ensure that the school is accessible to pupils from a wide range of backgrounds. The Trust continues to seek funding for additional bursaries and has a subsidiary company, LGS Enterprises Limited, which was established to generate additional income.

The Trustees continue to raise the profile of the schools and to extend outreach and partnership activities in order to attract applications from able candidates, regardless of financial means.

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2023

The Trust continues to foster links with the local community, not only by making its facilities available to local schools, groups and organisations but also through an increase in outreach and partnership activity.

Principal Activities of the Year

The Trust principally provides education to boys and girls from the age of 3 to 18.

The Trust continues to operate three schools.

Two of the schools are based on a shared site in Great Glen, Leicestershire: Leicester Grammar School for pupils aged 10-18 and Leicester Grammar Junior School for pupils aged 3-11. During the year Leicester Grammar School averaged 879 (2021-22: 851) pupils and Leicester Grammar Junior School averaged 418 (2021-22: 394) pupils. Both schools showed strong increases in pupil numbers and operate broadly at capacity.

In May 2016 the Trust acquired the trade and assets of Stoneygate School, an independent coeducational preparatory school also situated in Great Glen, Leicestershire on a separate 45 acre site. During the year Stoneygate averaged 227 (2021-22: 204) pupils. The school offers high-quality education with a distinctive ethos, supported by attentive governance and management provided by the Trust.

The welcome increase in pupil numbers at Stoneygate resulted from clarification and redefinition of the senior school curriculum and more intensive admissions activity and marketing. It is the intention of Trustees to increase the pupil roll further and, following a review, the school was re-branded from September 2021 as LGS Stoneygate. Trustees have plans to invest in the school, with a new multipurpose hall a key priority.

The Trust has continued to manage its finances carefully over the last year, including accelerating the repayment of the Coronavirus Business Interruption Loan Scheme (CBILs) funding borrowed in June 2020. A surplus commensurate with the need to maintain investment in our pupils' education was achieved.

The Trust is confident that the schools will continue to attract able pupils. This is a result of ongoing efforts to maintain the academic, pastoral and co-curricular standards for which the schools have become known, further investment in facilities and enhanced efforts to market the schools.

Our Ethos

The Trust is a charity which seeks to benefit the public through the pursuit of its stated aims. Fees are set at a level to ensure the financial viability of the schools and at a level which is consistent with the aim of providing a first-class education to boys and girls.

The schools welcome academically able pupils from all backgrounds. To admit a prospective pupil the schools need to be satisfied that they will be able to educate and develop that prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Pupils wishing to join the Grammar School are required to sit an entrance exam and pupils wishing to join Leicester Grammar Junior School or LGS Stoneygate undergo an assessment. Both forms of assessment are designed to satisfy the school and the parents that the potential pupil can cope with the pace of learning and benefit from the education provided. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of the assessment process.

The schools are committed to safeguarding and promoting the welfare of pupils and expect all staff and volunteers to share this commitment. The schools carry out appropriate background checks of adults who come into contact with pupils. The schools maintain regular contact with parents through the year including holding parents' evenings, issuing end of term reports, and sending home regular newsletters.

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The Trust is an equal opportunity organisation and is committed to a working environment which is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability.

Disabled employees

The Trust facilitates the employment of disabled persons and provides, wherever possible, training, career development and promotion. Where employees become disabled whilst in service, every effort is made to rehabilitate them to their former jobs or some other suitable alternative and provide appropriate training and specialist advice.

Access Policy

It is important that access to the education provided by the Trust and to its facilities is not restricted to those who can afford the fees. The Trust believes that all pupils benefit from learning within a diverse community. The Trust's bursaries policy, together with links with local state schools and other organisations which have access to the Trust's facilities, contribute to a widening of access.

Grant-making Policy

The Trustees view the bursary awards as essential in helping to ensure that children from families which would not otherwise be able to afford the fees can access the education on offer. Bursaries are available to all prospective pupils who pass the entrance exam to join the Grammar School in years 7 and above, and are made solely on the basis of parental means. Bursaries are also available to existing pupils whose financial circumstances change and whose ability to remain at the school is under threat, for example due to parental redundancy. From September 2018 the bursaries scheme was extended to also include pupils joining LGS Stoneygate in years 7 and above.

In assessing a bursary application, the Trust takes a number of factors into consideration, including family income, assets held, investments and savings, and the number of dependents. However, the Trust does not have a large endowment or extensive reserves to draw on. In funding bursary awards the Trust is mindful of the need to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

Bursary awards vary from 10% to 100% of fees and are re-assessed on an annual basis to take account of any changes in the family's financial situation. Information about fee assistance is available in the prospectus and on the school website, as well as being highlighted in advertising campaigns. The form completed by applicants includes a box to tick, to indicate simply that the applicant wishes to be considered for a means tested bursary.

The Trustees have also set up a sub-committee of the Finance and General Purposes Committee: the Bursaries, Scholarships and Public Benefit Sub-Committee. This sub-committee reviews, monitors and advises on the Trust's Public Benefit role, particularly developing the provision of means tested bursaries, taking into account the Charities Act requirements and Charity Commission guidelines.

Volunteers

Old Leicestrians, Friends of Leicester Grammar School, Friends of Leicester Grammar Junior School and the Friends of LGS Stoneygate provided support, advice and enrichment opportunities during the year, as well as helping with fundraising and organising social and cultural events. The Board is grateful to them for their continuing and valuable support for the schools.

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STRATEGIC REPORT **Review of Achievements and Performance for the Year**

Operational Performance of the schools

The Grammar School further enhanced its high national academic standing in the 2023 public examinations. At GCSE level, 70.4% of results were graded between 7 and 9. At 'A' level, an outstanding 91.3% of grades were at A* - B, and 70.4% at A*/A grade; this was achieved in a return to pre-pandemic standards and was therefore a school record. Nine students met their offers for Cambridge or Oxford.

LGS Stoneygate recorded its fourth set of GCSE results in 2022-23, with 96% of all grades at 4 or above and 100% at grade 4 or above in Maths and English.

During the year ended 31 July 2023, the value of means tested bursaries awarded to pupils totalled £763,000 (2021-22 £789,000). This figure included bursaries worth £28,000 (2021-22 £54,000) funded by external benefactors. The value of means tested bursaries represented 3.6% of the gross fee income of the Trust (2021-22: 4.0%).

During the year, 9 pupils received a 100% bursary (2021-22: 11 pupils). A further 34 pupils received bursaries of between 80% and 99% of fees (2021-22: 33 pupils).

Further awards totalling £100,000 (2021-22: £97,000) were made to pupils at Leicester Grammar School Trust in the form of scholarships. The Trustees' policy is to make these awards on the basis of individual ability and potential. The Trustees have a stated aim of gradually reducing the total proportionate value of scholarships in favour of gradually increasing the number and value of means tested bursaries.

A full complement of staff qualified to teach their respective subjects was in place throughout the year at all three of the Trust's schools. The support staff positions were similarly all filled.

Public benefit – Contribution to the community

In 2022-23 the Trust continued to contribute to the local and wider community and the schools provided the following activities:

Charitable projects, examples include:

- Donations of over 750 bags of clothes to Afghan Refugees in Leicester and Leicestershire.
- Sponsored 1 million steps challenge for Matt Hampson Foundation.
- Macmillan Cancer Support coffee mornings.
- Non-uniform days for various charities.
- Lower school disco for Rainbows Hospice.
- Christmas Jumper Day for Save the Children.
- Second hand uniform shop sales for Diabetes UK.
- Easter egg collections for local food banks.
- World Book Day cake sales and fancy dress for Book Aid.
- Supporting a wide range of charities, particularly centred around the theme of invisible illness.
- £5,000 was raised for charities during the year as well as numerous individual charitable projects led by pupils for charities of their choice.
- Cards for Kindness – delivered over 100 hand-made Christmas cards to local elderly residents.

Educational partnerships, examples include:

- Initiatives with local maintained schools (Manor High School, Gartree High School, Lutterworth High School, The Beauchamp College and Robert Smyth Academy), including invitations to careers events, 6th Form medic practice interviews, History Conference and Psychology visiting speakers.
- GCSE study skills sessions run by Year 13 for Year 11 and Year 10 pupils at a local maintained school (Manor High School).
- Art collaboration with local primary schools – The Big Draw and The Bee Project.

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Community service, examples include:

- Visits by Year 10 pupils to primary schools, to carry out sport, drama and music workshops.
- In the Summer term, a weekly programme of outreach and community service for Sixth Form pupils, including running lunch time clubs at four local primary schools, visiting a LOROS hospice, supporting fundraising initiatives for local charities and attending two residential care homes.
- Music workshops and concerts delivered by the Sinfonietta to Overdale Primary, St Cuthbert's, and Hazel Community school, to inspire younger pupils.
- Hosted a Tea Dance for 50 residents of local care homes, with music provided by school pupils.

Facilities, Music and Sport for the Community, although impacted in the year owing to Covid 19 restrictions, examples include:

- Organising the Bright Sparks STEM Fair, to which over 3000 members of the local community attended.
- Hosting the DT Rotary Challenge, attended by six local state schools, each bringing four teams.
- South Leicestershire Sports Partnership, to enable local state schools to use school facilities.
- Weekly singing group with local primary school.
- Interactive music concert for GCSE pupils, attended by around 1,000 pupils of local state schools.
- Community use of school facilities for sports, music, drama and general use.
- Our swimming facilities continue to be used for lessons by the wider local community and we host competitive swimming clubs.
- We continue to partner with the Bardi Orchestra. The orchestra benefits from rehearsing at the school. Each year the orchestra gives a concert at the Grammar school hall.

Financial Review and Results for the Year

The Trust recorded a surplus of £1,617,628 (2021-22 £1,245,234) during the year. The Surplus achieved is considered satisfactory for the Trust to enable investment and efficiency for repaying debt. Total income increased by £2,028,901, from £19,395,643 to £21,424,544.

Investment Policy

The financial objective of the Trustees is to maintain the real value of the Trust's assets whilst generating a stable and sustainable return to help fund the charity's activities over the long term. The Trustees review the investment policy on a regular basis.

At the year end the Trust's investments included £385,874 (2021-22: £390,246) of investment assets held within an investment portfolio managed by Brewin Dolphin. The Finance and General Purposes Committee is charged with agreeing a suitable asset allocation strategy with the investment managers which is set with the aim of achieving the Trust's overall investment objectives. This strategy would reflect the Brewin Dolphin risk category 5-6: low to moderate investment risk, to moderate investment risk. The Trustees adopt an ethical investment policy so that the Trust's assets are invested in line with its aims.

The Trust also owns an investment property which was revalued during the previous year at £280,000 which is let out on the open market. This residential property was acquired in May 2016 as part of the Stoneygate School site. Further short-term investments are held in the form of bank deposit accounts. During the year the Trust recorded a gain on investments of £2,611 (2021-22: £1,757), plus bank and other interest receivable of £108,823 (2021-22: £38,973) and a further £6,617 of gains on investments (2021-22: £5,303).

Risk Management

The Trustees are responsible for the management of the risks faced by the schools. Risks are identified and assessed and controls established throughout the year. A formal risk register is in place and is reviewed and updated on a regular basis by the Senior Leadership Team and reviewed by the Finance & General Purposes Committee.

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The principal risks and uncertainties identified in the Trust's risk register include:

- Recruiting sufficient able pupils into the schools each year in order to maintain the pupil roll and therefore fee income in line with forecast.
- Risks relating to tuition fees, including balancing the need to keep them at an affordable level, whilst meeting rising costs, including pension contributions for teaching staff, and interest and repayments on the bank loan, and meeting the requirement to comply with the bank covenants, and continuing to invest in the facilities available to pupils.
- Health and safety risks.
- The need to continue to recruit top quality staff remains a high priority.
- Risks relating to child welfare.
- External financial risks, which are kept under review by the Trustees, including the potential for changes to tax legislation or to the treatment of charities.

Key controls used by the charity include:

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

External financial risks, relating to potential adverse changes to tax legislation or to the treatment of charities as noted above, are in danger of crystallising in the short-term for the Trust and the independent sector as a whole. It is therefore particularly important for the Trust to manage its finances prudently to maintain an appropriate level of surplus, enabling flexibility to mitigate these risks whilst still allowing investment to support and fulfil our educational aims.

Through the risk management processes established for the Trust, the Trustees are satisfied that the major risks identified have been, and are being, adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Charity Fundraising

The school has not made any fundraising appeals to the general public during the year, and is unlikely to do so in the future. There has been no outsourced fundraising via professional fundraisers or other third parties. As a result the charity is not registered with the fundraising regulator and received no fundraising complaints in the year.

Reserves Policy

The Trustees aim to hold funds which are sufficient but not excessive in order to fund current operational requirements and future development. The Trustees are mindful of the need to maintain a level of reserves which enables the organisation to respond to circumstances and mitigate risk, including ensuring compliance with the terms of the bank loans.

The Trustees review the reserves policy on a regular basis. The policy was revised in 2019-20 such that the Trust aims to hold a minimum of £2m (cash balances) at all times. The value of cash and investments held at 31 July 2023 was £4.4m (2022: £6.8m).

At the end of the year the Trust's total reserves were £17,658,616 (2022: £16,040,988), including £16,893,258 (2022: £15,272,787) of unrestricted funds, £8,614 (2022: £12,139) of restricted funds and £756,744 (2022: £756,062) of endowment funds. The Trust's total reserves include £27,462,654 (2022: £27,760,082) which could only be realised by disposing of tangible fixed assets.

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The Trustees remain confident that the Trust is able to meet its financial obligations as they fall due, as well as continuing to invest in the fabric of the buildings and the facilities and equipment required to provide an excellent education at the Trust's schools. The Trust holds significant cash reserves and continues to generate an annual surplus after meeting its financial obligations and is forecast to continue to do so. The Trustees are confident, based on the Trust's sound financial position that the Trust can continue as a going concern.

Payment practices

The average number of days taken to make payments to the Trust's suppliers in the year was 30 (2022: 32). The percentages of payments made within the year which were paid: within 30 days was 51% (2022: 49%); between 31 and 60 days was 42% (2022: 45%); and after 61 days or longer was 7% (2022: 6%). The percentage of payments due within the reporting period which were not paid within agreed terms was 13% (2022: 12%).

Gender pay gap reporting

The Trust's gap for mean hourly rates of pay at 5 April 2023 was 12.2% (2022: 13.0%) in favour of male employees. The median hourly pay gap at 5 April 2023 was 9.0% (2022: 11.6%). The pay gap is impacted by the diversity of employed roles within the Trust and is kept under review on an annual basis.

Communication

Effective communication with employees is of vital importance and both Trustees and senior management provide information to, and consult with, staff on matters that affect them, including financial matters.

Environmental matters

Carbon Report - UK Greenhouse gas emissions and energy-use data	2022/23	2021/22
Energy consumption used to calculate emissions (kWh)	3,409,540	3,775,606
□ Gas	2,193,154	2,516,447
□ Electricity	1,216,386	1,259,159
Scope 1 emissions in metric tonnes CO2e		
Gas consumption	479.28	555.56
Owned transport – mini-buses	<u>44.48</u>	<u>29.63</u>
Total Scope 1	<u>523.76</u>	<u>585.19</u>
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	235.22	293.56
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles was insignificant in the year.		
Total gross emissions in metric tonnes CO2e	<u>758.98</u>	<u>878.75</u>
Intensity ratio Tonnes CO2e per pupil	<u>0.50</u>	<u>0.61</u>

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for the Company Reporting.

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The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

The Trust is committed to minimising the impact that its operations have on the environment and providing a safe environment for its staff and pupils. A pupil eco-group meets to suggest initiatives and the schools are conscious of ensuring the schools take a proactive view on environmental matters.

Subsidiary Company

The Trust has a wholly owned subsidiary company, LGS Enterprises Limited. This company undertakes commercial activities in order to generate funds to gift to Leicester Grammar School Trust.

Strategic Planning

The Trust Development Plan was extended, owing to the pandemic, for a fourth year ending 31 July 2024 and affirms the main aims of the Trust as being:

The Leicester Grammar School Trust seeks to be an inspiring centre for co-educational excellence in academic and personal development, within a Christian ethos.

The schools select pupils for entry in accordance with published admission procedures.

The Trust remains committed to maintaining its position as a leading provider amongst coeducational day schools.

Future Planning

At a strategy away-day in March 2020, a 2030 Vision was shared and agreed by Trustees.

Each of our schools will have:

- Excellent academic outcomes and co-curricular opportunities.
- Innovative teaching and learning supported by a digital strategy.
- A forward-looking and stimulating curriculum.
- An environmental focus with outstanding facilities.
- An international/ global outlook.

Each of our schools will be:

- Financially secure and adequately flexible to invest in developing our pupils and staff.
- A community with clear ethos and values.
- A community where well-being is promoted.
- A community which prioritises public benefit and outreach.

The Trust's mission statement and the aims of Leicester Grammar and Leicester Grammar Junior Schools were revised:

The Leicester Grammar School Trust seeks to be an inspiring centre for co-educational excellence in academic and personal development, within a Christian ethos.

Leicester Grammar School:

In order to fulfil this mission, the school aims to:

- Promote intellectual curiosity and academic excellence.
- Provide a broad, balanced and stimulating curriculum.
- Offer a rich range of co-curricular opportunities which enhance pupils' physical, cultural and personal development.
- Equip pupils with the self-belief, consideration and skills required for a principled and fulfilling life.

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- Create a happy and mutually-supportive community of learners and staff, in which each individual is encouraged and enabled to do and be their best.
- Care for the mental and emotional well-being of pupils, and be proactive in the promotion of a healthy lifestyle.
- Welcome pupils of diverse backgrounds and faiths, nurturing their social and spiritual development.
- Foster a generous contribution to charity, community service and society.

Leicester Grammar Junior School:

In order to fulfil this mission, the school aims to:

- Promote intellectual curiosity and a lifelong love of learning.
- Offer an extensive range of experiences which broaden the curriculum and develop the pupil.
- Create a stimulating, happy and supportive community where each pupil is allowed to flourish.
- Care for the mental and emotional well-being, promoting a healthy lifestyle and nurturing self-esteem.
- Enable the moral and spiritual well-being of each pupil to grow and thrive.

Vision: The school communities within the Trust will thrive through:

Inspiring learning (Teaching, learning and attainment)

- Foster increased discussion of teaching and learning, with consistent implementation of best practice
- Encourage resourceful learning which results in best-possible attainment

Stimulating curriculum (Curriculum and co-curriculum)

- Ensure a curriculum which best prepares pupils for a future of challenge and adventure
- Foster healthy co-curricular participation by all members of the school community

Care and community (Pupils' well-being, support and guidance; staff professional development and well-being)

- Ensure best deployment of pastoral resource to address pupils' needs
- Become increasingly recognised as a community which cares deeply for pupils, staff and others

Appeal and outreach (Marketing, admissions, outreach, fundraising and communications)

- Formulate and implement marketing and fundraising plans
- Be an ethically and environmentally responsible member of our local, national and global communities

Environment and provision (Resources and facilities)

- Ensure adequate funding to refurbish and develop facilities according to educational need
- Confirm and fully develop digital strategy

LEICESTER GRAMMAR SCHOOL TRUST
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Trustees' Responsibilities Statement

The Trustees (who are also directors of Leicester Grammar School for the purposes of company law) are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees of Leicester Grammar School Trust on 4 December 2023, including the Strategic Report contained therein, and signed on its behalf by:



Mr S Gasztowicz
Chairman of Trustees

Leicester Grammar School Trust

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER GRAMMAR SCHOOL TRUST FOR THE YEAR ENDED 31 JULY 2023

Opinion

We have audited the financial statements of Leicester Grammar School Trust ('the company') for the year ended 31 July 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

Leicester Grammar School Trust

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER GRAMMAR SCHOOL TRUST FOR THE YEAR ENDED 31 JULY 2023

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the audit of the financial statements

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

Leicester Grammar School Trust

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER GRAMMAR SCHOOL TRUST FOR THE YEAR ENDED 31 JULY 2023

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

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Leicester Grammar School Trust

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEICESTER GRAMMAR SCHOOL TRUST FOR THE YEAR ENDED 31 JULY 2023

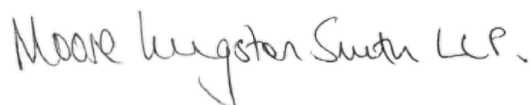
Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

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



Jonathan Aikens (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

21 December 2023

6th Floor
9 Appold Street
London
EC2A 2AP

Leicester Grammar School Trust

STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure statement) for the year ended 31 July 2023

	Notes	Unrestricted / Designated funds £	Restricted funds £	Endowment fund £	Total 2023 £	Total 2022 £ (as restated)
INCOME FROM:						
Charitable Activities						
School fees	4	19,960,278	-	-	19,960,278	18,173,785
Other educational income	5	1,290,233	-	-	1,290,233	1,147,892
Investments						
Investment Income	6	92,890	-	15,934	108,824	44,276
Voluntary sources						
Grants and donations	7	3,000	62,209	-	65,209	29,690
Total income and endowments		21,346,401	62,209	15,934	21,424,544	19,395,643
EXPENDITURE ON:						
Charitable activities						
Schools operations	8	19,728,733	65,734	15,060	19,809,527	18,152,166
Total expenditure	8	19,728,733	65,734	15,060	19,809,527	18,152,166
Net operating income/(expenditure)		1,617,668	(3,525)	874	1,615,017	1,243,477
Net gains/(losses) on investments		<u>2,803</u>	<u>-</u>	<u>(192)</u>	2,611	<u>1,757</u>
Net income/(expenditure) and net movement in funds		1,620,471	(3,525)	682	1,617,628	1,245,234
Fund balances brought forward		<u>15,272,787</u>	<u>12,139</u>	<u>756,062</u>	16,040,988	<u>14,795,754</u>
Fund balances carried forward	17	<u>16,893,258</u>	<u>8,614</u>	<u>756,744</u>	<u>17,658,616</u>	<u>16,040,988</u>

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

Leicester Grammar School Trust

BALANCE SHEET

as at 31 July 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	12	27,462,654	27,760,082
Investments	13	665,875	670,247
		28,128,529	28,430,329
CURRENT ASSETS			
Stocks		7,583	14,745
Debtors	14	1,254,633	1,109,866
Cash at bank and in hand		3,976,922	6,397,261
		5,239,138	7,521,872
CREDITORS: Amounts falling due within one year	15	(3,642,643)	(3,501,765)
NET CURRENT ASSETS		1,596,495	4,020,107
TOTAL ASSETS LESS CURRENT LIABILITIES		29,725,024	32,450,436
CREDITORS: Amounts falling due after more than one year	16	(12,066,408)	(16,409,448)
NET ASSETS		17,658,616	16,040,988
FUNDS			
Restricted funds	17	8,614	12,139
Unrestricted funds – general	17	16,893,258	15,272,787
Endowment fund	17	756,744	756,062
		17,658,616	16,040,988

Approved and authorised for issue by the Board of Trustees on 4 December 2023 and signed on their behalf by:



Mr S Gasztowicz
Chairman of the Board of Trustees



Mr M J Holley
Vice Chairman (Financial) of the Board of Trustees

The accompanying notes form part of these financial statements.
Company Number: 01521751

Leicester Grammar School Trust

CASHFLOW STATEMENT for the year ended 31 July 2023

CASH FLOW STATEMENT	2023 £	2022 £ (as restated)
Net cash inflow from operating activities	3,863,110	3,387,991
Cash flows from investing activities:		
Bank interest and investment income received	108,824	44,276
Purchase of investments	(70,434)	(69,171)
Proceeds from sale of investments	77,417	73,967
Payments to acquire fixed assets	(896,382)	(557,097)
Net cash outflow from investing activities	<u>(780,575)</u>	<u>(508,025)</u>
Financing:		
Loans repaid	(4,403,845)	(2,676,697)
Interest paid	(1,099,029)	(1,281,530)
Net cash outflow from financing activities	<u>(5,502,874)</u>	<u>(3,958,227)</u>
Increase/(decrease) in cash	(2,420,339)	(1,078,261)
Cash and cash equivalents at the beginning of the reporting period	<u>6,397,261</u>	<u>7,475,522</u>
Cash and cash equivalents at the end of the reporting period	<u><u>3,976,922</u></u>	<u><u>6,397,261</u></u>

RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £ (as restated)
Reconciliation of operating result to net cash inflow from operating activities		
Net movement in funds	1,617,628	1,245,234
Gains on investments	(2,611)	28,243
Depreciation	1,193,810	1,179,589
(Gains) on investment property	-	(30,000)
Bank interest and investment income received	(108,824)	(44,276)
Interest payable	1,099,029	1,281,530
Increase/(Decrease) in creditors	201,683	175,351
(Increase)/Decrease in debtors	(144,767)	(446,729)
(Increase)/Decrease in stocks	7,162	(951)
	<u><u>3,863,110</u></u>	<u><u>3,387,991</u></u>

NET DEBT RECONCILLIATION

	At 1 August 2022 £	Cashflows £	Other non- cash changes £	At 31 July 2023 £
Cash at bank and in hand	6,397,261	(2,420,339)	-	3,976,922
Bank loans falling due < 1 year	1,867,410	-	71,468	1,938,878
Bank loans falling due < 5 years	9,439,002	-	(4,344,326)	5,094,676
Bank loans falling due > 5 years	6,569,646	-	(130,987)	6,438,659

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS

for the year ended 31 July 2023

1 COMPANY INFORMATION

Leicester Grammar School Trust is a company limited by guarantee with registered number 01521751, incorporated and domiciled in England and Wales. Its registered office is London Road, Great Glen, Leicester, LE8 9FL.

2 ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011. Leicester Grammar School Trust meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

2.2 GOING CONCERN

The accounts have been prepared on a going concern basis. The Leicester Grammar School Trust Board reviews the financial information for the charitable company and consider whether the charitable company is a going concern for a period of at least 12 months from the date of approval of the accounts. After making enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

2.3 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee, the guarantors at the present time being the Trustees, to the extent of £1 each.

2.4 FEES RECEIVABLE AND SIMILAR INCOME

Fees receivable and other educational income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school. Fees received in advance of education to be provided in future years under an Advance Fee Payments Scheme contract are included in liabilities until either taken to income in the term when used or refunded.

2.5 ANCILLARY AND NON-ANCILLARY TRADING INCOME

Ancillary trading income represents amounts from activities to generate funds within the charitable objects for example, school refectory sales, coaches to and from school and school trips. Non-ancillary trading income represents amounts from activities not directly related to the charitable objects, for example lettings of school facilities. Income from these activities is recognised in the statement of financial activities when the goods are sold or services provided.

2.6 GRANTS AND DONATIONS

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can reliably be quantified and the economic benefit is considered probable.

2.7 FUND ACCOUNTING

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity. Endowment funds are further sub-divided into permanent and expendable, where required by the terms of the trust.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and have not been designated for other purposes.

2.8 EXPENDITURE

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs comprise the costs of running the Trust, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS

for the year ended 31 July 2023

2.9 FIXED ASSETS AND DEPRECIATION

In accordance with Section 35.10 (d) of FRS102, Leicester Grammar School has elected to use the carrying value of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost at the date of transition to FRS102, 1 August 2014.

Tangible fixed assets are stated at cost less depreciation.

Where tangible fixed assets have been acquired with the aid of specific grants they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset based on current market prices, over its expected useful life, as follows:

Freehold land	- Not depreciated
Freehold buildings	- 2% to 20% per annum on cost
Computers and equipment	- 25% on cost
Fixtures and fittings	- 12.5% to 33% on cost

Leicester Grammar School Trust exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

2.10 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at market value at the Balance Sheet date, unless market value cannot be measured reliably in which case it is measured at cost less impairment.

Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate fund according to the 'ownership' of the underlying assets. Realised gains and losses are the difference between sales proceeds and opening market value where the investment was held at the beginning of the year, or sales proceeds less cost of purchase where the investment was acquired in the year. Uninvested cash is the balance of liquid cash, held as an investment, which has not been invested in securities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in net gains/(losses) on investments in the Statement of Financial Activities.

2.11 STOCKS

Stocks are stated at the lower of cost or net realisable value.

2.12 PENSIONS

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and Skills.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

The school also pays contributions into a defined contribution scheme for Support staff. The assets of the Scheme are held separately from those of the School in an independently administered fund. The Pension Scheme charge represents contributions payable by the school in accordance with the rules of the Scheme.

2.13 LEASES AND HIRE PURCHASE CONTRACTS

Where assets are financed by finance leases and hire purchase agreements the assets are included in the Balance Sheet at cost less depreciation in accordance with the school's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the Statement of Financial Activities over the period of the lease in proportion to the balance of capital payments outstanding.

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

2.14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of 100 days or less.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS

for the year ended 31 July 2023

2.15 FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. Given the School only have basic financial instruments it is not considered necessary to disclose these separately in the financial statements.

2.16 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

2.17 FOREIGN CURRENCY TRANSLATION

The charity's presentation currency is Pounds Sterling. Transactions occurring in foreign currency throughout the year have been translated using publicly available average exchange rates.

Monetary assets and liabilities are denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. All foreign currency differences are recognised in expenditure.

3 KEY ESTIMATES & JUDGEMENTS

In the application of the accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 on-going 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 affects both current and future periods.

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the opinion of the trustees, no estimates and assumptions have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2023

4 FEE INCOME

The School's activities are carried out within the UK.
The school's fee income comprised:

	2023 £	2022 £ (as restated)
Gross fees	21,429,143	19,575,189
Less: Discounts, Scholarships and bursaries	(1,468,865)	(1,401,404)

Total bursaries and awards

Leicester Grammar School Trust makes awards to individual families to support schooling

19,960,278	18,173,785
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From Unrestricted Funds:

	2023 £	2022 £ (as restated)
Bursaries	735,406	734,803
Scholarships and awards	99,777	97,075
Other discounts	633,682	569,526

1,468,865	1,401,404
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All fee income is unrestricted.

5 OTHER EDUCATIONAL INCOME

Extras and disbursements:

	2023 £	2022 £ (as restated)
Canteen receipts, bus fares and after school care	969,316	868,192
Sundry income	320,917	279,700

1,290,233	1,147,892
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All other educational income is unrestricted.

6 INVESTMENT INCOME

	2023 £	2022 £
Interest received and other investment income	108,824	44,276

108,824	44,276
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Included within the above is an amount of £15,934 (2022: £15,625) which relates to endowment income. All other investment income is unrestricted.

7 DONATIONS AND GRANTS

	2023 £	2022 £
Donations and gifts from LGS Enterprise	58,458	28,990
Other donations	6,751	700

65,209	29,690
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Included within the above is an amount of £62,209 (2022: £29,690) which relates to restricted income. All other donation and grant income is unrestricted.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS
for the year ended 31 July 2023

8 EXPENDITURE

(a) Charitable expenditure	Staff costs (note 9) £	Other £	Depreciation £	Total 2023 £
Teaching	10,045,631	3,285,620	945,290	14,276,541
Welfare	821,993	619,033	77,350	1,518,376
Premises and Estates	470,002	1,263,903	44,227	1,778,132
Administration and governance	1,349,091	760,444	126,943	2,236,478
Total Charitable Expenditure	12,686,717	5,929,000	1,193,810	19,809,527
Total Expended	12,686,717	5,929,000	1,193,810	19,809,527

Included within teaching costs is an amount of £7,166 (2022: £46,627) relating to restricted expenditure.

Charitable expenditure	Staff costs (note 9) £	Other £	Depreciation £	Total 2022 £ (as restated)
Teaching	9,207,937	3,074,019	934,026	13,215,982
Welfare	753,448	345,770	76,428	1,175,646
Premises and Estates	430,809	1,117,024	43,700	1,591,531
Administration and governance	1,236,592	806,981	125,435	2,169,007
Total Charitable Expenditure	11,628,786	5,343,791	1,179,589	18,152,166
Total Expended	11,628,786	5,343,791	1,179,589	18,152,166

(b) Other Governance Costs included within Administration Costs:	2023 £	2022 £
Auditors' remuneration		
- Audit Fees	14,750	15,210
- Other Auditors remuneration	4,450	4,140
Legal and Professional Fees	19,200	19,350

(c) Administration Costs	2023 £	2022 £
Staff costs	1,349,091	1,236,592
IT support and lease costs	283,352	180,766
Postage, stationery and telephones	198,686	164,261
Depreciation	126,943	125,435
Legal and Professional Fees	123,559	88,161
Other Administration Costs	135,647	354,443
	2,217,278	2,149,657

NET INCOME FOR THE YEAR

	2023 £	2022 £
Net income is stated after charging:		
Depreciation of tangible fixed assets	1,193,810	1,179,589
Loan Interest	1,099,029	1,281,530
Operating lease rentals – other	47,601	18,878

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2023

9 STAFF COSTS	2023	2022
	£	£
Wages and salaries	9,915,189	9,085,225
Social security costs	999,935	905,784
Other pension costs	1,771,593	1,637,777
	<u>12,686,717</u>	<u>11,628,786</u>

The average monthly number of employees during the year was as follows:

	2023	2022
	No.	No.
Teaching	161	158
Office and non-teaching staff	121	111
	<u>282</u>	<u>269</u>

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2023	2022
	No.	No.
£60,000 - £70,000	3	4
£70,001 - £80,000	2	2
£80,001 - £90,000	1	-
£130,001 - £140,000	1	1
£160,001 - £170,000	-	1
£170,001 - £180,000	1	-
	<u>8</u>	<u>8</u>

Pension contributions for the year amounted to £161,516 (2022: £151,561) for the above employees.

Key management personnel consist of the senior management team. During the year, the total employee benefits (including pension and Employer National Insurance contributions) totalled £1,010,697 (2022: £951,365)

10 TRUSTEES REMUNERATION AND BENEFITS

There were no Trustees' remuneration, expenditure reimbursement or other benefits for the year ended 31 July 2023 nor for the year ended 31 July 2022.

11 PENSIONS

The School participates in the Teachers' Pension Scheme ('the TPS') for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,634,563 (2022: £1,521,342) and at the year end £137,680 (2022: £126,050) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and following a public consultation in 2021 the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations were completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has indicated that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The Trust also contributes to a defined contribution pension scheme for non-teaching staff. The pension charge for the year includes contributions payable to Standard Life of £137,030 (2022: £117,881) and at the year end £11,787 (2022: £10,789) was accrued in respect of contributions to this scheme.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS
for the year ended 31 July 2023

12 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Furniture, Fixtures & Fittings £	Computers and Equipment £	Total £
Cost:				
At 1 August 2022	36,790,181	1,736,179	1,811,895	40,338,255
Additions	425,819	204,697	265,866	896,382
Disposals	(148,110)	(136,955)	(374,815)	(659,880)
Transfer	-	270,294	(270,294)	-
At 31 July 2023	<u>37,067,890</u>	<u>2,074,215</u>	<u>1,432,652</u>	<u>40,574,757</u>
Depreciation:				
At 1 August 2022	9,711,902	1,502,732	1,363,539	12,578,173
Charge for year	867,354	163,821	162,635	1,193,810
Disposals	(148,110)	(136,955)	(374,815)	(659,880)
Transfer	-	126,663	(126,663)	-
At 31 July 2023	<u>10,431,146</u>	<u>1,656,261</u>	<u>1,024,696</u>	<u>13,112,103</u>
Net book value:				
At 31 July 2023	<u>26,636,744</u>	<u>417,954</u>	<u>407,956</u>	<u>27,462,654</u>
At 1 August 2022	<u>27,078,279</u>	<u>233,447</u>	<u>448,356</u>	<u>27,760,082</u>

All assets are used for charitable purposes.

Transfers in the year relate to an adjustment to agree statutory accounts back to underlying fixed asset registers.

13 INVESTMENTS

	Shares in group undertakings £	Listed investments £	Investment Property £	2023 £	2022 £
Cost/valuation At 1 August 2022	1	390,246	280,000	670,247	703,285
Additions	-	70,434	-	70,434	69,171
Disposals	-	(78,989)	-	(78,989)	(73,967)
Gains/(Losses) arising from movements in valuations	-	4,183	-	4,183	(28,242)
Cost/valuation At 31 July 2023	<u>1</u>	<u>385,874</u>	<u>280,000</u>	<u>665,875</u>	<u>670,247</u>
UK fixed interest	-	65,149	-	65,149	59,113
UK equities	1	70,179	-	70,180	60,384
International equities	-	208,336	-	208,336	234,677
Property	-	7,359	280,000	287,359	287,974
Other investments	-	34,851	-	34,851	28,099
	<u>1</u>	<u>385,874</u>	<u>280,000</u>	<u>665,875</u>	<u>670,247</u>

Investment gains shown on the Statement of Financial Activities of £2,611 (2022: £1,757) include unrealised gains on investments of £4,183 (2022: loss of £28,242) and realised losses on investment of £1,572 (2022: gain of £29,999).

Leicester Grammar School Trust owns 100% of the ordinary share capital of LGS Enterprises Limited a company registered in England and Wales with a registered office of Leicester Grammar School, London Road, Great Glen, Leicester, LE8 9FL. The principal activities of LGS Enterprises Limited are the hiring out of the School facilities and the running of the café. It is intended that profits made by the company will be donated to the Trust unless required for the furtherance of LGS Enterprise Limited's own trading activities.

For the year ended 31 July 2023 LGS Enterprises Limited made a gift-aid donation of £58,458 (2022: £28,990) and had capital and reserves of £59,121 (2022: £31,674).

The Trustees provided an initial working capital loan to LGS Enterprises Limited to cover essential set-up costs and have advanced a further loan to finance the construction of the café. Loans are secured on the assets of that company. The Trustees have reviewed the financial forecast of the company for further years and are satisfied that it is a going concern and that it is expected to generate a profit before donations during 2023/24 and thereafter. Consolidated accounts have not been prepared on the grounds of materiality.

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2023

13 INVESTMENTS (continued)

Investment property	2023 £	2022 £
Valuation at 1 August 2022	280,000	280,000
Valuation at 31 July 2023	280,000	280,000

Investment properties consist of the Lodge/Gatehouse property at LGS Stoneygate held for investment purposes and which are not used in the Trust's own activities, primarily a residential house which is let out on the open market. Leicester Grammar School Trust is responsible for improvements and maintenance of the properties.

A formal valuation of the property was prepared by Mr Richard Chesterton of Newton Fallowell as 22 February 2022. The Trustees have assessed and agreed the valuation of the property in 2023.

14 DEBTORS

	2023 £	2022 £
Trade debtors	456,898	348,801
Prepayments and accrued income	468,073	502,802
Amount due from group undertaking	329,662	258,263
	1,254,633	1,109,866

15 CREDITORS

Amounts falling due within one year:	2023 £	2022 £
		(as restated)
Loans	1,938,878	1,867,410
Trade creditors	513,184	659,873
Taxation and social security costs	255,044	241,785
Fee Deposits	37,800	73,058
Fees in advance	164,721	91,831
Other creditors	483,679	243,414
Accruals and deferred income	249,337	324,394
	3,642,643	3,501,765

Fee prepayment scheme due within one year:	2023 £	2022 £
Brought forwards	91,831	152,848
Released in year	(91,831)	91,831
Received in year	164,721	(152,848)
Carried forwards	164,721	91,831

16 CREDITORS DUE AFTER ONE YEAR

Amounts falling due after more than one year:	2023 £	2022 £
Bank loan	11,533,335	16,008,648
School fee deposits	421,800	400,800
Fees in advance	111,273	-
	12,066,408	16,409,448

Loans due in:	2023 £	2022 £
In one year or less	1,938,878	1,867,410
Between one and two years	1,245,112	1,867,410
Between two and five years	3,849,564	7,571,592
After five years	6,438,659	6,569,646
	13,472,213	17,876,058

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS for the year ended 31 July 2023

16 CREDITORS DUE AFTER ONE YEAR (continued)

The Trust has three bank loans secured by a debenture over the assets of the charity. The original loan is repayable in equal quarterly instalments. Interest is payable at 7.77% until January 2025 and thereafter at a SONIA rate plus 2.55%. The second loan is repayable in monthly instalments. Interest is payable at bank base rate plus 2.95%. The third loan was taken out under the Coronavirus Business Interruption Loan scheme (CBILs) in 2019-20. Interest is payable at bank base rate plus 2.34%.

Fees in advance due after one year:	£	£
Brought forwards	-	-
Released in the year	-	-
Received in year	111,273	-
	111,273	-

Parents may enter into an agreement to pay the school a number of years tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the school, advance fees will be released as they fall due.

17 STATEMENT OF FUNDS

	At 1 August 2022	Income	Expenditure	Gains/ (losses)	At 31 July 2023
	£	£	£	£	£
Unrestricted funds:					
General reserve	15,272,787	21,346,401	(19,728,733)	2,803	16,893,258
Restricted funds:					
Vestments	61	-	-	-	61
Chapel Fund	205	-	-	-	205
Neville Hall Travel Fund	4,094	-	-	-	4,094
Other small prize fund	7,279	-	(4,375)	-	2,904
Singing Prize	500	150	-	-	650
LGJS Friends	-	2,791	(2,791)	-	-
St Nicks acoustic fundraiser	-	700	-	-	700
General Bursaries Fund	-	58,568	(58,568)	-	-
Total restricted	12,139	62,209	(65,734)	-	8,614
Endowment Bursary funds:					
Edward Smith Fund	26,559	438	(192)	(54)	26,751
Mrs M E Smith Fund	11,428	1,405	(1,405)	-	11,428
Parent donations	4,574	91	(91)	-	4,574
Bishop Mort fund	10,000	200	(200)	-	10,000
The Hon Lady A Brooks	41,222	701	(375)	(72)	41,476
Edith Murphy Foundation	10,000	200	(200)	-	10,000
John Higginbotham Fund	18,000	360	(360)	-	18,000
Telereal Trillium Fund	600,000	12,000	(12,000)	-	600,000
Margaret Float Travel Fund	32,638	539	(236)	(67)	32,874
Margaret Float Travel Cash	1,641	-	-	-	1,641
Total endowment	756,062	15,934	(15,060)	(192)	756,744
Total funds	16,040,988	21,424,544	(19,809,527)	2,611	17,658,616

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS
for the year ended 31 July 2023

17 STATEMENT OF FUNDS (Continued)

	At 1 August 2021	Income	Expenditure	Gains/ (losses)	At 31 July 2022
	£	£	£	£	£
Unrestricted funds:					
General reserve	14,003,161	19,350,328	(18,089,545)	8,843	15,272,787
Restricted funds:					
Vestments	61	-	-	-	61
Chapel Fund	205	-	-	-	205
Neville Hall Travel Fund	4,094	-	-	-	4,094
Other small prize fund	7,279	-	-	-	7,279
Shelter Fund	4,000	-	(4,000)	-	-
COVID 19 donations	3,599	-	(3,599)	-	-
Organ Fund	9,588	-	(9,588)	-	-
Singing Prize	250	250	-	-	500
LOTTA (Table Tennis)	-	450	(450)	-	-
General Bursaries Fund	-	28,990	(28,990)	-	-
Total restricted	29,076	29,690	(46,627)	-	12,139
Endowment Bursary funds:					
Edward Smith Fund	28,554	351	(351)	(1,995)	26,559
Mrs M E Smith Fund	11,428	1,405	(1,405)	-	11,428
Parent donations	4,574	91	(91)	-	4,574
Bishop Mort fund	10,000	200	(200)	-	10,000
The Hon Lady A Brooks	43,862	586	(586)	(2,640)	41,222
Edith Murphy Foundation	10,000	200	(200)	-	10,000
John Higginbotham Fund	18,000	360	(360)	-	18,000
Telereal Trillium Fund	600,000	12,000	(12,000)	-	600,000
Margaret Float Travel Fund	35,089	432	(432)	(2,451)	32,638
Margaret Float Travel Cash	2,010	-	(369)	-	1,641
Total endowment	763,517	15,625	(15,994)	(7,086)	756,062
Total funds	14,795,754	19,395,643	(18,152,166)	1,757	16,040,988

Restricted funds

Endowment Bursary funds are established to provide means tested bursaries to enable pupils to attend the school who would not otherwise be able to.

Other small prize funds comprise 22 individual funds, which are established to provide a school prize, annually, out of income.

General bursary support for pupils is provided by the Telereal Trillium Fund; The Hon Lady A Brooks fund; Mrs M E Smith Fund; Edith Murphy Foundation and parent donations.

Specific bursary support for pupils is provided by the Edward Smith Fund (pupils applying to year 7); Bishop Mort Fund (pupil hardship); John Higginbotham Fund (Music tuition); and Margaret Float Travel Fund/Cash (supporting sixth form students).

Leicester Grammar School Trust

NOTES TO THE ACCOUNTS
for the year ended 31 July 2023

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Endowment fund £	2023 Total £
Tangible fixed assets	27,462,654	-	-	27,462,654
Investments	565,648	-	100,227	665,875
Current assets	4,574,007	8,614	656,517	5,239,138
Current liabilities	(3,642,643)	-	-	(3,642,643)
Long term liabilities	(12,066,408)	-	-	(12,066,408)
Total net assets	16,893,258	8,614	756,744	17,658,616
	Unrestricted funds £	Restricted funds £	Endowment fund £	2022 Total £
Tangible fixed assets	27,760,082	-	-	27,760,082
Investments	569,828	-	100,419	670,247
Current assets	6,854,090	12,139	655,643	7,521,872
Current liabilities	(3,501,765)	-	-	(3,501,765)
Long term liabilities	(16,409,448)	-	-	(16,409,448)
Total net assets	15,272,787	12,139	756,062	16,040,988

19 COMMITMENTS UNDER OPERATING LEASES

At 31 July 2023, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
Due within one year	79,339	91,193
Due between two and five years	23,281	31,062
Due after more than five years	71,105	40,112
	173,725	162,367

20 RELATED PARTIES

There were no related party transactions during the year (2022: none)

21 TAXATION

The Trust is a registered charity and therefore no liability to taxation arises on its charitable activities.

22 SHARE CAPITAL

The company is limited by guarantee and does not have any share capital. The liability of the members of the Trust is limited to £1 each.

23 PRIOR YEAR RESTATEMENT

Prior year figures for School fees, discounts and other educational income were restated to show the gross income received and gross discounts issued, these figures had been shown net in the prior year financial statements.

The net impact on gross fees was an increase of £526,928, bursaries and discounts increased by £569,526 and other educational income increased by £42,598. There was no overall impact on total income.

The prior year cashflow statement has also been restated to include the necessary adjustments to operating and financing activities in relation to interest paid. Net cashflow from operating activities and net cash outflow from financing activities both increased by £1,281,530. There was no overall impact on cash and cash equivalents.

Creditors has been restated in the prior year to split out other creditors from trade creditors, reducing trade creditors by £243,414. There was no overall impact on creditors.

Prior year figures for expenditure have been restated as the cost apportionment has been updated. Other teaching costs decreased by £1,151,656, other premises costs increased by £919,317 and other administration costs increased by £232,339. There was no overall impact on total expenditure.

LEICESTER GRAMMAR SCHOOL TRUST

England & Wales - Charity number 510809

Accounts

Company Registration No. 01521751
Charity Registration No. 510809

LEICESTER GRAMMAR SCHOOL TRUST

**TRUSTEES' REPORT
AND
STATEMENT OF ACCOUNTS**

**FOR THE YEAR ENDED
31 JULY 2022**

LEICESTER GRAMMAR SCHOOL TRUST

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LEICESTER GRAMMAR SCHOOL TRUST

Legal and administrative information

Charity Trustees

The Trustees of Leicester Grammar School Trust are also company directors, and carry the responsibilities accorded to them by the Charity Commission and under Company Law. They have all served in office throughout the year except where indicated:

Mrs E M Bailey
Mr M R Bulsara (appointed 12 October 2022)
Mrs J Burns (Vice chair, Academic)
Professor D Cartmell
Mr S Gasztowicz (Chairman)
Mr D C Green
Dr S E Hadley
Mr M J Holley (Vice chair, Financial)
Mr N J M Imlach
Dr D I Khoosal
Mrs K Law (appointed 6 December 2021)
Mrs A G O'Donovan (resigned 21 June 2022)
Mr A P M Osiatynski (appointed 6 December 2021)
Dr R S P Saigal (appointed 12 October 2022)
Professor J M Saker
The Ven R V Worsfold

Committees and sub committees of the Board of Trustees

The following Trustees served on committees and sub committees of the Board during the year:

Education Committee:

Mrs J Burns (Committee Chairman)
Mrs E M Bailey
Mr S Gasztowicz
The Ven R V Worsfold

Finance and General Purposes Committee:

Mr M J Holley (Committee Chairman)
Mrs E M Bailey
Mr S Gasztowicz
Mr D C Green
Mr N J M Imlach

Bursaries, Scholarships and Public Benefit Sub Committee:

Mrs E M Bailey (Sub committee Chairman)
Mrs A G O'Donovan (resigned 21 June 2022)

Health and Safety Committee:

Professor J M Saker (Committee Chairman)
Dr D I Khoosal
Dr S E Hadley

Nominations and Governance Committee:

Mr S Gasztowicz (Committee Chairman)
Mrs J Burns
Mr M J Holley

Safeguarding and Well-being Committee:

Dr S E Hadley (Committee Chairman)
The Ven R V Worsfold

LEICESTER GRAMMAR SCHOOL TRUST

Legal and administrative information cont.

Salaries Review Committee:

Mr S Gasztowicz (Committee Chairman)

Mrs J Burns

Mr M J Holley

The Board is a self-appointing body. One third of the Board is required to retire by rotation, each year. Board members are eligible to stand for re-election at the end of a term of office.

Officers

Headmaster of Leicester Grammar School and Principal of Leicester Grammar School Trust:

Mr J W Watson

Headmistress of Leicester Grammar Junior School: Mrs S V Ashworth Jones (appointed 1 September 2021)

Headmaster of LGS Stoneygate: Mr J Dobson (resigned 31 August 2022); Mr N Price (appointed 1 September 2022)

Director of Finance and Operations and Company Secretary: Mr S J Jeffries

Addresses:

Leicester Grammar School and Leicester Grammar Junior School

London Road

Great Glen

Leicester

LE8 9FL

(School and registered office)

LGS Stoneygate

6 London Road

Great Glen

Leicester

LE8 9DT

Websites: www.leicestergrammar.org.uk

www.lgs-stoneygate.org.uk

Auditors

Haysmacintyre LLP

10 Queen St Place

London

EC4R 1AG

Bankers

NatWest

1 Granby Street

Leicester

LE1 9GT

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2022

The Trustees present their report and financial statements for the year ended 31 July 2022 and confirm they comply with the requirements of the Charities Act 2011, including the Directors' and Strategic Report under the Companies Act 2006.

Reference and Administrative Information

The Charity was founded in 1980 and is registered with the Charity Commission under charity number 510809.

Leicester Grammar School Trust is also a company limited by guarantee, registered under company number 01521751.

The Trustees, executive officers and principal address of the Charity are as listed on page 1 and 2. Particulars of the Charity's professional advisers are given on page 2.

Structure, Governance and Management

Governing Document

The Charity is governed by its Memorandum and Articles dating from 13 October 1980 and last amended on 3 December 2014.

Governing Bodies

The Charity operates three schools, Leicester Grammar School, Leicester Grammar Junior School and LGS Stoneygate. There is a single Governing body, being the Charity Trustees, the details of which are explained on page 1.

Recruitment and Training of Trustees

The Charity's elected Trustees are appointed at a meeting of the Board of Leicester Grammar School Trust, on the basis of recommendations made by the Nominations and Governance Committee, a committee of the Board. The Committee considers eligibility, skills and commitment when advising the Board and endeavours to ensure that the Board contains an appropriate balance of skills.

New Trustees receive a pack of written information as well as visiting all three schools and meeting with key officers and the Chairman of the Board. A skills audit is performed to identify individual training needs of Trustees and also any areas where additional expertise may need to be added to the Board. Trustees are also encouraged to assess their own training needs and individual Trustees attend courses as required.

Organisational Management

The Trustees are legally responsible for the overall management and control of the three Schools. The Board of Trustees meets at least four times each year.

The Education Committee meets once per term. This Committee oversees the curriculum, teaching and learning and educational policy across the three Schools.

The Finance and General Purposes Committee meets four times a year. This Committee oversees the implementation of certain Board policies, and also undertakes detailed reviews before making recommendations to the Board. The Finance and General Purposes Committee is chaired by a Trustee who is not Chairman of the full Board. The Bursaries, Scholarships and Public Benefit Sub Committee meets to review applications and policy in detail at least twice each year.

The Safeguarding and Well-being Committee was established during the year and meets once per term. The Committee reviews and monitors policies and procedures related to safeguarding and the well-being of pupils at all three Schools.

The Health and Safety Committee meets once per term and reviews health and safety policies and procedures at all three Schools.

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2022

The Nominations and Governance Committee meets as and when required, but usually once a year. It considers the composition of the Board and applications from prospective Trustees. The Salaries Review Committee meets periodically to consider salaries payable to the Senior Leadership Team.

The day to day running of the schools is delegated to the respective Heads supported by their Senior Leadership Teams together with the Director of Finance and Operations. The Head Teachers and the Director of Finance and Operations attend meetings of the Board and its committees and sub committees.

Key Management Personnel are considered to be the Principal and Headmaster of Leicester Grammar School, the Director of Finance and Operations, the Heads of Leicester Grammar Junior School and LGS Stoneygate, and the Deputy Heads of Leicester Grammar School. The remuneration of this senior staff group is determined by the Salaries Review Committee of the Board of Trustees with reference to appraisal records and benchmarking.

Objects, Aims, Objectives and Activities

Charitable Objects

The Trust's Objects, as set out in its Memorandum and Articles, are the advancement of education, through a school or schools, run according to Christian principles.

Aims and Intended Impact

Within these Objects the Trust's aim is to provide an excellent education for pupils of high academic ability, regardless of their financial means. The Trust aims to provide for the pupils' general instruction of high standard and quality, including physical, moral and religious education and to provide an environment where each pupil can develop his or her talents to the full.

Objectives for the Year

In setting objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing education and on fee-charging.

The maintenance of academic progress, underpinned by individual pastoral care and a strong sense of community, has been a key focus. Academic excellence is complemented by an emphasis on sport, music, drama and co-curricular activities, ensuring a rounded education for pupils of all ages.

The Trust remains committed to enrolling able children from all backgrounds regardless of ability to pay the fees.

A key objective for the Trust for 2021-22 was to maintain pupil numbers and parental confidence following the unprecedented period of managing the impact of the Covid 19 pandemic on the schools.

The Trust aims to play a full part in the life of the local, regional and indeed national community.

Strategies to Achieve the Year's Objectives

The Trustees worked with senior leaders to ensure that pupils made good academic progress during the pandemic and that examination candidates were therefore well prepared for final assessment. There has been an increased focus on teaching and learning strategies, and a new Sixth Form programme (Aspire) was introduced in September 2020. Remote learning and teaching have also provided unforeseen opportunities to enhance the use of technology.

Provision of means-tested bursaries remains a high priority for the Trust, in order to ensure that the school is accessible to pupils from a wide range of backgrounds. The Trust continues to seek funding for additional bursaries and has a subsidiary company, LGS Enterprises Limited, which was established to generate additional income.

The Trustees continue to work to raise the profile of the schools and to extend outreach and partnership activities in order to attract applications for admission from able candidates.

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2022

The Trust continues to work hard to create links with local schools and the local community, particularly by making its facilities available to other local groups and organisations. Some of these activities have been sustained remotely during the pandemic.

Principal Activities of the Year

The Trust principally provides education to boys and girls from the age of 3 to 18.

The Trust continues to operate three schools.

Two of the schools are based on a shared site in Great Glen, Leicestershire: Leicester Grammar School for pupils aged 10-18 and Leicester Grammar Junior School for pupils aged 3-11. During the year Leicester Grammar School averaged 851 (2020-21: 859) pupils and Leicester Grammar Junior School averaged 394 (2020-21: 400) pupils. Both schools continue to operate broadly at capacity, with increased admissions activity during the year leading to higher pupil numbers in both schools for 2022/23.

In May 2016 the Trust acquired the trade and assets of Stoneygate School, an independent coeducational preparatory school also situated in Great Glen, Leicestershire on a separate 45 acre site. During the year Stoneygate averaged 204 (2020-21: 190) pupils. The school offers high-quality education with a distinctive ethos, supported by attentive governance and management provided by the Trust.

The welcome increase in pupil numbers at Stoneygate resulted from clarification and redefinition of the senior school curriculum and more intensive admissions activity and marketing. It is the intention of Trustees to increase the pupil roll further and, following a review, the school was re-branded from September 2021 as LGS Stoneygate. Trustees have planned to invest in the school, with a new multipurpose hall scheduled for completion during 2023.

2021-22 has been another complex year owing to the Covid 19 pandemic. The Trust has continued to manage its finances carefully over the last year, retaining the Coronavirus Business Interruption Loan Scheme (CBILs) funding of £4 million borrowed in June 2020, although repayment of this funding is to be accelerated in 2022/23 since the financial risks arising from the pandemic have been seen to recede. Despite the continued impact of the pandemic, a surplus commensurate with the need to maintain investment in our pupils' education was still achieved.

The Trust is confident that the schools will continue to attract able pupils. This is a result of continued efforts to maintain the academic, pastoral and co-curricular standards for which the schools have become known, continued investment in facilities and ongoing efforts to market the schools.

Our Ethos

The Trust is a charity which seeks to benefit the public through the pursuit of its stated aims. Fees are set at a level to ensure the financial viability of the schools and at a level which is consistent with the aim of providing a first-class education to boys and girls.

The schools welcome academically able pupils from all backgrounds. To admit a prospective pupil the schools need to be satisfied that they will be able to educate and develop that prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Pupils wishing to join the Grammar School are required to sit an entrance exam and pupils wishing to join Leicester Grammar Junior School or LGS Stoneygate undergo an assessment. Both forms of assessment are designed to satisfy the school and the parents that the potential pupil can cope with the pace of learning and benefit from the education provided. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of the assessment process.

The schools are committed to safeguarding and promoting the welfare of pupils and expect all staff and volunteers to share this commitment. The schools carry out appropriate background checks of adults who come into contact with pupils. The schools maintain regular contact with parents through the year including holding parents evenings, issuing end of term reports, and sending home regular newsletters.

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2022

The Trust is an equal opportunity organisation and is committed to a working environment which is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability.

Disabled employees

The Trust facilitates the employment of disabled persons and provides, wherever possible, training, career development and promotion. Where employees become disabled whilst in service, every effort is made to rehabilitate them to their former jobs or some other suitable alternative and provide appropriate training and specialist advice.

Access Policy

It is important that access to the education provided by the Trust and to its facilities is not restricted to those who can afford the fees. The Trust believes that all pupils benefit from learning within a diverse community. The Trust's bursaries policy, together with links with local state schools and other organisations which have access to the Trust's facilities, contribute to a widening of access.

Grant-making Policy

The Trustees view the bursary awards as essential in helping to ensure that children from families which would not otherwise be able to afford the fees can access the education on offer. Bursaries are available to all prospective pupils who pass the entrance exam to join the Grammar School in years 7 and above, and are made solely on the basis of parental means. Bursaries are also available to existing pupils whose financial circumstances change and whose ability to remain at the school is under threat, for example due to parental redundancy. From September 2018 the bursaries scheme was extended to also include pupils joining LGS Stoneygate in years 7 and above.

In assessing a bursary application, the Trust takes a number of factors into consideration, including family income, assets held, investments and savings, and the number of dependents. However, the Trust does not have a large endowment or extensive reserves to draw on. In funding bursary awards the Trust is mindful of the need to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

Bursary awards vary from 10% to 100% of fees and are re-assessed on an annual basis to take account of any changes in the family's financial situation. Information about fee assistance is available in the prospectus and on the school website, as well as being highlighted in advertising campaigns. The form completed by applicants includes a box to tick, to indicate simply that the applicant wishes to be considered for a means tested bursary.

The Trustees have also set up a sub committee of the Finance and General Purposes Committee: the Bursaries, Scholarships and Public Benefit Sub Committee. This sub committee reviews, monitors and advises on the Trust's Public Benefit role, particularly developing the provision of means tested bursaries, taking into account the Charities Act requirements and Charity Commission guidelines.

During 2019-20, an additional Coronavirus Hardship Bursary Fund was established to support parents impacted by Covid 19, either health-wise or financially.

Volunteers

Old Leicestrians, Friends of Leicester Grammar School, Friends of Leicester Grammar Junior School and the Stoneygate Parents' Association provided support, advice and enrichment opportunities during the year, as well as helping with fundraising and organising social and cultural events. The Board is grateful to them for their continuing and valuable support for the schools.

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2022

STRATEGIC REPORT **Review of Achievements and Performance for the Year**

Operational Performance of the schools

Public examinations resumed in 2022, having been replaced with Teacher Assessed Grades owing to Covid 19 in 2021.

The Grammar School enhanced its high academic standing. At GCSE level, 80.8% of results were graded between 7 and 9. At 'A' level 91.0% of grades were at A* - B, and 71.7% at A*/A grade.

LGS Stoneygate recorded its third set of GCSE results in 2021-22 and its first public examinations, with 96% at grade 4 or above and 100% at grade 4 or above in Maths and English.

LGS Stoneygate underwent a Regulatory Compliance Inspection in December 2021. The school was found to be fully compliant with the Independent School Standards Regulations.

During the year ended 31 July 2022, the value of means tested bursaries awarded to pupils totalled £789,000 (2020-21 £755,000). This figure included bursaries worth £54,000 (2020-21 £36,000) funded by external benefactors. The value of means tested bursaries represented 4.1% of the gross fee income of the Trust (2020-21: 4.2%).

During the year, 11 pupils received a 100% bursary (2020-21: 16 pupils). A further 33 pupils received bursaries of between 80% and 99% of fees (2020-21: 26 pupils).

Further awards totalling £97,000 (2020-21: £103,000) were made to pupils at Leicester Grammar School Trust in the form of scholarships. The Trustees' policy is to make these awards on the basis of individual ability and potential. The Trustees have a stated aim of gradually reducing the total proportionate value of scholarships in favour of gradually increasing the number and value of means tested bursaries.

A full complement of staff qualified to teach their respective subjects was in place throughout the year at all three of the Trust's schools. The support staff positions were similarly all filled.

Public benefit – Contribution to the community

In 2021-22 the Trust continued to contribute to the local and wider community where possible, despite the Covid 19 pandemic, however many of our usual events were not able to go ahead due to the limitations on social mixing. The schools provided the following activities:

Charitable projects, examples include:

- Donations of over 750 bags of clothes to Afghan Refugees in Leicester and Leicestershire.
- Sponsored 1 million steps challenge for Matt Hampson Foundation.
- Macmillan Cancer Support coffee mornings.
- Non-uniform days for various charities.
- Lower school disco for Rainbows Hospice.
- Christmas Jumper Day for Save the Children.
- Second hand uniform shop sales for Diabetes UK.
- Easter egg collections for local food banks.
- World Book Day cake sales and fancy dress for Book Aid.
- Supporting a wide range of charities, particularly centred around the theme of invisible illness.
- £5,000 was raised for charities during the year as well as numerous individual charitable projects led by pupils for charities of their choice.

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2022

Educational partnerships, examples include:

- Initiatives with local maintained schools (Manor High School and Gartree School), including invitations to careers events.
- GCSE study skills sessions run by Year 13, Year 11 and Year 10 pupils at a local maintained school (Manor High School).

Community service, examples include:

- Visits to a range of primary schools to carry out drama, music and modern foreign language workshops.
- Bag packing in shopping centre to raise funds for LOROS hospice.
- Attending residential care home and LOROS hospice.

Facilities, Music and Sport for the Community, although impacted in the year owing to Covid 19 restrictions, examples include:

- South Leicestershire Sports Partnership, to enable local state schools to use school facilities.
- Weekly singing group with local primary school.
- Interactive concert from pupils and staff for 1,000 pupils of local state schools.
- Community use of school facilities for sports, music, drama and general use.
- Our swimming facilities continue to be used for lessons by the wider local community and we host competitive swimming clubs.
- We continue to partner with the Bardi Orchestra. The orchestra benefits from rehearsing at the school. Each year the orchestra gives a concert at the Grammar school hall.

Financial Review and Results for the Year

The Trust recorded a surplus of £1,245,000 (2020-21: £1,209,000) during the year. The Surplus achieved is considered satisfactory for the Trust to enable investment and efficiency for repaying debt.

Total income increased by £1,183,000, from £18,213,000 to £19,396,000.

Investment Policy

The financial objective of the Trustees is to maintain the real value of the Trust's assets whilst generating a stable and sustainable return to help fund the charity's activities over the long term. The Trustees review the investment policy on a regular basis.

At the year end the Trust's investments included £390,000 (2020-21: £423,000) of investment assets held within an investment portfolio managed by Brewin Dolphin. The Finance and General Purposes Committee is charged with agreeing a suitable asset allocation strategy with the investment managers which is set with the aim of achieving the Trust's overall investment objectives. This strategy would reflect the Brewin Dolphin risk category 5-6: low to moderate investment risk, to moderate investment risk. The Trustees adopt an ethical investment policy so that the Trust's assets are invested in line with its aims. Specifically, the Trustees would not wish to be invested in companies that obtain more than 10% of their turnover from involvement in the military or armaments.

The Trust also owns an investment property which was revalued during the year at £280,000 which is let out on the open market. This residential property was acquired in May 2016 as part of the Stoneygate School site. Further short term investments are held in the form of bank deposit accounts. During the year the Trust recorded a gain on investments of £2,000 (2020-21: £61,000), plus bank and other interest receivable of £39,000 (2020-21: £21,000) and a further £5,000 of gains on investments (2020-21: £7,000).

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Risk Management

The Trustees are responsible for the management of the risks faced by the schools. Risks are identified and assessed and controls established throughout the year. A formal risk register is in place and is reviewed and updated on a regular basis by the Senior Leadership Team and reviewed by the Finance & General Purposes Committee.

The principal risks and uncertainties identified in the Trust's risk register include:

- Recruiting sufficient able pupils into the schools each year in order to maintain the pupil roll and therefore fee income in line with forecast.
- Maintaining tuition fees at an affordable level, whilst meeting rising costs including pension contributions for teaching staff, repaying the bank loan and complying with the bank covenants, and continuing to invest in the facilities available to pupils.
- To manage health and safety risks.
- The need to continue to recruit top quality staff remains a high priority.
- The Trustees remain vigilant with regards to child welfare.
- External financial risks are kept under review by the Trustees including the potential for changes to tax legislation or changes to the treatment of charities.

Key controls used by the charity include:

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

Through the risk management processes established for the Trust, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Charity Fundraising

The school has not made any fundraising appeals to the general public during the year, and is unlikely to do so in the future. There has been no outsourced fundraising via professional fundraisers or other third parties. As a result the charity is not registered with the fundraising regulator and received no fundraising complaints in the year.

Reserves Policy

The Trustees aim to hold funds which are sufficient but not excessive in order to fund current operational requirements and future development. The Trustees are mindful of the need to maintain a level of reserves which enables the organisation to respond to circumstances and mitigate risk, including ensuring compliance with the terms of the bank loans.

The Trustees review the reserves policy on a regular basis. The policy was revised in 2019-20 such that the Trust aims to hold a minimum of £2m (cash balances) at all times. The value of cash and investments held at 31 July 2022 was £6.8m (2021: £7.9m).

At the end of the year the Trust's total reserves were £16,041,000 (2021: £14,796,000), including £15,273,000 (2021: £14,003,000) of unrestricted funds, £12,000 (2021: £29,000) of restricted funds and £756,000 (2021: £764,000) of endowment funds. The Trust's total reserves include £27,760,000 (2021: £28,382,000) which could only be realised by disposing of tangible fixed assets.

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
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The Trustees remain confident that the Trust is able to meet its financial obligations as they fall due, as well as continuing to invest in the fabric of the buildings and the facilities and equipment required to provide an excellent education at the Trust's schools. The Trust holds significant cash reserves and continues to generate an annual surplus after meeting its financial obligations and is forecast to continue to do so. The Trustees are confident, based on the Trust's sound financial position that the Trust can continue as a going concern.

Payment practices

The average number of days taken to make payments to the Trust's suppliers in the year was 32 (2021: 35). The percentages of payments made within the year which were paid: within 30 days was 49% (2021: 41%); between 31 and 60 days was 45% (2021: 51%); and after 61 days or longer was 6% (2021: 8%). The percentage of payments due within the reporting period which were not paid within agreed terms was 12% (2021: 9%).

Gender pay gap reporting

The Trust's gap for mean hourly rates of pay at 5 April 2022 was 13.0% (2021: 13.8%) in favour of male employees. The median hourly pay gap at 5 April 2022 was 11.6% (2021: 14.3%). The pay gap is impacted by the diversity of employed roles within the Trust and is kept under review on an annual basis.

Communication

Effective communication with employees is of vital importance and both Trustees and senior management provide information to, and consult with, staff on matters that affect them, including financial matters.

Environmental matters

Carbon Report - UK Greenhouse gas emissions and energy-use data

	2021/22	2020/21
Energy consumption used to calculate emissions (kWh)	<u>3,775,606</u>	3,252,585
□ Gas	2,516,447	2,309,972
□ Electricity	1,259,159	942,613
Scope 1 emissions in metric tonnes CO2e		
Gas consumption	555.56	508.22
Owned transport – mini-buses	29.63	12.52
Total Scope 1	<u>585.19</u>	<u>520.74</u>
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	<u>293.56</u>	<u>219.76</u>
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles was insignificant in the year.		
Total gross emissions in metric tonnes CO2e	<u>878.75</u>	<u>740.50</u>
Intensity ratio Tonnes CO2e per pupil	<u>0.61</u>	<u>0.51</u>

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2022

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government’s Conversion Factors for the Company Reporting.

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

The Trust is committed to minimising the impact that its operations have on the environment and providing a safe environment for its staff and pupils. A pupil eco-group meets to suggest initiatives and the schools are conscious of ensuring the schools take a proactive view on environmental matters.

Subsidiary Company

The Trust has a wholly owned subsidiary company, LGS Enterprises Limited. This company undertakes commercial activities in order to generate funds to gift to Leicester Grammar School Trust.

Strategic Planning

The Trust Development Plan has been extended owing to the pandemic for a fourth year, ending 31 July 2024 and affirms the main aims of the Trust as being:

The Leicester Grammar School Trust seeks to be an inspiring centre for co-educational excellence in academic and personal development, within a Christian ethos.

The schools select pupils for entry in accordance with published admission procedures.

The Trust remains committed to maintaining its position as a leading provider amongst coeducational day schools.

Future Planning

At a strategy away-day in March 2020, a 2030 Vision was shared and agreed by Trustees.

Each of our schools will have:

- Excellent academic outcomes and co-curricular opportunities.
- Innovative teaching and learning supported by a digital strategy.
- A forward-looking and stimulating curriculum.
- An environmental focus with outstanding facilities.
- An international/ global outlook.

Each of our schools will be:

- Financially secure and adequately flexible to invest in developing our pupils and staff.
- A community with clear ethos and values.
- A community where well-being is promoted.
- A community which prioritises public benefit and outreach.

The Trust’s mission statement and the aims of Leicester Grammar and Leicester Grammar Junior Schools were revised:

The Leicester Grammar School Trust seeks to be an inspiring centre for co-educational excellence in academic and personal development, within a Christian ethos.

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Leicester Grammar School:

In order to fulfil this mission, the school aims to:

- Promote intellectual curiosity and academic excellence.
- Provide a broad, balanced and stimulating curriculum.
- Offer a rich range of co-curricular opportunities which enhance pupils' physical, cultural and personal development.
- Equip pupils with the self-belief, consideration and skills required for a principled and fulfilling life.
- Create a happy and mutually-supportive community of learners and staff, in which each individual is encouraged and enabled to do and be their best.
- Care for the mental and emotional well-being of pupils, and be proactive in the promotion of a healthy lifestyle.
- Welcome pupils of diverse backgrounds and faiths, nurturing their social and spiritual development.
- Foster a generous contribution to charity, community service and society.

Leicester Grammar Junior School:

In order to fulfil this mission, the school aims to:

- Promote intellectual curiosity and a lifelong love of learning.
- Offer an extensive range of experiences which broaden the curriculum and develop the pupil.
- Create a stimulating, happy and supportive community where each pupil is allowed to flourish.
- Care for the mental and emotional well-being, promoting a healthy lifestyle and nurturing self-esteem.
- Enable the moral and spiritual well-being of each pupil to grow and thrive.

Vision: The school communities within the Trust will thrive through:

Inspiring learning (Teaching, learning and attainment)

- Foster increased discussion of teaching and learning, with consistent implementation of best practice
- Encourage resourceful learning which results in best-possible attainment

Stimulating curriculum (Curriculum and co-curriculum)

- Ensure a curriculum which best prepares pupils for a future of challenge and adventure
- Foster healthy co-curricular participation by all members of the school community

Care and community (Pupils' well-being, support and guidance; staff professional development and well-being)

- Ensure best deployment of pastoral resource to address pupils' needs
- Become increasingly recognised as a community which cares deeply for pupils, staff and others

Appeal and outreach (Marketing, admissions, outreach, fundraising and communications)

- Formulate and implement marketing and fundraising plans
- Be an ethically and environmentally responsible member of our local, national and global communities

Environment and provision (Resources and facilities)

- Ensure adequate funding to refurbish and develop facilities according to educational need
- Confirm and fully develop digital strategy

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2022

Trustees' Responsibilities Statement

The Trustees (who are also directors of Leicester Grammar School for the purposes of company law) are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees of Leicester Grammar School Trust on 5 December 2022, including the Strategic Report contained therein, and signed on its behalf by:



Mr S Gasztowicz
Chairman of Trustees

LEICESTER GRAMMAR SCHOOL TRUST
INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JULY 2022

Opinion

We have audited the financial statements of Leicester Grammar School Trust for the year ended 31 July 2022 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 charitable company's affairs as at 31 July 2022 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

LEICESTER GRAMMAR SCHOOL TRUST
INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES (continued)
FOR THE YEAR ENDED 31 JULY 2022

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission and the Independent Schools Inspectorate, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, payroll tax and sales tax.

LEICESTER GRAMMAR SCHOOL TRUST
INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES (continued)
FOR THE YEAR ENDED 31 JULY 2022

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

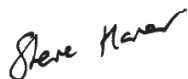
- Obtaining confirmation and corroborating evidence that there have been no regulatory or tax compliance issues;
- Discussions with management and review of relevant minutes of trustees' meetings including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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

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

Use of our report

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



Steve Harper (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 16 December 2022

LEICESTER GRAMMAR SCHOOL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure account)

FOR THE YEAR ENDED 31 JULY 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
INCOME FROM:						
Charitable Activities						
Tuition fees	2	18,216,383	-	-	18,216,383	17,234,752
Exam registration fees		44,151	-	-	44,151	34,695
Music Fees		19,223	-	-	19,223	4,153
Canteen receipts		611,523	-	-	611,523	444,505
Bus fares		214,071	-	-	214,071	159,295
Sundry income		216,326	-	-	216,326	180,465
Other trading activities						
Investment income	3	3,491	-	1,812	5,303	7,375
Bank and other interest	4	25,160	-	13,813	38,973	21,430
Voluntary income	5	-	29,690	-	29,690	126,133
Total income		19,350,328	29,690	15,625	19,395,643	18,212,803
EXPENDITURE ON:						
Charitable Activities						
Schools operations		18,089,545	46,627	15,994	18,152,166	17,064,282
Total expenditure	6	18,089,545	46,627	15,994	18,152,166	17,064,282
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS		1,260,783	(16,937)	(369)	1,243,477	1,148,521
Gains/(losses) on investments		8,843	-	(7,086)	1,757	60,553
NET MOVEMENT IN FUNDS		1,269,626	(16,937)	(7,455)	1,245,234	1,209,074
Fund balances at 1 August 2021		14,003,161	29,076	763,517	14,795,754	13,586,680
FUND BALANCES at 31 JULY 2022		15,272,787	12,139	756,062	16,040,988	14,795,754

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The accompanying notes form part of these financial statements.

LEICESTER GRAMMAR SCHOOL TRUST

BALANCE SHEET

AT 31 JULY 2022

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Tangible assets	10	27,760,082		28,382,574	
Investments	11	<u>670,247</u>		<u>673,285</u>	
			28,430,329		29,055,859
CURRENT ASSETS					
Stock of consumables		14,745		13,794	
Debtors	12	1,109,866		663,137	
Cash at bank and in hand		<u>6,397,261</u>		<u>7,475,522</u>	
		7,521,872		8,152,453	
CREDITORS: Amounts falling due within one year	13	<u>(3,501,765)</u>		<u>(3,207,276)</u>	
NET CURRENT ASSETS			4,020,107		4,945,177
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>32,450,436</u>		<u>34,001,036</u>
CREDITORS: Amounts falling due after more than one year	14		(16,409,448)		(19,205,282)
NET ASSETS			<u><u>16,040,988</u></u>		<u><u>14,795,754</u></u>

The funds of the charity are represented by:

Endowment funds (restricted)	18	756,062	763,517
Restricted funds	19	12,139	29,076
Unrestricted funds		<u>15,272,787</u>	<u>14,003,161</u>
		<u><u>16,040,988</u></u>	<u><u>14,795,754</u></u>

The accounts were issued and approved by the Board of Trustees on 5 December 2022 and signed on their behalf by:


S. GASZTOWICZ


M. J. HOLLEY

Company Registration No. 01521751

The accompanying notes form part of these financial statements

LEICESTER GRAMMAR SCHOOL TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2022

	Notes	2022		2021	
		£	£	£	£
Net cash inflow from operations					
Net cash provided by operating activities	(i)		2,106,461		2,765,312
Cash flows from investing activities:					
Payments for tangible fixed assets		(557,097)		(352,746)	
Investment income and bank interest received		44,276		28,805	
Purchase of investments		(69,171)		(74,623)	
Proceeds from sale of investments		73,967		69,454	
Net cash used in investing activities			(508,025)		(329,110)
Cash flow from financing activities					
Repayment of long term loan		(2,676,697)		(1,933,335)	
Net cash (used) in financing activities			(2,676,697)		(1,933,335)
Change in cash and cash equivalents in the reporting period			(1,078,261)		502,867
Cash and cash equivalents at the beginning of the period			7,475,522		6,972,655
Cash and cash equivalents at the end of the reporting period	(ii)		6,397,261		7,475,522

(i) RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net movement in funds	1,245,234	1,209,074
Depreciation charges	1,179,589	1,201,473
(Increase)/decrease in stock	(951)	9,864
(Increase)/decrease in debtors	(446,729)	335,453
Increase in creditors	175,351	98,806
Investment income and bank interest received	(44,276)	(28,805)
Losses/(gains) on investments	28,243	(60,553)
(Gains) on investment property	(30,000)	-
Net cash inflow from operating activities	<u>2,106,461</u>	<u>2,765,312</u>

(ii) Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash	6,397,261	7,475,522
Total cash and cash equivalents	<u>6,397,261</u>	<u>7,475,522</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year and in the preceding year are:

a) **Basis of Accounting**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP 2015 (Second Edition, effective 1 January 2019)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Leicester Grammar School Trust meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) **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 assumptions concerning future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment of their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements, except for the fact that it is no longer considered appropriate to accrue for teachers' holiday pay or to recognise as a prepayment any time teachers have spent in preparing for the following academic year.

c) **Going Concern**

The accounts have been prepared on a going concern basis. The Leicester Grammar School Trust Board reviews the financial information for the charitable company and consider whether the charitable company is a going concern for a period of at least 12 months from the date of approval of the accounts. After making enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

d) **School Fees Receivable and Similar Income**

Fees receivable and other educational income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances and other remissions granted by the school. Fees received in advance of education to be provided in future years under an Advance Fee Payments Scheme contract are included in liabilities until either taken to income in the term when used or refunded.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES (continued)

e) **Ancillary and Non-Ancillary Trading Income**

Ancillary trading income represents amounts from activities to generate funds within the charitable objects for example, school refectory sales, coaches to and from school and school trips. Non-ancillary trading income represents amounts from activities not directly related to the charitable objects, for example lettings of school facilities. Income from these activities is recognised in the SOFA when the goods are sold or services provided.

f) **Voluntary sources, Grants and Donations**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can reliably be quantified and the economic benefit is considered probable.

Voluntary income for general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the school in case of donated services or facilities.

g) **Expenditure**

Expenditure is accrued as soon as there is a contractual obligation or a liability is considered probable, discounted to present value for longer term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates. Bad debts are provided for in accordance with the trust bad debt policy.

The cost of refurbishing and converting existing buildings is written-off in the year in which it is incurred except where the useful life has been extended.

h) **Pension Costs**

The trust participates in the Teachers' Pensions scheme, which is an unfunded government scheme, which provides benefits based on final pensionable pay. The funds of the scheme are separate from the trust, although the trust's share of the schemes cannot be identified as the schemes are multi-employer schemes, and so the pension costs are accounted for as defined contribution schemes. The trust also contributes to other defined contribution pension schemes for non-teaching staff.

i) **Tangible Fixed Assets and Depreciation**

In accordance with Section 35.10 (d) of FRS102, Leicester Grammar School has elected to use the carrying value of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost at the date of transition to FRS102, 1 August 2014.

Tangible fixed assets are stated at cost less depreciation.

Where tangible fixed assets have been acquired with the aid of specific grants they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES (continued)

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset based on current market prices, over its expected useful life, as follows:

Freehold land is not depreciated

Freehold Buildings - 2% to 20% per annum on cost

Computers and equipment - 25% on cost

Fixtures and fittings - 12.5% to 33% on cost

Leicester Grammar School Trust exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

j) Financial Instruments

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

k) Securities investments and Fees in Advance

Securities investments and Fees in Advance are carried at fair value, which is deemed to be market value as at the balance sheet date.

Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate fund according to the 'ownership' of the underlying assets. Realised gains and losses are the difference between sales proceeds and opening market value where the investment was held at the beginning of the year, or sales proceeds less cost of purchase where the investment was acquired in the year. Uninvested cash is the balance of liquid cash, held as an investment, which has not been invested in securities.

l) Stocks

Stock of goods held for resale are valued at the lower of cost and net realisable value.

m) Leasing Commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives or the period of the lease whichever is the shorter. The interest element of the obligations is charged to the SOFA over the period of the lease. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA on a straight line basis over the lease term. Lease incentives are accounted for over the lease term on a straight-line basis.

n) Fund Accounts

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity. Endowment funds are further sub-divided into permanent and expendable, where required by the terms of the trust.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and have not been designated for other purposes.

o) Taxation

Leicester Grammar School Trust is a registered charity and as such is exempt from income tax and corporation tax under the provisions of Section 478 of the Corporation Tax Act 2010. There is a similar exemption for VAT, which is included in expenditure or in the cost of assets as appropriate.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 2 FEES RECEIVABLE (Unrestricted funds)

	2022	2021
	£	£
Fees receivable consists of		
Gross fees	19,048,261	18,056,317
Less: Bursaries and awards	<u>(831,878)</u>	<u>(821,565)</u>
	<u>18,216,383</u>	<u>17,234,752</u>

Total bursaries and awards

Leicester Grammar School Trust makes awards to individual families to support schooling.

	2022	2021
	£	£
From Unrestricted Funds:		
Bursaries	734,803	718,875
Scholarships and awards	<u>97,075</u>	<u>102,690</u>
	<u>831,878</u>	<u>821,565</u>

Note 3 INVESTMENTS - INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2022 £
Securities investment income				
Equities	3,491	-	564	4,055
Fixed Interest	-	-	1,248	1,248
	<u>3,491</u>	<u>-</u>	<u>1,812</u>	<u>5,303</u>

PRIOR YEAR

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2021 £
Securities investment income				
Equities	3,511	-	571	4,082
Fixed Interest	-	-	3,293	3,293
	<u>3,511</u>	<u>-</u>	<u>3,864</u>	<u>7,375</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 4 INVESTMENTS - BANK AND OTHER INTEREST

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2022 £
Bank interest	12,947	-	13,813	26,760
Other interest	12,213	-	-	12,213
	<u>25,160</u>	<u>-</u>	<u>13,813</u>	<u>38,973</u>
PRIOR YEAR				
	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2021 £
Bank interest	481	-	11,770	12,251
Other interest	9,179	-	-	9,179
	<u>9,660</u>	<u>-</u>	<u>11,770</u>	<u>21,430</u>

Note 5 VOLUNTARY SOURCES - GRANTS AND DONATIONS

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2022 £
Donations from:				
LGS Enterprises	-	28,990	-	28,990
Small sundry donations	-	700	-	700
	<u>-</u>	<u>29,690</u>	<u>-</u>	<u>29,690</u>
PRIOR YEAR				
	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2021 £
Donations from:				
LGS Enterprises	-	-	-	-
Coronavirus Job Retention Scheme grant	109,500	-	-	109,500
Small sundry donations	300	16,333	-	16,633
	<u>109,800</u>	<u>16,333</u>	<u>-</u>	<u>126,133</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 6 ANALYSIS OF EXPENDITURE

a) Total expenditure

	Staff costs (note 7) £	Depreciation (note 10) £	Support Costs £	Total 2022 £
Charitable expenditure				
Teaching	9,207,937	934,026	4,225,675	14,367,638
Welfare	753,448	76,428	345,770	1,175,646
Premises	430,809	43,700	197,705	672,214
School administration and governance	1,236,592	125,435	574,641	1,936,668
Total expenditure	<u>11,628,786</u>	<u>1,179,589</u>	<u>5,343,791</u>	<u>18,152,166</u>

Support costs are allocated on the basis of staff headcount.

b) Governance included in support costs

	2022 £	2021 £
Remuneration paid to auditor for audit services	15,210	14,340
Remuneration paid to auditor for non-audit services	4,140	3,910
	<u>19,350</u>	<u>18,250</u>

Leicester Grammar School Trust reimburses trustees for out of pocket expenses including travel subsistence and accomodation, where a claim is made. In 2022 no expenses were reimbursed to the trustees (2021: no trustees were reimbursed expenses).

PRIOR YEAR

	Staff costs £	Depreciation £	Support Costs £	Total 2021 £
Charitable expenditure				
Teaching	8,597,430	951,354	3,963,103	13,511,887
Welfare	703,493	77,845	324,285	1,105,623
Premises	402,245	44,511	185,420	632,176
School administration and governance	1,154,603	127,763	532,230	1,814,596
Total expenditure	<u>10,857,771</u>	<u>1,201,473</u>	<u>5,005,038</u>	<u>17,064,282</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 7 STAFF COSTS

	2022	2021
	£	£
The aggregate payroll costs for the year were:		
Wages and salaries	9,085,225	8,455,248
Social security costs	905,784	822,956
Pension costs	1,637,777	1,579,567
	<u>11,628,786</u>	<u>10,857,771</u>

None of the trustees received remuneration, reimbursement of expenses or other benefits from Leicester Grammar School Trust or from any connected body.

	2022	2021
	£	£
Total amount of employee benefits (including employer pension contributions) of key management personnel	<u>951,365</u>	<u>927,313</u>

The number of higher paid employees whose annual emoluments were £60,000 or more was:

	2022	2021
	No	No
£60,001 - £70,000	4	3
£70,001 - £80,000	2	2
£130,001 - £140,000	1	1
£160,001 - £170,000	1	1

The average number of employees during the year were:

	2022	2021
	No	No
Teaching	158	156
Office and non-teaching staff	111	108
	<u>269</u>	<u>264</u>

Note 8 TRUSTEES

None of the trustees (or any persons connected with them) received any remuneration during the year.

There were no other related party transactions during the year.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 9 TAXATION

The Trust is a registered charity and therefore no liability to taxation arises on its charitable activities.

Note 10 TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Furniture and Fittings £	Computers and Equipment £	Total £
Cost				
At 1 August 2021	36,540,438	1,428,825	1,811,895	39,781,158
Additions	249,743	307,354	-	557,097
Disposals	-	-	-	-
At 31 July 2022	<u>36,790,181</u>	<u>1,736,179</u>	<u>1,811,895</u>	<u>40,338,255</u>
Depreciation				
At 1 August 2021	8,855,087	1,184,498	1,358,999	11,398,584
Charge for the year	856,815	318,234	4,540	1,179,589
Disposals	-	-	-	-
At 31 July 2022	<u>9,711,902</u>	<u>1,502,732</u>	<u>1,363,539</u>	<u>12,578,173</u>
Net Book Value				
At 31 July 2022	<u>27,078,279</u>	<u>233,447</u>	<u>448,356</u>	<u>27,760,082</u>
At 31 July 2021	<u>27,685,351</u>	<u>244,327</u>	<u>452,896</u>	<u>28,382,574</u>

All assets are used for charitable purposes.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 11 FIXED ASSETS INVESTMENTS

	2022	2021
	£	£
Securities Investments (11a)	390,247	423,285
Investment property (11b)	280,000	250,000
Total investments at 31 July 2022	<u>670,247</u>	<u>673,285</u>

Note 11a Securities Investments

	2022	2021
	£	£
At 1 August 2021	423,285	357,562
Additions at cost	69,171	74,623
Disposal proceeds	(73,967)	(69,454)
Realised (loss)/gain	(3,674)	4,498
Unrealised (loss)/gain	(24,569)	56,055
	<u>390,246</u>	<u>423,284</u>
Investment in subsidiaries	1	1
Securities investments at 31 July 2022	<u>390,247</u>	<u>423,285</u>

Investments comprise:

Listed investments

Fixed interest	59,112	56,443
Equities - UK	60,384	95,965
Equities - overseas	234,677	238,945
Property	7,974	10,069
Other Investments	9,220	10,159
Cash	18,879	11,703
	<u>390,246</u>	<u>423,284</u>
Investment in subsidiary	1	1
Securities investments at 31 July 2022	<u>390,247</u>	<u>423,285</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 11a FIXED ASSET INVESTMENTS (continued)

Leicester Grammar School Trust owns 100% of the ordinary share capital of LGS Enterprises Limited a company registered in England and Wales. The principal activities of LGS Enterprises Limited are the hiring out of the School facilities and the running of the café. It is intended that profits made by the company will be donated to the Trust unless required for the furtherance of LGS Enterprise Limited's own trading activities.

For the year ended 31 July 2022 LGS Enterprises Limited made a gift-aid donation of £28,990 (2021: £Nil) and had capital and reserves of £31,674 (2021: £15,134).

The Trustees provided an initial working capital loan to LGS Enterprises Limited to cover essential set-up costs and have advanced a further loan to finance the construction of the new café. Loans are secured on the assets of that company. The Trustees have reviewed the financial forecast of the company for further years and are satisfied that it is a going concern and that it is expected to generate a profit before donations during 2022/23 and thereafter.

Consolidated accounts have not been prepared on the grounds of materiality.

Note 11b INVESTMENT PROPERTY

	2022	2021
	£	£
Valuation at 1 August 2021	280,000	250,000
Valuation at 31 July 2022	<u>280,000</u>	<u>250,000</u>

Investment properties consist of the Lodge/Gatehouse property at LGS Stoneygate held for investment purposes and which are not used in the Trust's own activities, primarily a residential house which is let out on the open market. Leicester Grammar School Trust is responsible for improvements and maintenance of the properties.

A formal valuation of the property was prepared by Mr Richard Chesterton of Newton Fallowell as 22 February 2022. The Trustees have assessed and agreed the valuation of the property in 2022.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 12 DEBTORS

	2022 £	2021 £
Trade debtors	348,801	157,992
Amounts owed by subsidiary company	258,263	203,549
Prepayments and accrued income	502,802	301,596
	<u>1,109,866</u>	<u>663,137</u>

Note 13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Bank loan	1,867,410	1,743,925
Trade creditors	903,287	635,047
Deposits	73,058	31,800
Taxation and social security	241,785	207,698
Accruals and deferred income	324,394	435,958
	<u>3,409,934</u>	<u>3,054,428</u>
Advance fees (see note 15)	91,831	152,848
	<u>3,501,765</u>	<u>3,207,276</u>

The bank loan is secured by a debenture over the assets of the charity.

Note 14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £	2021 £
Bank loan	16,008,648	18,808,830
Deposits	400,800	393,600
Advance fees	-	2,852
	<u>16,409,448</u>	<u>19,205,282</u>

Loan maturity analysis

Repayable within	1-2 years	1,867,410	1,743,925
	2-5 years	7,571,592	8,072,461
	Over 5 years	6,569,646	8,992,444
		<u>16,008,648</u>	<u>18,808,830</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

**Note 14 CREDITORS: AMOUNTS FALLING DUE
AFTER MORE THAN ONE YEAR (continued)**

The Trust has three bank loans secured by a debenture over the assets of the charity. The original loan is repayable in equal quarterly instalments. Interest is payable at 7.77% until January 2025 and thereafter at a SONIA rate plus 2.55%.

The second loan is repayable in monthly instalments. Interest is payable at bank base rate plus 2.95%.

The third loan was taken out under the Coronavirus Business Interruption Loan scheme (CBILs) in 2019-20. Interest is payable at bank base rate plus 2.34%.

Note 15 ADVANCE FEE PAYMENTS

Parents may enter into an agreement to pay the school the equivalent of up to seven years tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the school, advance fees will

	2022	2021
	£	£
Within 1 year	91,831	152,848
	<u>91,831</u>	<u>152,848</u>

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

	£	£
Balance at 1 August 2021	152,848	76,219
Fees received in advance	91,831	153,258
Amounts utilised in payment of fees	(152,848)	(76,629)
Balance at 31 July 2022	<u>91,831</u>	<u>152,848</u>

Note 16 SHARE CAPITAL

The company is limited by guarantee and does not have any share capital. The liability of the members of the Trust is limited to £1 each.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 17 FINANCIAL COMMITMENTS

At 31 July 2022 the charity had total commitments under non-cancellable operating leases for plant and equipment as follows:

	2022	2021
	£	£
Operating lease expenditure falling due within:		
One year	91,193	62,658
One to two years	31,062	46,893
Two to five years	40,112	63,655
	<u>162,367</u>	<u>173,206</u>

Note 18 ENDOWMENT FUNDS

	Balance	Movement in Resources			Balance
		Income	Expenditure	Investment	
	1 August			(loss)	31 July
	2021				2022
	£	£	£	£	£
Bursary Funds:					
Edward Smith Fund	28,554	351	(351)	(1,995)	26,559
Mrs M E Smith Fund	11,428	1,405	(1,405)	-	11,428
Parent donations	4,574	91	(91)	-	4,574
Bishop Mort fund	10,000	200	(200)	-	10,000
The Hon Lady A Brooks	43,862	586	(586)	(2,640)	41,222
Edith Murphy Foundation	10,000	200	(200)	-	10,000
John Higginbothan Fund	18,000	360	(360)	-	18,000
Telereal Trillium Fund	600,000	12,000	(12,000)	-	600,000
Margaret Float Travel Fund	35,089	432	(432)	(2,451)	32,638
Margaret Float Travel Cash	2,010	-	(369)	-	1,641
	<u>763,517</u>	<u>15,625</u>	<u>(15,994)</u>	<u>(7,086)</u>	<u>756,062</u>

Bursary funds are established to provide means tested bursaries to enable pupils to attend the school who would not otherwise be able to.

Incoming resources during the year were cash receipts from donors and interest/investment income received. Gains during the year were due to the increasing value of investments.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 18 ENDOWMENT FUNDS - PRIOR YEAR

	Movement in Resources				Balance 31 July 2021 £
	Balance 1 August 2020 £	Income £	Expenditure £	Investment gains £	
Bursary Funds:					
Edward Smith Fund	24,309	354	(354)	4,245	28,554
Mrs M E Smith Fund	11,428	1,406	(1,406)	-	11,428
Parent donations	4,574	91	(91)	-	4,574
Bishop Mort fund	10,000	200	(200)	-	10,000
The Hon Lady A Brooks	38,242	589	(589)	5,620	43,862
Edith Murphy Foundation	10,000	200	(200)	-	10,000
John Higginbothan Fund	18,000	360	(360)	-	18,000
Telereal Trillium Fund	600,000	12,000	(12,000)	-	600,000
Margaret Float Travel Fund	29,872	434	(434)	5,217	35,089
Margaret Float Travel Cash	2,010	-	-	-	2,010
	<u>748,435</u>	<u>15,634</u>	<u>(15,634)</u>	<u>15,082</u>	<u>763,517</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 19 RESTRICTED FUNDS

	At 1 August '21 £	Income £	Expenditure £	Transfers £	At 31 July '22 £
Vestments	61	-	-	-	61
Chapel Fund	205	-	-	-	205
Neville Hall Travel Fund	4,094	-	-	-	4,094
Other small prize fund	7,279	-	-	-	7,279
Shelter Fund	4,000	-	(4,000)	-	-
COVID19 donations	3,599	-	(3,599)	-	-
Organ Fund	9,588	-	(9,588)	-	-
Singing Prize	250	250	-	-	500
LOTTA (Table Tennis)	-	450	(450)	-	-
General Bursaries Fund	-	28,990	(28,990)	-	-
	<u>29,076</u>	<u>29,690</u>	<u>(46,627)</u>	<u>-</u>	<u>12,139</u>

During the year the above restricted donations were received and have been allocated to specific funds in accordance with the donors' intentions.

Where funds have been spent on capital items in the current and previous years, these have been released to unrestricted funds as there are no ongoing restrictions as to the use of these funds.

Other small prize funds comprise 22 individual funds, which are established to provide a school prize, annually, out of income.

RESTRICTED FUNDS - PRIOR YEAR

	At 1 August '20 £	Income £	Expenditure £	Transfers £	At 31 July '21 £
Vestments	61	-	-	-	61
Chapel Fund	205	-	-	-	205
Neville Hall Travel Fund	4,094	-	-	-	4,094
Other small prize fund	7,279	-	-	-	7,279
Shelter Fund	4,000	-	-	-	4,000
Dowlings Fund	-	-	-	-	-
COVID19 donations	7,501	83	(3,985)	-	3,599
Organ Fund	-	15,500	(5,912)	-	9,588
Singing Prize	-	250	-	-	250
SPA Challenge Week	-	500	(500)	-	-
General Bursaries Fund	-	-	-	-	-
	<u>23,140</u>	<u>16,333</u>	<u>(10,397)</u>	<u>-</u>	<u>29,076</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed assets	Investments	Other Net liabilities	Total 2022
	£	£	£	£
Endowment funds	-	100,419	655,643	756,062
Restricted funds	-	-	12,139	12,139
Unrestricted funds	27,760,082	569,828	(13,057,123)	15,272,787
Total funds	<u>27,760,082</u>	<u>670,247</u>	<u>(12,389,341)</u>	<u>16,040,988</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Tangible Fixed assets	Investments	Other Net liabilities	Total 2021
	£	£	£	£
Endowment funds	-	107,505	656,012	763,517
Restricted funds	-	-	29,076	29,076
Unrestricted funds	28,382,574	565,780	(14,945,193)	14,003,161
Total funds	<u>28,382,574</u>	<u>673,285</u>	<u>(14,260,105)</u>	<u>14,795,754</u>

Note 21 NET DEBT RECONCILIATION

	At 1 August 2021	Cashflows	Other non- cash changes	At 31 July 2022
	£	£	£	£
Cash at bank and in hand	7,475,522	(1,078,261)	-	6,397,261
Bank loans falling due < 1 year	1,743,925	-	123,485	1,867,410
Bank loans falling due < 5 years	9,816,386	-	(377,384)	9,439,002
Bank loans falling due > 5 years	8,992,444	-	(2,422,798)	6,569,646

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 22 PENSION COMMITMENTS

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,521,342 (2021 restated: £1,478,741.) and at the year-end £126,050 (2021 restated: £123,403) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

LEICESTER GRAMMAR SCHOOL TRUST

England & Wales - Charity number 510809

Accounts

Company Registration No. 01521751
Charity Registration No. 510809

LEICESTER GRAMMAR SCHOOL TRUST

**TRUSTEES' REPORT
AND
STATEMENT OF ACCOUNTS**

**FOR THE YEAR ENDED
31 JULY 2021**

LEICESTER GRAMMAR SCHOOL TRUST

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LEICESTER GRAMMAR SCHOOL TRUST

Legal and administrative information

Charity Trustees

The Trustees of Leicester Grammar School Trust are also company directors, and carry the responsibilities accorded to them by the Charity Commission and under Company Law. They have all served in office throughout the year except where indicated:

Mrs E M Bailey
Mrs J Burns (Vice chair, Academic)
Professor D Cartmell (appointed 16 November 2020)
Mr S Gasztowicz (Chairman)
Mr D C Green
Dr S E Hadley
Mr M J Holley (Vice chair, Financial)
Mr N J M Imlach
Dr D I Khoosal
Mrs K Law (appointed 6 December 2021)
Dr L Mongan-Cockcroft (resigned 21 June 2021)
Mrs A G O'Donovan
Mr A P M Osiatynski (appointed 6 December 2021)
Professor J M Saker
The Ven R V Worsfold

Committees and sub committees of the Board of Trustees

The following Trustees served on committees and sub committees of the Board during the year:

Education Committee:

Mrs J Burns (Committee Chairman)
Mrs E M Bailey
Mr S Gasztowicz
Dr L Mongan-Cockcroft
The Ven R V Worsfold

Finance and General Purposes Committee:

Mr M J Holley (Committee Chairman)
Mrs E M Bailey
Mr S Gasztowicz
Mr D C Green
Mr N J M Imlach

Bursaries, Scholarships and Public Benefit Sub Committee:

Mrs E M Bailey (Sub committee Chairman)
Mrs A G O'Donovan

Health and Safety Committee:

Professor J M Saker (Committee Chairman)
Dr D I Khoosal
Dr S E Hadley

Nominations and Governance Committee:

Mr S Gasztowicz (Committee Chairman)
Mrs J Burns
Mr M J Holley

Salaries Review Committee:

Mr S Gasztowicz (Committee Chairman)
Mrs J Burns
Mr M J Holley

LEICESTER GRAMMAR SCHOOL TRUST

Legal and administrative information cont.

The Board is a self-appointing body. One third of the Board is required to retire by rotation, each year. Board members are eligible to stand for re-election at the end of a term of office.

Officers

Headmaster of Leicester Grammar School and Principal of Leicester Grammar School Trust:

Mr J W Watson

Headmistress of Leicester Grammar Junior School: Mrs C Rigby (retired 31 August 2021);

Mrs S V Ashworth Jones (appointed 1 September 2021)

Headmaster of LGS Stoneygate: Mr J Dobson

Director of Finance and Operations and Company Secretary: Mr S J Jeffries

Addresses:

Leicester Grammar School and Leicester Grammar Junior School

London Road

Great Glen

Leicester

LE8 9FL

(School and registered office)

LGS Stoneygate

6 London Road

Great Glen

Leicester

LE8 9DT

Websites: www.leicestergrammar.org.uk

www.lgs-stoneygate.org.uk

Auditors

Haysmacintyre LLP

10 Queen St Place

London

EC4R 1AG

Bankers

NatWest

1 Granby Street

Leicester

LE1 9GT

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report) FOR THE YEAR ENDED 31 JULY 2021

The Trustees present their report and financial statements for the year ended 31 July 2021 and confirm they comply with the requirements of the Charities Act 2011, including the Directors' and Strategic Report under the Companies Act 2006.

Reference and Administrative Information

The Charity was founded in 1980 and is registered with the Charity Commission under charity number 510809.

Leicester Grammar School Trust is also a company limited by guarantee, registered under company number 01521751.

The Trustees, executive officers and principal address of the Charity are as listed on page 1 and 2. Particulars of the Charity's professional advisers are given on page 2.

Structure, Governance and Management

Governing Document

The Charity is governed by its Memorandum and Articles dating from 13 October 1980 and last amended on 3 December 2014.

Governing Bodies

The Charity operates three schools, Leicester Grammar School, Leicester Grammar Junior School and LG Stoneygate School. There is a single Governing body, being the Charity Trustees, the details of which are explained on page 1.

Recruitment and Training of Trustees

The Charity's elected Trustees are appointed at a meeting of the Board of Leicester Grammar School Trust, on the basis of recommendations made by the Nominations and Governance Committee, a committee of the Board. The Committee considers eligibility, skills and commitment when advising the Board and endeavours to ensure that the Board contains an appropriate balance of skills.

New Trustees receive a pack of written information as well as visiting all three schools and meeting with key officers and the Chairman of the Board. A Trustees' skills audit is performed to identify individual training needs and also any areas where additional expertise may need to be added to the Board. Trustees are also encouraged to assess their own training needs and individual Trustees attend courses as required.

Organisational Management

The Trustees are legally responsible for the overall management and control of the three Schools. The Board of Trustees meets at least four times each year.

The Education Committee meets once per term. This Committee oversees the curriculum, teaching and learning and educational policy across the three Schools.

The Finance and General Purposes Committee meets four times a year. This Committee oversees the implementation of Board policies, and also undertakes detailed reviews before making recommendations to the Board. The Finance and General Purposes Committee is chaired by a Trustee who is not Chairman of the full Board. The Bursaries, Scholarships and Public Benefit Sub Committee meets to review applications and policy in detail at least twice each year.

The Health and Safety Committee meets once per term and reviews health and safety policies and procedures at all three Schools.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report) FOR THE YEAR ENDED 31 JULY 2021

The Nominations and Governance Committee meets as and when required, but usually once a year. It considers the composition of the Board and applications from prospective Trustees. The Salaries Review Committee meets periodically to consider salaries payable to the Senior Leadership Team.

The day to day running of the schools is delegated to the respective Heads supported by their Senior Leadership Teams together with the Director of Finance and Operations. The Head Teachers and the Director of Finance and Operations attend meetings of the Board and its committees and sub committees.

Key Management Personnel are considered to be the Principal and Headmaster of Leicester Grammar School, the Director of Finance and Operations, the Heads of Leicester Grammar Junior School and LGS Stoneygate, and the Deputy Heads of Leicester Grammar School. The remuneration of this senior staff group is determined by the Salaries Review Committee of the Board of Trustees with reference to appraisal records and benchmarking.

Objects, Aims, Objectives and Activities

Charitable Objects

The Trust's Objects, as set out in its Memorandum and Articles, are the advancement of education, through a school or schools, run according to Christian principles.

Aims and Intended Impact

Within these Objects the Trust's aim is to provide an excellent education for pupils of high academic ability, regardless of their financial means. The Trust aims to provide for the pupils' general instruction of high standard and quality, including physical, moral and religious education and to provide an environment where each pupil can develop their talents to the full.

Objectives for the Year

In setting objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing education and on fee-charging.

The maintenance of academic progress, underpinned by individual pastoral care and a strong sense of community, has been a key focus. Academic excellence is complemented by an emphasis on sport, art and music, ensuring a rounded education for pupils of all ages.

The Trust remains committed to enrolling able children from all backgrounds regardless of ability to pay the fees.

A key objective for the Trust for 2020-21 was to maintain pupil numbers and parental confidence during the unprecedented period of managing the impact of the Covid 19 pandemic on the schools.

The Trust aims to play a full part in the life of the local, regional and indeed national community.

Strategies to Achieve the Year's Objectives

The Trustees worked with senior leaders to ensure that pupils made good academic progress during the pandemic and that examination candidates were therefore well prepared for final assessment. There has been an increased focus on teaching and learning strategies, and a new Sixth Form programme (Aspire) was introduced in September 2020. Remote learning and teaching have also provided unforeseen opportunities to enhance the use of technology.

Provision of means-tested bursaries remains a high priority for the Trust, in order to ensure that the school is accessible to pupils from a wide range of backgrounds. The Trust continues to seek funding

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report) FOR THE YEAR ENDED 31 JULY 2021

for additional bursaries and has a subsidiary company, LGS Enterprises Limited, which was established to generate additional income.

The Trustees continue to work to raise the profile of the schools in order to attract applications for admission from able candidates. The Trust continues to work hard to create links with local schools and the local community, particularly by making its facilities available to other local groups and organisations. Some of these activities have been sustained remotely during the pandemic.

Principal Activities of the Year

The Trust principally provides education to boys and girls from the age of 3 to 18.

The Trust continues to operate three schools.

Two of the schools are based on a shared site in Great Glen, Leicestershire: Leicester Grammar School for pupils aged 10-18 and Leicester Grammar Junior School for pupils aged 3-11. During the year Leicester Grammar School averaged 859 (2019-20: 839) pupils and Leicester Grammar Junior School averaged 400 (2019-20: 391) pupils. Both schools continue to operate broadly at capacity with the growth in the senior school pupils following a concerted increase in admissions activity during 2019-20.

In May 2016 the Trust acquired the trade and assets of Stoneygate School, an independent coeducational preparatory school also situated in Great Glen, Leicestershire on a separate 45 acre site. During the year Stoneygate averaged 190 (2019-20: 166) pupils. The school offers high-quality education with a distinctive ethos, supported by attentive governance and management provided by the Trust.

The welcome increase in pupil numbers at Stoneygate resulted from clarification and redefinition of the senior school curriculum and more intensive admissions activity and marketing. It is the intention of Trustees to increase the pupil roll further and, following a review, the school has been re-branded from September 2021 as LGS Stoneygate. Trustees have planned to invest in the school, and capital projects over the next year include a new Food Room and a new multi-purpose hall scheduled for completion in late 2022.

2020-21 has been another complex year owing to the Covid 19 pandemic. The Trust has managed its finances carefully over the last year, taking advantage of further Government support, although much more limited, through the Coronavirus Job Retention Scheme and by retaining the Coronavirus Business Interruption Loan Scheme (CBILs) funding of £4 million borrowed in June 2020. A surplus commensurate with the need to maintain investment in our pupils' education was still achieved.

The CBILs funding was deemed a prudent measure to ensure the Trust had a buffer to counter any downside-risks arising from economic volatility subsequent to the health crisis caused by Covid 19.

Following the January 2021 national lockdown, the Trust passed on to parents the savings made during the period of closure. Parents were again supported through individual fee deferral arrangements and the offer of additional hardship bursary funding.

The Trust is confident that the schools will continue to attract able pupils. This is a result of continued efforts to maintain the academic, pastoral and co-curricular standards for which the schools have become known, continued investment in facilities and ongoing efforts to market the schools.

Our Ethos

The Trust is a charity which seeks to benefit the public through the pursuit of its stated aims. Fees are set at a level to ensure the financial viability of the schools and at a level which is consistent with the aim of providing a first-class education to boys and girls.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report) FOR THE YEAR ENDED 31 JULY 2021

The schools welcome academically able pupils from all backgrounds. To admit a prospective pupil the schools need to be satisfied that they will be able to educate and develop that prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Pupils wishing to join the Grammar School are required to sit an entrance exam and pupils wishing to join Leicester Grammar Junior School or LGS Stoneygate undergo an assessment. Both forms of assessment are designed to satisfy the school and the parents that the potential pupil can cope with the pace of learning and benefit from the education provided. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of the assessment process.

The schools are committed to safeguarding and promoting the welfare of pupils and expect all staff and volunteers to share this commitment. The schools carry out appropriate background checks of adults who come into contact with pupils. The schools maintain regular contact with parents through the year including holding parents evenings, issuing end of term reports, and sending home regular newsletters.

The Trust is an equal opportunity organisation and is committed to a working environment which is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability.

Disabled employees

The Trust facilitates the employment of disabled persons and provides, wherever possible, training, career development and promotion. Where employees become disabled whilst in service, every effort is made to rehabilitate them to their former jobs or some other suitable alternative and provide appropriate training and specialist advice.

Access Policy

It is important that access to the education provided by the Trust and to its facilities is not restricted to those who can afford the fees. The Trust believes that all pupils benefit from learning within a diverse community. The Trust's bursaries policy, together with links with local state schools and other organisations which have access to the Trust's facilities, contribute to a widening of access.

Grant-making Policy

The Trustees view the bursary awards as essential in helping to ensure that children from families which would not otherwise be able to afford the fees can access the education on offer. Bursaries are available to all prospective pupils who pass the entrance exam to join the Grammar School in years 7 and above, and are made solely on the basis of parental means. Bursaries are also available to existing pupils whose financial circumstances change and whose ability to remain at the school is under threat, for example due to parental redundancy. From September 2018 the bursaries scheme was extended to also include pupils joining LGS Stoneygate in years 7 and above.

In assessing a bursary application the Trust takes a number of factors into consideration, including family income, assets held, investments and savings, and the number of dependents. However, the Trust does not have a large endowment or extensive reserves to draw on. In funding bursary awards the Trust is mindful of the need to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards. The Trustees are also mindful of the requirement for careful financial stewardship at a time when significant financial commitments have been taken on.

Bursary awards vary from 10% to 100% of fees and are re-assessed on an annual basis to take account of any changes in the family's financial situation. Information about fee assistance is available in the prospectus and on the school website, as well as being advertised in the local press and elsewhere. The form completed by applicants includes a box to tick, to indicate simply that the applicant wishes to be considered for a means tested bursary.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report) FOR THE YEAR ENDED 31 JULY 2021

The Trustees have also set up a sub committee of the Finance and General Purposes Committee: the Bursaries, Scholarships and Public Benefit Sub Committee. This sub committee reviews, monitors and advises on the Trust's Public Benefit role, particularly developing the provision of means tested bursaries, taking into account the Charities Act requirements and Charity Commission guidelines.

During 2019-20, an additional Coronavirus Hardship Bursary Fund was established to support parents impacted by Covid 19, either health-wise or financially.

Volunteers

Old Leicestrians, Friends of Leicester Grammar School, Friends of Leicester Grammar Junior School and the Stoneygate Association provided support, advice and enrichment opportunities during the year, as well as helping with fundraising and organising social and cultural events. The Board is grateful to them for their continuing and valuable support for the schools.

STRATEGIC REPORT

Review of Achievements and Performance for the Year

Operational Performance of the schools

Subsequent to the necessity for Centre Assessed Grades in 2020, public examinations in 2021 were replaced with Teacher Assessed Grades owing to Covid 19.

The Grammar School maintained its high academic standing. At GCSE level, 83% of results were graded between 7 and 9. At 'A' level 90.5% of grades were at A* - B, and 74% at A*/A grade.

LGS Stoneygate recorded its second set of GCSE results in 2020-21, with 100% of Teacher Assessed Grades at 4 or above and 50% of results graded between 7 and 9.

Leicester Grammar and Leicester Grammar Junior School underwent a Focussed Compliance and Educational Quality Inspection in November 2019. The schools were found to be fully compliant with the Independent School Standards Regulations and were judged 'Excellent' in the two EQI categories (pupils' achievements and pupils' personal development). Leicester Grammar School was also named East Midlands Independent Secondary School of the Year 2020.

During the year ended 31 July 2021, the value of means tested bursaries awarded to pupils totalled £719,000 (2019-20 £759,000). This figure included bursaries worth £36,000 (2019-20 £28,000) funded by external benefactors. The value of means tested bursaries represented 4.2% of the gross fee income of the Trust (2019-20: 4.6%).

During the year, 16 pupils received a 100% bursary (2019-20: 11 pupils). A further 26 pupils received bursaries of between 80% and 99% of fees (2019-20: 26 pupils).

Further awards totalling £103,000 (2019-20: £160,000) were made to pupils at Leicester Grammar School Trust in the form of scholarships. The Trustees' policy is to make these awards on the basis of individual ability and potential. The Trustees have a stated aim of gradually reducing the total value of scholarships in favour of gradually increasing the number and value of means tested bursaries.

A full complement of staff qualified to teach their respective subjects was in place throughout the year at all three of the Trust's schools. The support staff positions were similarly all filled.

Public benefit – Contribution to the community

In 2020-21 the Trust continued to contribute to the local and wider community where possible, despite the Covid 19 pandemic, however many of our usual events were not able to go ahead due to the limitations on social mixing. The schools provided the following activities:

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report) FOR THE YEAR ENDED 31 JULY 2021

Charitable projects, examples include:

- Online concerts, car washing and inter-house sporting competitions to fundraise for Rainbows Hospice.
- Huge support for the Rainbows Hospice 'Where's it bin?' campaign, requesting donations for items that could be sold in charity shops.
- Christmas Shoe Box donations to the YMCA.
- Christmas cards and messages of support to care home residents in the local community.
- Diverse list of charities supported over the year through fundraising and raising awareness such as Macmillan, Pets as Therapy, Rainbows Hospice, Cancer Research UK, Age UK, the Jubilee Food Bank in Market Harborough, the Motor Neurone Disease Association and the Royal British Legion Poppy Appeal.
- Pupils have been engaged in fundraising with each House choosing a charity to support.
- Food bank donations, Harvest food collections and Easter Egg collections for various charities.
- £10,000 was raised for charities during the year as well as numerous individual charitable projects led by pupils for charities of their choice.

Educational partnerships, examples include:

- Initiatives with local maintained school (Manor High School), including Reader Leader and Maths Mentor catch-up tuition.
- GCSE study skills sessions run by Year 13, Year 11 and Year 10 pupils at a local maintained school (Manor High School).

Community service, examples include:

- Community service performed by the Duke of Edinburgh Award students and 6th form community service programme.
- Placements in care homes, primary schools, charity shops as well as volunteers offering telephone support via the Age UK befriending service and pupils working from home to support the Market Harborough Museum.
- Support of the National Citizen Service programme.

Facilities, Music and Sport for the Community, although impacted significantly in the year owing to Covid 19 restrictions, examples include:

- Community use of school facilities for sports, music, drama and general use.
- Our swimming facilities continue to be used for lessons by the wider local community and we host competitive swimming clubs.
- We continue to partner with the Bardi Orchestra. The orchestra benefits from rehearsing at the school. Each year the orchestra gives a concert at the Grammar school hall.

Financial Review and Results for the Year

The Trust recorded a surplus of £1,209,000 (2019-20 £254,000) during the year. The Surplus achieved is considered satisfactory for the Trust to enable investment and efficiency for repaying debt. The 2019-20 surplus was significantly impacted by fee discounts following the lengthy period of lockdown owing to Covid 19

Total income increased by £1,456,000, from £16,757,000 to £18,213,000. The higher pupil numbers contributed significantly to this increase and 2019-20 included a discount to fees in the Trinity Term owing to Covid 19.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report) FOR THE YEAR ENDED 31 JULY 2021

Investment Policy

The financial objective of the Trustees is to maintain the real value of the Trust's assets whilst generating a stable and sustainable return to help fund the charity's activities over the long term. The Trustees review the investment policy on a regular basis.

At the year end the Trust's investments included £423,000 (2019-20: £358,000) of investment assets held within an investment portfolio managed by Brewin Dolphin. The Finance and General Purposes Committee is charged with agreeing a suitable asset allocation strategy with the investment managers which is set with the aim of achieving the Trust's overall investment objectives. This strategy would reflect the Brewin Dolphin risk category 5-6: low to moderate investment risk, to moderate investment risk. The Trustees adopt an ethical investment policy so that the Trust's assets are invested in line with its aims. Specifically, the Trustees would not wish to be invested in companies that obtain more than 10% of their turnover from involvement in the military or armaments.

The Trust also owns an investment property valued at £250,000 which is let out on the open market. This residential property was acquired in May 2016 as part of the Stoneygate School site. Further short term investments are held in the form of bank deposit accounts. During the year the Trust recorded a gain on investments of £61,000 (2019-20: deficit of £11,000), plus bank and other interest receivable of £21,000 (2019-20: £29,000) and a further £7,000 of gains on investments (2019-20: £7,000).

Risk Management

The Trustees are responsible for the management of the risks faced by the schools. Risks are identified and assessed and controls established throughout the year. A formal risk register is in place and is reviewed and updated on a regular basis by the Senior Leadership Team and reviewed by the Finance & General Purposes Committee.

The principal risks and uncertainties identified in the Trust's risk register include:

- Recruiting sufficient able pupils into the schools each year in order to maintain the pupil roll and therefore fee income in line with forecast.
- Maintaining tuition fees at an affordable level, whilst meeting rising costs including pension contributions for teaching staff, repaying the bank loan and complying with the bank covenants, and continuing to invest in the facilities available to pupils.
- To manage the health and safety risks.
- The need to continue to recruit top quality staff remains a high priority.
- The Trustees remain vigilant with regards to child welfare.
- External financial risks are kept under review by the Trustees including the potential for changes to tax legislation or changes to the treatment of charities.

Key controls used by the charity include:

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

Through the risk management processes established for the Trust, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Charity Fundraising

The school has not made any fundraising appeals to the general public during the year, and is unlikely to do so in the future. There has been no outsourced fundraising via professional fundraisers or other

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report) **FOR THE YEAR ENDED 31 JULY 2021**

third parties. As a result the charity is not registered with the fundraising regulator and received no fundraising complaints in the year.

Reserves Policy

The Trustees aim to hold funds which are sufficient in order to fund current operational requirements and future development. The Trustees are mindful of the need to maintain a level of reserves which enables the organisation to respond to circumstances and mitigate risk, including ensuring compliance with the terms of the bank loans.

The Trustees review the reserves policy on a regular basis. The policy was revised in 2019-20 such that the Trust aims to hold a minimum of £2m (cash balances) at all times. The value of cash and investments held at 31 July 2021 was £7.9m (2020: £7.3m). Reflecting increased resources to mitigate risks arising from Covid 19.

At the end of the year the Trust's total reserves were £14,796,000 (2020: £13,587,000), including £14,003,000 (2020: £12,815,000) of unrestricted funds, £29,000 (2020: 23,000) of restricted funds and £764,000 (2020: £748,000) of endowment funds. The Trust's total reserves include £28,383,000 (2020: £29,231,000) which could only be realised by disposing of tangible fixed assets.

The Trustees remain confident that the Trust is able to meet its financial obligations as they fall due, as well as continuing to invest in the fabric of the buildings and the facilities and equipment required to provide an excellent education at the Trust's schools. The Trust holds significant cash reserves and continues to generate an annual surplus after meeting its financial obligations and is forecast to continue to do so. The Trustees are confident, based on the Trust's sound financial position that the Trust can continue as a going concern.

Payment practices

The average number of days taken to make payments to the Trust's suppliers in the year was 35 (2020: 31). The percentages of payments made within the year which were paid: within 30 days was 41% (2020: 55%); between 31 and 60 days was 51% (2020: 35%); and after 61 days or longer was 8% (2020: 10%). The percentage of payments due within the reporting period which were not paid within agreed terms was 9% (2020: 27%).

Gender pay gap reporting

The Trust's gap for mean hourly rates of pay at 5 April 2021 was 13.8% (2020: 14.2%) in favour of male employees. The median hourly pay gap at 5 April 2021 was 14.3% (2020: 14.4%). The pay gap is impacted by the diversity of employed roles within the Trust and is kept under review on an annual basis.

Communication

Effective communication with employees is of vital importance and both Trustees and senior management provide information to, and consult with, staff on matters that affect them, including financial matters.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report) FOR THE YEAR ENDED 31 JULY 2021

Environmental matters

Carbon Report - UK Greenhouse gas emissions and energy-use data

Energy consumption used to calculate emissions (kWh) 3,252,585

<input type="checkbox"/> Gas	2,309,972
<input type="checkbox"/> Electricity	942,613

Scope 1 emissions in metric tonnes CO₂e

Gas consumption 508.22

Owned transport – mini-buses 12.52

Total Scope 1 520.74

Scope 2 emissions in metric tonnes CO₂e

Purchased electricity 219.76

Scope 3 emissions in metric tonnes CO₂e

Business travel in employee owned vehicles was insignificant in the year.

Total gross emissions in metric tonnes CO₂e 740.50

Intensity ratio Tonnes CO₂e per pupil 0.51

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for the Company Reporting.

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

The Trust is committed to minimising the impact that its operations have on the environment and providing a safe environment for its staff and pupils. A pupil eco-group meets to suggest initiatives and the schools are conscious of ensuring the schools take a proactive view on environmental matters.

Subsidiary Company

The Trust has a wholly owned subsidiary company, LGS Enterprises Limited. This company undertakes commercial activities in order to generate funds to gift to Leicester Grammar School Trust.

Strategic Planning

The Trust Development Plan for the three years ending 31 July 2023 affirms the main aims of the Trust as being:

The Leicester Grammar School Trust seeks to be an inspiring centre for co-educational excellence in academic and personal development, within a Christian ethos.

The schools select pupils for entry in accordance with published admission procedures.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report) **FOR THE YEAR ENDED 31 JULY 2021**

The Trust remains committed to maintaining its position as a leading provider amongst co-educational day schools. The key objectives within the Plan, which are supported by school action plans are;

Future Planning

At a strategy away-day in March 2020, a 2030 Vision was shared and agreed by Trustees.

Each of our schools will have:

- Excellent academic outcomes and co-curricular opportunities.
- Innovative teaching and learning supported by a digital strategy.
- A forward-looking and stimulating curriculum.
- An environmental focus with outstanding facilities.
- An international/ global outlook.

Each of our schools will be:

- Financially secure and adequately flexible to invest in developing our pupils and staff.
- A community with clear ethos and values.
- A community where well-being is promoted.
- A community which prioritises public benefit and outreach.

The Trust's mission statement and the aims of Leicester Grammar and Leicester Grammar Junior Schools were revised:

The Leicester Grammar School Trust seeks to be an inspiring centre for co-educational excellence in academic and personal development, within a Christian ethos.

Leicester Grammar School:

In order to fulfil this mission, the school aims to:

- Promote intellectual curiosity and academic excellence.
- Provide a broad, balanced and stimulating curriculum.
- Offer a rich range of co-curricular opportunities which enhance pupils' physical, cultural and personal development.
- Equip pupils with the self-belief, consideration and skills required for a principled and fulfilling life.
- Create a happy and mutually-supportive community of learners and staff, in which each individual is encouraged and enabled to do and be their best.
- Care for the mental and emotional well-being of pupils, and be proactive in the promotion of a healthy lifestyle.
- Welcome pupils of diverse backgrounds and faiths, nurturing their social and spiritual development.
- Foster a generous contribution to charity, community service and society.

Leicester Grammar Junior School:

In order to fulfil this mission, the school aims to:

- Promote intellectual curiosity and a lifelong love of learning.
- Offer an extensive range of experiences which broaden the curriculum and develop the pupil.
- Create a stimulating, happy and supportive community where each pupil is allowed to flourish.
- Care for the mental and emotional well-being, promoting a healthy lifestyle and nurturing self-esteem.
- Enable the moral and spiritual well-being of each pupil to grow and thrive.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (Incorporating the Strategic Report) **FOR THE YEAR ENDED 31 JULY 2021**

Vision: The school communities within the Trust will thrive through:

Inspiring learning (Teaching, learning and attainment)

- Foster increased discussion of teaching and learning, with consistent implementation of best practice
- Encourage resourceful learning which results in best-possible attainment

Stimulating curriculum (Curriculum and co-curriculum)

- Ensure a curriculum which best prepares pupils for a future of challenge and adventure
- Foster healthy co-curricular participation by all members of the school community

Care and community (Pupils' well-being, support and guidance; staff professional development and well-being)

- Ensure best deployment of pastoral resource to address pupils' needs
- Become increasingly recognised as a community which cares deeply for pupils, staff and others

Appeal and outreach (Marketing, admissions, outreach, fundraising and communications)

- Formulate and implement marketing and fundraising plans
- Be an ethically and environmentally responsible member of our local, national and global communities

Environment and provision (Resources and facilities)

- Ensure adequate funding to refurbish and develop facilities according to educational need
- Confirm and fully develop digital strategy

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2021

Trustees' Responsibilities Statement

The Trustees (who are also directors of Leicester Grammar School for the purposes of company law) are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees of Leicester Grammar School Trust on 6 December 2021, including the Strategic Report contained therein, and signed on its behalf by:



Mr S Gasztowicz
Chairman of Trustees

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF
LEICESTER GRAMMAR SCHOOL TRUST**

Opinion

We have audited the financial statements of Leicester Grammar School Trust for the year ended 31 July 2021 which comprise the Statement of Financial Activities, the Balance Sheets, 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 charitable company's affairs as at 31 July 2021 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

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.

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF
LEICESTER GRAMMAR SCHOOL TRUST**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission and the Independent Schools Inspectorate considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, payroll tax and sales tax.

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF
LEICESTER GRAMMAR SCHOOL TRUST**

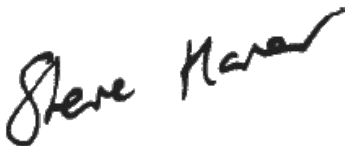
We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates.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

- Obtaining confirmation and corroborating evidence that there have been no regulatory or tax compliance issues ;
- Discussions with management and review of relevant minutes of trustees' meetings including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

Use of our report

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



.....

6 December 2021

Date:

Steven Harper (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor
10 Queen Street Place
London EC4R 1AG

LEICESTER GRAMMAR SCHOOL TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JULY 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2021 £	Total 2020 £
INCOME FROM:						
Charitable Activities						
Tuition fees	2	17,234,752	-	-	17,234,752	15,608,314
Exam registration fees		38,848	-	-	38,848	49,373
Canteen receipts		444,505	-	-	444,505	430,157
Bus fares		159,295	-	-	159,295	139,792
Sundry income		180,465	-	-	180,465	100,081
Investments						
Investment income	3	3,511	-	3,864	7,375	7,439
Bank and other interest	4	9,660	-	11,770	21,430	28,969
Donations and legacies	5	109,800	16,333	-	126,133	392,653
Total income		18,180,836	16,333	15,634	18,212,803	16,756,778
EXPENDITURE ON:						
Charitable Activities						
Schools operations		17,038,251	10,397	15,634	17,064,282	16,492,457
Total expenditure	6	17,038,251	10,397	15,634	17,064,282	16,492,457
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSSES)		1,142,585	5,936	-	1,148,521	264,321
Gains/(losses) on investments		45,471	-	15,082	60,553	(10,578)
NET INCOME AND MOVEMENT IN FUNDS		1,188,056	5,936	15,082	1,209,074	253,743
Fund balances at 1 August 2020		12,815,105	23,140	748,435	13,586,680	13,332,937
FUND BALANCES at 31 JULY 2021		14,003,161	29,076	763,517	14,795,754	13,586,680

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The accompanying notes form part of these financial statements.

The profit for the year in accordance with Companies Act 2006 is £1,148,521 (2020: £264,321).

No separate income and expenditure account has been included on the grounds that the difference between net income stated above and profit for the year for Companies Act purposes is immaterial.

LEICESTER GRAMMAR SCHOOL TRUST

BALANCE SHEET

AT 31 JULY 2021

	Notes	2021		2020	
		£	£	£	£
FIXED ASSETS					
Tangible assets	10	28,382,574		29,231,301	
Investments	11	<u>673,285</u>		<u>607,563</u>	
			29,055,859		29,838,864
CURRENT ASSETS					
Stock of consumables		13,794		23,658	
Debtors	12	663,137		998,590	
Cash at bank and in hand		<u>7,475,522</u>		<u>6,972,655</u>	
		8,152,453		7,994,903	
CREDITORS: Amounts falling due within one year	13	<u>(3,207,276)</u>		<u>(2,243,708)</u>	
NET CURRENT ASSETS			4,945,177		5,751,195
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>34,001,036</u>		<u>35,590,059</u>
CREDITORS: Amounts falling due after more than one year	14		(19,205,282)		(22,003,379)
NET ASSETS			<u>14,795,754</u>		<u>13,586,680</u>

The funds of the charity are represented by:

Endowment funds (restricted)	18	763,517	748,435
Restricted funds	19	29,076	23,140
Unrestricted funds		<u>14,003,161</u>	<u>12,815,105</u>
		<u>14,795,754</u>	<u>13,586,680</u>

The accounts were approved and authorised for issue by the Board of Trustees on 6 December 2021 and signed on their behalf by:


S. GASZTOWICZ


M. J. HOLLEY

Company Registration No. 01521751

The accompanying notes form part of these financial statements

LEICESTER GRAMMAR SCHOOL TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021		2020	
		£	£	£	£
Net cash inflow from operations					
Net cash provided by operating activities	(i)		2,765,312		1,422,574
Cash flows from investing activities:					
Payments for tangible fixed assets		(352,746)		(340,008)	
Investment income and bank interest received		28,805		36,408	
Purchase of investments		(74,623)		(82,488)	
Proceeds from sale of investments		69,454		82,902	
Net cash used in investing activities			(329,110)		(303,186)
Cash flow from financing activities					
New borrowing in the year		-		4,000,000	
Repayment of long term loan		(1,933,335)		(1,793,820)	
Net cash (used in)/from financing activities			(1,933,335)		2,206,180
Change in cash and cash equivalents in the reporting period			502,867		3,325,569
Cash and cash equivalents at the beginning of the period			6,972,655		3,647,086
Cash and cash equivalents at the end of the reporting period	(ii)		7,475,522		6,972,655

(i) RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net movement in funds	1,209,074	253,743
Depreciation charges	1,201,473	1,217,598
Decrease/(increase) in stock	9,864	(11,799)
Decrease/(increase) in debtors	335,453	(209,053)
Increase in creditors	98,806	197,915
Bank interest received	(28,805)	(36,408)
(Gains)/losses on investments	(60,553)	10,578
Net cash inflow from operating activities	<u>2,765,312</u>	<u>1,422,574</u>

(ii) Analysis of cash and cash equivalents

	2021 £	2020 £
Cash	7,475,522	6,972,655
Total cash and cash equivalents	<u>7,475,522</u>	<u>6,972,655</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year and in the preceding year are:

a) Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Leicester Grammar School Trust meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Consolidated accounts have not been prepared on the grounds of materiality.

b) 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 assumptions concerning future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment of their carrying amounts in the next financial year.

c) Going Concern

The accounts have been prepared on a going concern basis. The Leicester Grammar School Trust Board reviews the financial information for the charitable company and consider whether the charitable company is a going concern for a period of at least 12 months from the date of approval of the accounts. After making enquiries, the trustees have a reasonable expectation that the charitable company has no material uncertainties and adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

d) School Fees Receivable and Similar Income

Fees receivable and other educational income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances and other remissions granted by the school. Fees received in advance of education to be provided in future years under an Advance Fee Payments Scheme contract are included in liabilities until either taken to income in the term when used or refunded.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (continued)

e) Ancillary and Non-Ancillary Trading Income

Ancillary trading income represents amounts from activities to generate funds within the charitable objects for example, school refectory sales, coaches to and from school and school trips. Non-ancillary trading income represents amounts from activities not directly related to the charitable objects, for example lettings of school facilities. Income from these activities is recognised in the SOFA when the goods are sold or services provided.

f) Voluntary sources, Grants and Donations

Voluntary income is accounted for as and when entitlement arises, the amount can reliably be quantified and the economic benefit is considered probable.

Voluntary income for general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the school in case of donated services or facilities.

g) Expenditure

Expenditure is accrued as soon as there is a contractual obligation or a liability is considered probable, discounted to present value for longer term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates. Bad debts are provided for in accordance with the trust bad debt policy.

The cost of refurbishing and converting existing buildings is written-off in the year in which it is incurred except where the useful life has been extended.

h) Pension Costs

The trust participates in the Teachers' Pensions scheme, which is an unfunded government scheme, which provides benefits based on final pensionable pay. The funds of the scheme are separate from the trust, although the trust's share of the schemes cannot be identified as the schemes are multi-employer schemes, and so the pension costs are accounted for as defined contribution schemes. The trust also contributes to other defined contribution pension schemes for non-teaching staff.

i) Tangible Fixed Assets and Depreciation

In accordance with Section 35.10 (d) of FRS102, Leicester Grammar School has elected to use the carrying value of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost at the date of transition to FRS102, 1 August 2014.

Tangible fixed assets are stated at cost less depreciation.

Where tangible fixed assets have been acquired with the aid of specific grants they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (continued)

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset based on current market prices, over its expected useful life, as follows:

Freehold land is not depreciated

Freehold Buildings - 2% to 20% per annum on cost

Computers and equipment - 25% on cost

Fixtures and fittings - 12.5% to 33% on cost

Leicester Grammar School Trust exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

j) Financial Instruments

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

k) Securities investments and Fees in Advance

Securities investments and Fees in Advance are carried at fair value, which is deemed to be market value as at the balance sheet date.

The investment property is included in the financial statements at market value.

Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate fund according to the 'ownership' of the underlying assets. Realised gains and losses are the difference between sales proceeds and opening market value where the investment was held at the beginning of the year, or sales proceeds less cost of purchase where the investment was acquired in the year. Uninvested cash is the balance of liquid cash, held as an investment, which has not been invested in securities.

l) Stocks

Stock of goods held for resale are valued at the lower of cost and net realisable value.

m) Leasing Commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives or the period of the lease whichever is the shorter. The interest element of the obligations is charged to the SOFA over the period of the lease. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA on a straight line basis over the lease term. Lease incentives are accounted for over the lease term on a straight-line basis.

n) Fund Accounts

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity. Endowment funds are further sub-divided into permanent and expendable, where required by the terms of the trust.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and have not been designated for other purposes.

o) Taxation

Leicester Grammar School Trust is a registered charity and as such is exempt from income tax and corporation tax under the provisions of Section 478 of the Corporation Tax Act 2010.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

Note 2 FEES RECEIVABLE (Unrestricted funds)

	2021 £	2020 £
Fees receivable consists of		
Gross fees	18,056,317	16,526,668
Less: Bursaries and awards	<u>(821,565)</u>	<u>(918,354)</u>
	<u>17,234,752</u>	<u>15,608,314</u>

Total bursaries and awards

Leicester Grammar School Trust makes awards to individual families to support schooling.

	2021 £	2020 £
From Unrestricted Funds:		
Bursaries	718,875	758,423
Scholarships and awards	<u>102,690</u>	<u>159,931</u>
	<u>821,565</u>	<u>918,354</u>

Note 3 INVESTMENTS - INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2021 £
Securities investment income				
Equities	3,511	-	571	4,082
Fixed Interest	-	-	3,293	3,293
	<u>3,511</u>	<u>-</u>	<u>3,864</u>	<u>7,375</u>
 PRIOR YEAR				
	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2020 £
Securities Investment income				
Equities	4,892	-	796	5,688
Fixed Interest	-	-	1,751	1,751
	<u>4,892</u>	<u>-</u>	<u>2,547</u>	<u>7,439</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

Note 4 INVESTMENTS - BANK AND OTHER INTEREST

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2021 £
Bank interest	481	-	11,770	12,251
Other interest	9,179	-	-	9,179
	<u>9,660</u>	<u>-</u>	<u>11,770</u>	<u>21,430</u>

PRIOR YEAR	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2020 £
Bank interest	2,018	-	16,172	18,190
Other interest	10,779	-	-	10,779
	<u>12,797</u>	<u>-</u>	<u>16,172</u>	<u>28,969</u>

Note 5 VOLUNTARY SOURCES - GRANTS AND DONATIONS

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2021 £
Donations from: LGS Enterprises	-	-	-	-
Coronavirus Job Retention Scheme grant	109,500	-	-	109,500
Small sundry donations	300	16,333	-	16,633
	<u>109,800</u>	<u>16,333</u>	<u>-</u>	<u>126,133</u>

PRIOR YEAR	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2020 £
Donations from: LGS Enterprises	-	13,016	-	13,016
Coronavirus Job Retention Scheme grant	355,411	-	-	355,411
Small sundry donations	3,300	20,926	-	24,226
	<u>358,711</u>	<u>33,942</u>	<u>-</u>	<u>392,653</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

Note 6 ANALYSIS OF EXPENDITURE

a) Total expenditure

	Staff costs (note 7) £	Depreciation (note 10) £	Support Costs £	Total 2021 £
Charitable expenditure				
Teaching	8,597,430	951,354	3,963,103	13,511,887
Welfare	703,493	77,845	324,285	1,105,623
Premises	402,245	44,511	185,420	632,176
School administration and governance	1,154,603	127,763	532,230	1,814,596
Total expenditure	<u>10,857,771</u>	<u>1,201,473</u>	<u>5,005,038</u>	<u>17,064,282</u>

Support costs are allocated on the basis of staff headcount.

b) Governance included in support costs

	2021 £	2020 £
Remuneration paid to auditor for audit services	14,340	13,800
Remuneration paid to auditor for non-audit services	4,140	3,390
	<u>18,480</u>	<u>17,190</u>

Leicester Grammar School Trust reimburses trustees for out of pocket expenses including travel subsistence and accommodation, where a claim is made. In 2021 no expenses were reimbursed to the trustees (2020: £Nil expenses were reimbursed).

PRIOR YEAR

	Staff costs £	Depreciation £	Support Costs £	Total 2020 £
Charitable expenditure				
Teaching	8,429,440	964,122	3,665,540	13,059,102
Welfare	689,747	78,890	299,936	1,068,573
Premises	394,385	45,109	171,498	610,992
School administration and governance	1,132,044	129,477	492,269	1,753,790
Total expenditure	<u>10,645,616</u>	<u>1,217,598</u>	<u>4,629,243</u>	<u>16,492,457</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

Note 7 STAFF COSTS

	2021	2020
	£	£
The aggregate payroll costs for the year were:		
Wages and salaries	8,455,248	8,307,410
Social security costs	822,956	816,062
Pension costs	1,579,567	1,522,144
	<u>10,857,771</u>	<u>10,645,616</u>

None of the trustees received remuneration, reimbursement of expenses or other benefits from Leicester Grammar School Trust or from any connected body.

	2021	2020
	£	£
Total amount of employee benefits (including employer pension contributions) of key management personnel	<u>927,313</u>	<u>906,984</u>

The number of higher paid employees whose annual emoluments were £60,000 or more was:

	2021	2020
	No	No
£60,001 - £70,000	3	2
£70,001 - £80,000	2	1
£80,001 - £90,000	-	1
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
£150,001 - £160,000	-	1
£160,001 - £170,001	1	-

The average number of employees during the year were:

	2021	2020
	No	No
Teaching	161	154
Office and non-teaching staff	103	106
	<u>264</u>	<u>260</u>

Note 8 TRUSTEES

None of the trustees (or any persons connected with them) received any remuneration during the year.

Other than the transactions noted in Note 11, there were no other related party transactions during the year (2020: None).

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

Note 9 TAXATION

The Trust is a registered charity and therefore no liability to taxation arises on its charitable activities.

Note 10 TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Furniture and Fittings £	Computers and Equipment £	Total £
Cost				
At 1 August 2020	36,533,781	1,167,110	1,798,275	39,499,166
Additions	6,657	332,469	13,620	352,746
Disposals	-	(70,754)	-	(70,754)
At 31 July 2021	<u>36,540,438</u>	<u>1,428,825</u>	<u>1,811,895</u>	<u>39,781,158</u>
Depreciation				
At 1 August 2020	7,970,553	939,448	1,357,864	10,267,865
Charge for the year	884,534	315,804	1,135	1,201,473
Disposals	-	(70,754)	-	(70,754)
At 31 July 2021	<u>8,855,087</u>	<u>1,184,498</u>	<u>1,358,999</u>	<u>11,398,584</u>
Net Book Value				
At 31 July 2021	<u>27,685,351</u>	<u>244,327</u>	<u>452,896</u>	<u>28,382,574</u>
At 31 July 2020	<u>28,563,228</u>	<u>227,662</u>	<u>440,411</u>	<u>29,231,301</u>

All assets are used for charitable purposes.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

Note 11 FIXED ASSETS INVESTMENTS

	2021 £	2020 £
Securities Investments (11a)	423,285	357,563
Investment property (11b)	250,000	250,000
Total investments at 31 July 2021	<u><u>673,285</u></u>	<u><u>607,563</u></u>

Note 11a Securities Investments

	2021 £	2020 £
At 1 August 2020	357,562	368,555
Additions at cost	74,623	82,487
Disposal proceeds	(69,454)	(82,902)
Realised gain/(loss)	4,498	(4,978)
Unrealised gain/(loss)	56,055	(5,600)
	<u>423,284</u>	<u>357,562</u>
Investment in subsidiaries	1	1
Securities investments at 31 July 2021	<u><u>423,285</u></u>	<u><u>357,563</u></u>
Historic cost	<u><u>323,366</u></u>	<u><u>315,912</u></u>
Investments comprise:		
Listed investments		
Fixed interest	56,443	52,403
Equities - UK	95,965	103,489
Equities - overseas	238,945	168,380
Property	10,069	8,787
Other Investments	10,159	10,097
Cash	11,703	14,406
	<u>423,284</u>	<u>357,562</u>
Investment in subsidiary	1	1
Securities investments at 31 July 2021	<u><u>423,285</u></u>	<u><u>357,563</u></u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

Note 11a FIXED ASSET INVESTMENTS (continued)

Leicester Grammar School Trust owns 100% of the ordinary share capital of LGS Enterprises Limited a company registered in England and Wales. The principal activities of LGS Enterprises Limited are the hiring out of the School facilities and the running of the café. It is intended that profits made by the company will be donated to the Trust unless required for the furtherance of LGS Enterprise Limited's own trading activities.

For the year ended 31 July 2021 LGS Enterprises Limited made a gift-aid donation of £Nil (2020: £Nil) and had capital and reserves of £15,133 (2020: £5,193).

The Trustees provided an initial working capital loan to LGS Enterprises Limited to cover essential set-up costs and have advanced a further loan to finance the construction of the new café. Loans are secured on the assets of that company. The Trustees have reviewed the financial forecast of the company for further years and are satisfied that it is a going concern and that it is expected to generate a profit before donations during 2021/22 and thereafter.

Note 11b INVESTMENT PROPERTY

	2021 £	2020 £
Valuation at 1 August 2020	250,000	250,000
Valuation at 31 July 2021	<u>250,000</u>	<u>250,000</u>

Investment properties consist of the Lodge/Gatehouse property at Stoneysgate School held for investment purposes and which are not used in the Trust's own activities, primarily a residential house which is let out on the open market. Leicester Grammar School Trust is responsible for improvements and maintenance of the properties.

A formal valuation of the properties was prepared by Mr Richard Stamp MRICS of Pinders Professional & Consultancy Services Limited as 4 March 2016. The Trustees have assessed and agreed the valuation of the property in 2021.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

Note 12 DEBTORS

	2021 £	2020 £
Trade debtors	157,992	467,639
Amounts owed by subsidiary company	203,549	207,508
Prepayments and accrued income	301,596	323,443
	<u>663,137</u>	<u>998,590</u>

Note 13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank loan	1,743,925	945,175
Trade creditors	635,047	691,743
Deposits	31,800	52,786
Taxation and social security	207,698	208,725
Accruals and deferred income	435,958	269,060
	<u>3,054,428</u>	<u>2,167,489</u>
Advance fees (see note 15)	152,848	76,219
	<u>3,207,276</u>	<u>2,243,708</u>

The bank loan is secured by a debenture over the assets of the charity.

Note 14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Bank loan	18,808,830	21,540,915
Deposits	393,600	421,495
Advance fees	2,852	40,969
	<u>19,205,282</u>	<u>22,003,379</u>
Loan maturity analysis		
Repayable within		
1-2 years	1,743,925	1,011,175
2-5 years	8,072,461	9,769,112
Over 5 years	8,992,444	10,760,628
	<u>18,808,830</u>	<u>21,540,915</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

**Note 14 CREDITORS: AMOUNTS FALLING DUE
AFTER MORE THAN ONE YEAR (continued)**

The company has two bank loans. These are secured by a debenture over the assets of the charity. The original loan is repayable in equal quarterly instalments. Interest is payable at LIBOR plus an agreed percentage up to a maximum of 7.77% until January 2025 and thereafter at LIBOR plus 2.55%.

A second loan is repayable in monthly instalments. Interest is payable at bank base rate plus 2.95%.

During 2019-20, a new loan was taken out under the Coronavirus Business Interruption Loan scheme (CBILs). The loan is interest-free for the first year and has a repayment period of six years commencing from the beginning of the second year. Interest is payable at bank base rate plus 2.34%.

Note 15 ADVANCE FEE PAYMENTS

Parents may enter into an agreement to pay the school the equivalent of up to seven years tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the school, advance fees will

	2021 £	2020 £
Within 1 year	152,848	76,219
	<u>152,848</u>	<u>76,219</u>

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

	£	£
Balance at 1 August 2020	76,219	107,400
Fees received in advance	153,258	-
Amounts utilised in payment of fees	(76,629)	(31,181)
Balance at 31 July 2021	<u>152,848</u>	<u>76,219</u>

Note 16 SHARE CAPITAL

The company is limited by guarantee and does not have any share capital. The liability of the members of the Trust is limited to £1 each.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

Note 17 FINANCIAL COMMITMENTS

At 31 July 2021 the charity had total commitments under non-cancellable operating leases for plant and equipment as follows:

	2021 £	2020 £
Operating lease expenditure falling due within:		
One year	62,658	103,577
One to two years	46,893	12,649
Two to five years	63,655	6,105
	173,206	122,331

Note 18 ENDOWMENT FUNDS

	Balance 1 August 2020 £	Movement in Resources			Balance 31 July 2021 £
		Income £	Expenditure £	Investment gains/ (loss) £	
Bursary Funds:					
Edward Smith Fund	24,309	354	(354)	4,245	28,554
Mrs M E Smith Fund	11,428	1,406	(1,406)	-	11,428
Parent donations	4,574	91	(91)	-	4,574
Bishop Mort fund	10,000	200	(200)	-	10,000
The Hon Lady A Brooks	38,242	589	(589)	5,620	43,862
Edith Murphy Foundation	10,000	200	(200)	-	10,000
John Higginbotham Fund	18,000	360	(360)	-	18,000
Telereal Trillium Fund	600,000	12,000	(12,000)	-	600,000
Margaret Float Travel Fund	29,872	434	(434)	5,217	35,089
Margaret Float Travel Cash	2,010	-	-	-	2,010
	748,435	15,634	(15,634)	15,082	763,517

Bursary funds are established to provide means tested bursaries to enable pupils to attend the school who would not otherwise be able to.

Income during the year were cash receipts from donors and interest/investment income received. Gains during the year were due to the increasing value of investments.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

Note 18 ENDOWMENT FUNDS - PRIOR YEAR

	Balance 1 August 2019 £	Movement in Resources			Balance 31 July 2020 £
		Income £	Expenditure £	Investment gains/ £	
Bursary Funds:					
Edward Smith Fund	24,776	1,218	(1,218)	(467)	24,309
Mrs M E Smith Fund	11,428	1,405	(1,405)	-	11,428
Parent donations	4,574	92	(92)	-	4,574
Bishop Mort fund	10,000	200	(200)	-	10,000
The Hon Lady A Brooks	38,859	1,732	(1,732)	(617)	38,242
Edith Murphy Foundation	10,000	200	(200)	-	10,000
John Higginbotham Fund	18,000	360	(360)	-	18,000
Telereal Trillium Fund	600,000	12,000	(12,000)	-	600,000
Margaret Float Travel Fund	30,456	1,512	(1,512)	(584)	29,872
Margaret Float Travel Cash	2,010	-	-	-	2,010
	750,103	18,719	(18,719)	- 1,668	748,435

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

Note 19 RESTRICTED FUNDS

	At 1 August '20 £	Income £	Expenditure £	Transfers £	At 31 July '21 £
Vestments	61	-	-	-	61
Chapel Fund	205	-	-	-	205
Neville Hall Travel Fund	4,094	-	-	-	4,094
Other small prize fund	7,279	-	-	-	7,279
Shelter Fund	4,000	-	-	-	4,000
Dowlings Fund	-	-	-	-	-
COVID19 donations	7,501	83	(3,985)	-	3,599
Organ Fund	-	15,500	(5,912)	-	9,588
Singing Prize	-	250	-	-	250
SPA Challenge Week	-	500	(500)	-	-
General Bursaries Fund	-	-	-	-	-
	23,140	16,333	(10,397)	-	29,076

During the year the above restricted donations were received and have been allocated to specific funds in accordance with the donors' intentions.

Where funds have been spent on capital items in the current and previous years, these have been released to unrestricted funds as there are no ongoing restrictions as to the use of these funds.

Other small prize funds comprise 22 individual funds, which are established to provide a school prize, annually, out of income.

RESTRICTED FUNDS - PRIOR YEAR

	At 1 August '19 £	Income £	Expenditure £	Transfers £	At 31 July '20 £
Vestments	61	-	-	-	61
Chapel Fund	205	-	-	-	205
Music bursary	46	-	(46)	-	-
Music equipment	237	-	(237)	-	-
Tanzania Link School	-	-	-	-	-
Neville Hall Travel Fund	4,439	-	(345)	-	4,094
Hall art project	3,500	-	(3,500)	-	-
Other small prize fund	7,279	-	-	-	7,279
Shelter Fund	-	4,000	-	-	4,000
Dowlings Fund	-	500	(500)	-	-
COVID19 donations	-	16,426	(8,925)	-	7,501
General Bursaries Fund	-	13,016	(13,016)	-	-
	15,767	33,942	(26,569)	-	23,140

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

Note 20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed assets £	Investments £	Other Net liabilities £	Total 2021 £
Endowment funds	-	107,505	656,012	763,517
Restricted funds	-	-	29,076	29,076
Unrestricted funds	28,382,574	565,780	(14,945,193)	14,003,161
Total funds	28,382,574	673,285	(14,260,105)	14,795,754

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Tangible Fixed assets £	Investments £	Other Net liabilities £	Total 2020 £
Endowment funds	-	92,423	656,012	748,435
Restricted funds	-	-	23,140	23,140
Unrestricted funds	29,231,301	515,140	(16,931,336)	12,815,105
Total funds	29,231,301	607,563	(16,252,184)	13,586,680

Note 21 NET DEBT RECONCILIATION

	At 1 August 2020 £	Cashflows £	Other non- cash changes £	At 31 July 2021 £
Cash at bank and in hand	6,972,655	502,867	-	7,475,522
Bank loans falling due < 1 year	945,175	-	798,750	1,743,925
Bank loans falling due < 5 years	10,780,287	-	(963,901)	9,816,386
Bank loans falling due > 5 years	10,760,628	-	(1,768,184)	8,992,444

	At 1 August 2019 £	Cashflows £	Other non- cash changes £	At 31 July 2020 £
Cash at bank and in hand	3,647,086	3,325,569	-	6,972,655
Bank loans falling due < 1 year	804,450	-	140,725	945,175
Bank loans falling due < 5 years	3,879,199	-	6,901,088	10,780,287
Bank loans falling due > 5 years	15,597,124	-	(4,836,496)	10,760,628

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2021

Note 22 PENSION COMMITMENTS

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,090,037 (2020: £1,424,082 and at the year-end £174,750 (2020 - £121,938) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

LEICESTER GRAMMAR SCHOOL TRUST

England & Wales - Charity number 510809

Accounts

Company Registration No. 01521751
Charity Registration No. 510809

LEICESTER GRAMMAR SCHOOL TRUST

**TRUSTEES' REPORT
AND
STATEMENT OF ACCOUNTS**

**FOR THE YEAR ENDED
31 JULY 2020**

LEICESTER GRAMMAR SCHOOL TRUST

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LEICESTER GRAMMAR SCHOOL TRUST

Legal and administrative information

Charity Trustees

The Trustees of Leicester Grammar School Trust are also company directors, and carry the responsibilities accorded to them by the Charity Commission and under Company Law. They have all served in office throughout the year except where indicated:

Mrs E M Bailey
Mrs J Burns (Vice chair, Academic)
Professor D Cartmell (appointed 16 November 2020)
Dr S M Dauncey (resigned 6 September 2019) (Chairman to 6 September 2019)
Mr S Gasztowicz (Chairman from 6 September 2019)
Mr D C Green
Dr S E Hadley
Mr M J Holley (Vice chair, Financial)
Mr N J M Imlach
Mr K J Julian (resigned 21 May 2020)
Dr D I Khoosal
Dr L Mongan-Cockcroft
The Very Revd David Monteith (resigned 2 December 2019)
Mrs A G O'Donovan
Professor J M Saker
The Ven R V Worsfold (appointed 11 March 2020)

Committees and sub committees of the Board of Trustees

The following Trustees served on committees and sub committees of the Board during the year:

Education Committee:

Mrs J Burns (Committee Chairman)
Mrs E M Bailey
Mr S Gasztowicz
Mr K J Julian
Dr L Mongan-Cockcroft
The Ven R V Worsfold

Finance and General Purposes Committee:

Mr M J Holley (Committee Chairman)
Mr S Gasztowicz
Mr D C Green
Mr N J M Imlach
Mr K J Julian

Health and Safety Committee:

Professor J M Saker (Committee Chairman)
Dr D I Khoosal
Dr S E Hadley

Nominations and Governance Committee:

Mr S Gasztowicz (Committee Chairman)
Mrs J Burns
Mr M J Holley

Salaries Review Committee:

Mr S Gasztowicz (Committee Chairman)
Mrs J Burns
Mr M J Holley

Bursaries, Scholarships and Public Benefit Sub Committee:

Mr S Gasztowicz (Sub committee Chairman)
Mrs E M Bailey

LEICESTER GRAMMAR SCHOOL TRUST

Legal and administrative information cont.

The Board is a self-appointing body. One third of the Board is required to retire by rotation, each year. Board members are eligible to stand for re-election at the end of a term of office.

Officers

Headmaster of Leicester Grammar School and Principal of Leicester Grammar School Trust:

Mr J W Watson

Headmistress of Leicester Grammar Junior School: Mrs C Rigby

Headmaster of Stoneygate School: Mr J Dobson

Director of Finance and Operations and Company Secretary: Mr S J Jeffries

Addresses:

Leicester Grammar School and Leicester Grammar Junior School

London Road

Great Glen

Leicester

LE8 9FL

(School and registered office)

Stoneygate School

6 London Road

Great Glen

Leicester

LE8 9DT

Websites: www.leicestergrammar.org.uk

www.stoneygateschool.co.uk

Auditors

Haysmacintyre LLP

10 Queen St Place

London

EC4R 1AG

Bankers

NatWest

1 Granby Street

Leicester

LE1 9GT

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report) FOR THE YEAR ENDED 31 JULY 2020

The Trustees present their report and financial statements for the year ended 31 July 2020 and confirm they comply with the requirements of the Charities Act 2011, including the Directors' and Strategic Report under the Companies Act 2006.

Reference and Administrative Information

The Charity was founded in 1980 and is registered with the Charity Commission under charity number 510809.

Leicester Grammar School Trust is also a company limited by guarantee, registered under company number 01521751.

The Trustees, executive officers and principal address of the Charity are as listed on page 1 and 2. Particulars of the Charity's professional advisers are given on page 2.

Structure, Governance and Management

Governing Document

The Charity is governed by its Memorandum and Articles dating from 13 October 1980 and last amended on 3 December 2014.

Governing Bodies

The Charity operates three schools, Leicester Grammar School, Leicester Grammar Junior School and Stoneygate School. There is a single Governing body, being the Charity Trustees, the details of which are explained on page 1.

Recruitment and Training of Trustees

The Charity's elected Trustees are appointed at a meeting of the Board of Leicester Grammar School Trust, on the basis of recommendations made by the Nominations and Governance Committee, a committee of the Board. The Committee considers eligibility, skills and commitment when advising the Board and endeavors to ensure that the Board contains an appropriate balance of skills.

New Trustees receive a pack of written information as well as visiting all three schools and meeting with key officers and the Chairman of the Board. All Trustees complete a skills audit which is used to identify individual training needs and also any areas where additional expertise may need to be added to the Board. Trustees are also encouraged to assess their own training needs and individual Trustees attend courses as required.

Organisational Management

The Trustees are legally responsible for the overall management and control of the three Schools. The Board of Trustees meets four times each year.

The Education Committee was established during the year and meets once per term. This Committee oversees the curriculum, teaching and learning and educational policy across the three Schools.

The Finance and General Purposes Committee meets four times a year. This Committee oversees the implementation of Board policies, and also undertakes detailed reviews before making recommendations to the Board. The Finance and General Purposes Committee is chaired by a Trustee who is not Chairman of the full Board.

The Health and Safety Committee meets once per term and reviews health and safety policies and procedures at all three Schools.

The Nominations and Governance Committee meets as and when required, but usually once a year. It considers the composition of the Board and applications from prospective Trustees.

The Salaries Review Committee meets periodically to consider salaries payable to the Senior Leadership Team.

The Bursaries, Scholarships and Public Benefit Sub Committee meets up to three times each year.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)

FOR THE YEAR ENDED 31 JULY 2020 cont.

The day to day running of the schools is delegated to the respective Heads supported by their Senior Leadership Teams together with the Director of Finance and Operations. The Head Teachers and the Director of Finance and Operations attend meetings of the Board and its committees and sub committees.

Key Management Personnel are considered to be the Principal and Headmaster of Leicester Grammar School, the Director of Finance and Operations, the Heads of Leicester Grammar Junior School and Stoneygate School, and the two Deputy Heads of Leicester Grammar School. The remuneration of this senior staff group is determined by the Salaries Review Committee of the Board of Trustees with reference to appraisal records and benchmarking.

Objects, Aims, Objectives and Activities

Charitable Objects

The Trust's Objects, as set out in its Memorandum and Articles, are the advancement of education, through a school or schools, run according to Christian principles.

Aims and Intended Impact

Within these Objects the Trust's aim is to provide an excellent education for pupils of high academic ability, regardless of their financial means. The Trust aims to provide for the pupils' general instruction of high standard and quality, including physical, moral and religious education and to provide an environment where each pupil can develop his or her talents to the full.

Objectives for the Year

In setting objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing education and on fee-charging.

The focus has been on continued academic achievement, particularly at A level. Academic excellence is complemented by a strong emphasis on sport, art and music, ensuring a rounded education for pupils of all ages.

The Trust remains committed to enrolling able children from all backgrounds regardless of ability to pay the fees.

A key objective for the Trust for 2019-20 was to increase pupil numbers.

The Trust aims to play a full part in the life of the local, regional and indeed national community.

Strategies to Achieve the Year's Objectives

The Trustees continue to review GCSE and A level results and benchmark Leicester Grammar School against other schools in the national league tables. There has been an increased focus on teaching and learning strategies, and a new Sixth Form programme (Aspire) was planned, with introduction in September 2021.

Provision of means-tested bursaries remains a high priority for the Trust, in order to ensure that the School is accessible to pupils from a wide range of backgrounds. The Trust continues to seek funding for additional bursaries and has a subsidiary company, LGS Enterprises Limited, which was established to generate additional income.

The Trustees continue to work to raise the profile of the schools in order to attract applications for admission from able candidates.

The Trust continues to work hard to create links with local schools and the local community, particularly by making its facilities available to other local groups and organisations.

Principal Activities of the Year

The Trust principally provides education to boys and girls from the age of 3 to 18.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)

FOR THE YEAR ENDED 31 JULY 2020 cont.

The Trust continues to operate three schools.

Two of the schools are based on a shared site in Great Glen, Leicestershire: Leicester Grammar School for pupils aged 10-18 and Leicester Grammar Junior School for pupils aged 3-11. During the year Leicester Grammar School averaged 839 (2018-19: 832) pupils and Leicester Grammar Junior School averaged 391 (2018-19: 376) pupils. Both schools continue to operate broadly at capacity.

In May 2016 the Trust acquired the trade and assets of Stoneygate School, an independent co-educational preparatory school also situated in Great Glen, Leicestershire on a separate 45 acre site. During the year Stoneygate School averaged 166 (2018-19: 178) pupils. It is the intention of the Trustees to increase the pupil roll at the school in line with the existing capacity of the Stoneygate site. During 2019-20 Stoneygate educated pupils aged 4-16. 2019-20 was the first year that the school extended its offering up to GCSE. Stoneygate School provides a high quality education with a distinctive ethos, underpinned by high quality governance and management provided by the Trust.

2019-20 has been a complex year owing to the Covid-19 pandemic. The Trust has managed its finances carefully over the last year, taking advantage of Government support through both the Coronavirus Job Retention Scheme and the Coronavirus Business Interruption Loan Scheme (CBILs).

£4 million was borrowed under CBILs which was deemed a prudent measure to ensure the Trust had a buffer to counter any downside-risks arising from economic volatility subsequent to the health crisis caused by Covid-19.

Following the national lockdown, the Trust provided support to parents by providing a fee discount in the Trinity term and through fee deferral arrangements and some additional bursary funding.

The Trust is confident that the schools will continue to attract able pupils. This is a result of continued efforts to maintain the academic and co-curricular standards for which the schools have become known, continued investment in facilities and ongoing efforts to market the schools.

Our Ethos

The Trust is a charity which seeks to benefit the public through the pursuit of its stated aims. Fees are set at a level to ensure the financial viability of the schools and at a level which is consistent with the aim of providing a first-class education to boys and girls.

The schools welcome academically able pupils from all backgrounds. To admit a prospective pupil the schools need to be satisfied that they will be able to educate and develop that prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Pupils wishing to join the Grammar School are required to sit an entrance exam and pupils wishing to join Leicester Grammar Junior School or Stoneygate School undergo an assessment. Both forms of assessment are designed to satisfy the school and the parents that the potential pupil can cope with the pace of learning and benefit from the education provided. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of the assessment process.

The schools are committed to safeguarding and promoting the welfare of pupils and expect all staff and volunteers to share this commitment. The schools carry out appropriate background checks of adults who come into contact with pupils. The schools maintain regular contact with parents through the year including holding parents evenings, issuing end of term reports, and sending home regular newsletters.

The Trust is an equal opportunity organisation and is committed to a working environment which is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)

FOR THE YEAR ENDED 31 JULY 2020 cont.

Disabled employees

The Trust facilitates the employment of disabled persons and provides, wherever possible, training, career development and promotion. Where employees become disabled whilst in service, every effort is made to rehabilitate them to their former jobs or some other suitable alternative and provide appropriate training and specialist advice.

Access Policy

It is important that access to the education provided by the Trust and to its facilities is not restricted to those who can afford the fees. The Trust believes that all pupils benefit from learning within a diverse community. The Trust's bursaries policy, together with links with local state schools and other organisations which have access to the Trust's facilities, contribute to a widening of access.

Grant-making Policy

The Trustees view the bursary awards as essential in helping to ensure that children from families which would not otherwise be able to afford the fees can access the education on offer. Bursaries are available to all prospective pupils who pass the entrance exam to join the Grammar School in years 7 and above, and are made solely on the basis of parental means. Bursaries are also available to existing pupils whose financial circumstances change and whose ability to remain at the school is under threat, for example due to parental redundancy. From September 2018 the bursaries scheme was extended to also include pupils joining Stoneygate School in years 7 and above.

In assessing a bursary application the Trust takes a number of factors into consideration, including family income, assets held, investments and savings, and the number of dependents. However, the Trust does not have a large endowment or extensive reserves to draw on. In funding bursary awards the Trust is mindful of the need to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards. The Trustees are also mindful of the requirement for careful financial stewardship at a time when significant financial commitments have been taken on.

Bursary awards vary from 10% to 100% of fees and are re-assessed on an annual basis to take account of any changes in the family's financial situation. Information about fee assistance is available in the prospectus and on the school website, as well as being advertised in the local press and elsewhere. The form completed by applicants includes a box to tick, to indicate simply that the applicant wishes to be considered for a means tested bursary.

The Trustees have also set up a sub committee of the Board: the Bursaries, Scholarships and Public Benefit Sub Committee. This sub committee reviews, monitors and advises on the Trust's Public Benefit role, particularly developing the provision of means tested bursaries, taking into account the Charities Act requirements and Charity Commission guidelines.

During the year, an additional Coronavirus Hardship Bursary Fund was established to support parents impacted by Covid-19, either health-wise or financially.

Volunteers

Old Leicestrians, Friends of Leicester Grammar School, Friends of Leicester Grammar Junior School and the Stoneygate Association provided support, advice and enrichment opportunities during the year, as well as helping with fundraising and organising social and cultural events. The Board is grateful to them for their continuing and valuable support for the schools.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)

FOR THE YEAR ENDED 31 JULY 2020 cont.

STRATEGIC REPORT

Review of Achievements and Performance for the Year

Operational Performance of the Schools

Public examinations for 2019-20 were replaced with Centre Assessment Grades owing to Covid-19. The Grammar School maintained its high academic standing. At GCSE level 59.4% (2018-19: 57.7%) of results were graded 8 or 9. At 'A' level 89.2% (2018-19: 82.3%) of grades were at A*/B, and 32.4% (2018-19: 19.2%) at the A* grade.

Stoneygate School recorded its first set of GCSE results in 2019-20 with 100% of Centre Assessment Grades graded 4 or above and 41% of results graded 7 or above.

Leicester Grammar and Leicester Grammar Junior School underwent a Focussed Compliance and Educational Quality Inspection in November 2019. The schools were found to be fully compliant with the Independent School Standards Regulations and were judged 'Excellent' in the two EQI categories (pupils' achievements and pupils' personal development). Leicester Grammar School was also named East Midlands Independent Secondary School of the Year 2020.

During the year ended 31 July 2020, the value of means tested bursaries awarded to pupils totalled £854,000 (2018-19 £794,000). This figure included bursaries worth £28,000 (2018-19 £27,000) funded by external benefactors. The value of means tested bursaries represented 4.6% of the gross fee income of the Trust (2018-19: 4.9%).

During the year, 19 pupils received a 100% bursary (2018-19: 27 pupils). A further 13 pupils received bursaries of between 80% and 99% of fees (2018-19: 20 pupils).

Further awards totaling £160,000 (2018-19: £184,000) were made to pupils at Leicester Grammar School in the form of scholarships. The Trustees' policy is to make these awards on the basis of individual ability and potential. The Trustees have a stated aim of gradually reducing the total value of scholarships in favour of gradually increasing the number and value of means tested bursaries.

A full complement of staff qualified to teach their respective subjects was in place throughout the year at all three of the Trust's schools. The support staff positions were similarly all filled.

In 2019-20 the Trust continued to contribute to the local and wider community where possible, despite the Covid 19 pandemic. The schools provided the following activities:

Educational partnerships, examples include:

- Aspiring medical students received then delivered training in CPR with Heartwize charity.
- Continued teaching and learning partnerships with a local maintained school (Manor High School).
- Hosting Super Physics competition for pupils from schools across the East Midlands.
- Hosting of St Cuthbert's Primary School Science Day.
- Hosting of Year 6 team Maths competition for local primary schools and Quiz Challenge.
- Hosting of Rotary challenge day where 130 pupils from local schools compete in an engineering based challenge.
- Hosting of Sixth Form Philosophy and Theology Ethics A level conference 'Beyond Belief'.
- Hosting of a Careers Convention, to which local schools are invited.
- Singing workshops and Christmas concerts to engage with various local primary schools.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)

FOR THE YEAR ENDED 31 JULY 2020 cont.

Charitable projects, examples include:

- 11,400 PPE face shields produced and donated to the NHS, Care homes, pharmacies and surgeries with the help of parental donations and staff and pupil volunteers.
- Christmas Shoe Box donations to the YMCA.
- Diverse list of charities supported over the year through fundraising and raising awareness such as Women's Aid, Macmillan, Open Hands, Pets as Therapy, Rainbows Hospice.
- Pupils have been engaged in fundraising with each House choosing a charity to support.
- Big Band concerts to fundraise for Leicester Little Theatre's Centenary Challenge and Stoughton Parish Church.
- Food bank donations and Harvest food collections to Age UK.
- 79 pupils signed up to join the Anthony Nolan Stem Cell Register.
- Continued support of the Pasua High School in Tanzania.
- £52,000 was raised for charities during the year.

Community service, examples include:

- Community service performed by the Duke of Edinburgh Award students and 6th form community service programme.
- Support of the National Citizen Service programme.
- Two pupils building BMX track in their village for other young people during lockdown.

Facilities, Music and Sport for the Community, examples include:

- Community use of school facilities for sports, music, drama and general use.
- Our swimming facilities continue to be used for lessons by the wider local community and we host competitive swimming clubs.
- We continue to partner with the Bardi Orchestra. The orchestra benefits from rehearsing at the school. Each year the orchestra gives a concert at the Grammar school hall.

Financial Review and Results for the Year

The Trust recorded a surplus of £254,000 (2018-19 £538,000) during the year.

Total incoming resources reduced by £466,000, from £16,867,000 to £16,401,000. The increase in pupil numbers was offset by a reduction in school fees in the summer term, due to Covid-19

Investment Policy

The financial objective of the Trustees is to maintain the real value of the Trust's assets whilst generating a stable and sustainable return to help fund the charity's activities over the long term. The Trustees review the investment policy on a regular basis.

At the year end the Trust's investments included £358,000 (2018-19: £369,000) of investment assets held within an investment portfolio managed by Brewin Dolphin. The Finance and General Purposes Committee are charged with agreeing a suitable asset allocation strategy with the investment managers which is set with the aim of achieving the Trust's overall investment objectives. This strategy would reflect the Brewin Dolphin risk category 5-6: low to moderate investment risk, to moderate investment risk. The Trustees adopt an ethical investment policy so that the Trust's assets are invested in line with its aims. Specifically, the Trustees would not wish to be invested in companies that obtain more than 10% of their turnover from involvement in the military or armaments.

The Trust also owns an investment property valued at £250,000 which is let out on the open market. This residential property was acquired in May 2016 as part of the Stoneygate School site. Further short term investments are held in the form of bank deposit accounts. During the year the Trust recorded a deficit on investments of £11,000 (2018-19: income of £7,000), plus bank and other interest receivable of £10,000 (2018-19: £27,000) and a further £9,000 of gains on investments (2018-19: £11,000).

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)

FOR THE YEAR ENDED 31 JULY 2020 cont.

Risk Management

The Trustees are responsible for the management of the risks faced by the Schools. Risks are identified and assessed and controls established throughout the year. A formal risk register is in place and is reviewed and updated on a regular basis by the Senior Leadership Team initially and then by the Finance & General Purposes Committee.

The principal risks and uncertainties identified in the Trust's risk register include:

- Recruiting sufficient able pupils into the schools each year in order to maintain the pupil roll and therefore fee income in line with forecast.
- Maintaining tuition fees at an affordable level, whilst meeting rising costs including pension contributions for teaching staff, repaying the bank loan and complying with the bank covenants, and continuing to invest in the facilities available to pupils.
- To manage the health and safety risks in the current Covid-19 environment.
- The need to continue to recruit top quality staff remains a high priority.
- The Trustees remain vigilant with regards to child welfare.
- External financial risks are kept under review by the Trustees including the potential for changes in tax legislation or changes in the treatment of charities.

Key controls used by the charity include:

- formal agendas for all Committee, Sub Committee and Board activity;
- detailed terms of reference for Board Committees and Sub Committees;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational structure and lines of reporting;
- formal written policies;
- clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the Trust, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Charity Fundraising

The school has not made any fundraising appeals to the general public during the year, and is unlikely to do so in the future. There has been no outsourced fund raising via professional fundraisers or other third parties. As a result the charity is not registered with the fundraising regulator and received no fundraising complaints in the year.

Reserves Policy

The Trustees aim to hold funds which are sufficient but not excessive in order to fund current operational requirements and future development. The Trustees are mindful of the need to maintain a level of reserves which enable the organisation to respond to circumstances and mitigate risk, including ensuring compliance with the terms of the bank loans.

The Trustees review the reserves policy on a regular basis. The policy was revised in 2019-20 such that the Trust aims to hold a minimum of £2m (including cash investments) at all times. The value of cash and investments held at 31 July 2020 was £7.3m. The Trust's cash reserves therefore exceeded the target level set out in the policy.

At the end of the year the Trust's total reserves were £13,587,000 (2019: £13,333,000), including £12,827,000 (2019: £12,567,000) of unrestricted funds, £7,000 (2019: £16,000) of restricted funds and £752,000 (2019: £750,000) of endowment funds. The Trust's total reserves include £29,200,000 which could only be realised by disposing of tangible fixed assets.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)

FOR THE YEAR ENDED 31 JULY 2020 cont.

The Trustees remain confident that the Trust is able to meet its financial obligations as they fall due, as well as continuing to invest in the fabric of the buildings and the facilities and equipment required to provide an excellent education at the Trust's schools. The Trust holds significant cash reserves and continues to generate an annual surplus after meeting its financial obligations and is forecast to continue to do so. The Trustees are confident, based on the Trust's sound financial position, that the Trust can continue as a going concern.

Payment practices

The average number of days taken to make payments to the Trust's suppliers in the year was 31 (2019: 28). The percentages of payments made within the year which were paid: within 30 days was 55% (2019: 56%); between 31 and 60 days was 35% (2019: 39%); and after 61 days or longer was 10% (2019: 5%). The percentage of payments due within the reporting period which were not paid within agreed terms was 27% (2019: 28%).

Gender pay gap reporting

The Trust's gap for mean hourly rates of pay at 5 April 2020 was 14.2% (2019: 13.2%) in favour of male employees. The median hourly pay gap at 5 April 2020 was 14.4% (2019: 15.7%). The pay gap is impacted by the diversity of employed roles within the Trust and is kept under review on an annual basis.

Communication

Effective communication with employees is of vital importance and both Trustees and senior management provide information to, and consult with, staff on matters that affect them, including financial matters.

Environmental matters

The Trust is committed to minimising the impact that its operations have on the environment and providing a safe environment for its staff and pupils. A pupil eco-group meets to suggest initiatives and the schools are conscious of ensuring the schools take a proactive view on environmental matters.

Strategic Planning

The Trust Development Plan for the year ended 31 July 2020 affirms the main aims of the Schools as being:

- To develop the academic potential of the pupil.
- To develop the musical, sporting and other talents of the pupil.
- To develop the moral and spiritual wellbeing of the pupil.
- To develop the individual, in a co-educational school, within a Christian ethos.

The schools select pupils for entry in accordance with its published admission procedures.

The Trust remains committed to maintaining its position as a leading provider of co-educational day schools. The key objectives within the Plan, each of which is supported by an action plan, are:

1. Maintain and where possible enhance the academic standards of the School(s). To similarly aim to enhance the co-curricular areas of the School(s).
2. Sustain the School roll(s) at or near to the projected maximum, as set out in the Trust's financial plan. There are no plans to significantly increase the School roll at either LGS or LGJS.
3. Continue to fulfil the Trust's charitable objects.
4. Promote the professional welfare of staff and the personal welfare of both staff and pupils.
5. Increase the funds available to the Trust for the award of bursaries.
6. Actively maintain and enhance the School buildings and wider estate.
7. Plan the future development of IT and ICT within the Schools.

The Trust has a wholly owned subsidiary company, LGS Enterprises Limited. This company undertakes commercial activities in order to generate funds to gift to Leicester Grammar School Trust.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)

FOR THE YEAR ENDED 31 JULY 2020 cont.

Future Planning

At a strategy away-day in March 2020, a 2030 Vision was shared and agreed by Trustees.

Each of our schools will have:

- Excellent academic outcomes and co-curricular opportunities.
- Innovative teaching and learning supported by a digital strategy.
- A forward-looking and stimulating curriculum.
- An environmental focus with outstanding facilities.
- An international/ global outlook.

Each of our schools will be:

- Financially secure and adequately flexible to invest in developing our pupils and staff.
- A community with clear ethos and values.
- A community where well-being is promoted.
- A community which prioritises public benefit and outreach.

The Trust's mission statement and the aims of Leicester Grammar and Leicester Grammar Junior Schools were revised:

The Leicester Grammar School Trust seeks to be an inspiring centre for co-educational excellence in academic and personal development, within a Christian ethos.

Leicester Grammar School:

In order to fulfil this mission, the school aims to:

- Promote intellectual curiosity and academic excellence.
- Provide a broad, balanced and stimulating curriculum.
- Offer a rich range of co-curricular opportunities which enhance pupils' physical, cultural and personal development.
- Equip pupils with the self-belief, consideration and skills required for a principled and fulfilling life.
- Create a happy and mutually-supportive community of learners and staff, in which each individual is encouraged and enabled to do and be their best.
- Care for the mental and emotional well-being of pupils, and be proactive in the promotion of a healthy lifestyle.
- Welcome pupils of diverse backgrounds and faiths, nurturing their social and spiritual development.
- Foster a generous contribution to charity, community service and society.

Leicester Grammar Junior School:

In order to fulfil this mission, the school aims to:

- Promote intellectual curiosity and a lifelong love of learning.
- Offer an extensive range of experiences which broaden the curriculum and develop the pupil.
- Create a stimulating, happy and supportive community where each pupil is allowed to flourish.
- Care for the mental and emotional well-being, promoting a healthy lifestyle and nurturing self-esteem.
- Enable the moral and spiritual well-being of each pupil to grow and thrive.

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)

FOR THE YEAR ENDED 31 JULY 2020 cont.

The strategic objectives for 2020-23 were agreed:

Vision: The school communities within the Trust will thrive through:

Inspiring learning

(Teaching, learning and attainment)

- Foster increased discussion of teaching and learning, with consistent implementation of best practice
- Encourage resourceful learning which results in best-possible attainment

Stimulating curriculum

(Curriculum and co-curriculum)

- Ensure a curriculum which best prepares pupils for a future of challenge and adventure
- Foster healthy co-curricular participation by all members of the school community

Care and community

(Pupils' well-being, support and guidance; staff professional development and well-being)

- Ensure best deployment of pastoral resource to address pupils' needs
- Become increasingly recognised as a community which cares deeply for pupils, staff and others

Appeal and outreach

(Marketing, admissions, outreach, fundraising and communications)

- Formulate and implement marketing and fundraising plans
- Be an ethically and environmentally responsible member of our local, national and global communities

Environment and provision

(Resources and facilities)

- Ensure adequate funding to refurbish and develop facilities according to educational need
- Confirm and fully develop digital strategy

LEICESTER GRAMMAR SCHOOL TRUST

REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)

FOR THE YEAR ENDED 31 JULY 2020 cont.

Trustees' Responsibilities Statement

The Trustees (who are also directors of Leicester Grammar School for the purposes of company law) are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees of Leicester Grammar School Trust on 7 December 2020, including the Strategic Report contained therein, and signed on its behalf by:



Mr S Gasztowicz
Chairman of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF

LEICESTER GRAMMAR SCHOOL TRUST

Opinion

We have audited the financial statements of Leicester Grammar School Trust for the year ended 31 July 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 charitable company's affairs as at 31 July 2020 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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.

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 charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF

LEICESTER GRAMMAR SCHOOL TRUST

Continued..

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Use of our report

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



David Sewell (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place

London
EC4R 1AG

Date: 17 December 2020

LEICESTER GRAMMAR SCHOOL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure account)

FOR THE YEAR ENDED 31 JULY 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £	Total 2019 £
INCOME FROM:						
Charitable Activities						
Tuition fees	2	15,608,314	-	-	15,608,314	15,777,218
Exam registration fees		49,373	-	-	49,373	43,899
Canteen receipts		430,157	-	-	430,157	582,624
Bus fares		139,792	-	-	139,792	199,721
Sundry income		100,081	-	-	100,081	143,402
Other trading activities						
Investment income	3	4,892	-	2,547	7,439	7,238
Bank and other interest	4	12,797	-	16,172	28,969	26,532
Voluntary income	5	358,711	33,942	-	392,653	86,361
Other		-	-	-	-	-
Total income		16,704,117	33,942	18,719	16,756,778	16,866,995
EXPENDITURE ON:						
Charitable Activities						
Schools operations		16,447,169	26,569	18,719	16,492,457	16,339,840
Total expenditure	6	16,447,169	26,569	18,719	16,492,457	16,339,840
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS		256,948	7,373	-	264,321	527,155
(Losses)/gains on investments		(8,910)	-	(1,668)	(10,578)	10,599
NET MOVEMENT IN FUNDS		248,038	7,373	(1,668)	253,743	537,754
Fund balances at 1 August 2019		12,567,067	15,767	750,103	13,332,937	12,795,183
FUND BALANCES at 31 JULY 2020		12,815,105	23,140	748,435	13,586,680	13,332,937

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The accompanying notes form part of these financial statements.

LEICESTER GRAMMAR SCHOOL TRUST

BALANCE SHEET

AT 31 JULY 2020

	Notes	2020		2019	
		£	£	£	£
FIXED ASSETS					
Tangible assets	10	29,231,301		30,109,753	
Investments	11	<u>607,563</u>		<u>618,556</u>	
			29,838,864		30,728,309
CURRENT ASSETS					
Stock of consumables		23,658		11,859	
Debtors	12	998,590		789,537	
Cash at bank and in hand		<u>6,972,655</u>		<u>3,647,086</u>	
		7,994,903		4,448,482	
CREDITORS: Amounts falling due within one year	13	<u>(2,243,708)</u>		<u>(1,988,631)</u>	
			5,751,195		2,459,851
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>35,590,059</u>		<u>33,188,160</u>
CREDITORS: Amounts falling due after more than one year	14		(22,003,379)		(19,855,223)
NET ASSETS					
			<u><u>13,586,680</u></u>		<u><u>13,332,937</u></u>

The funds of the charity are represented by:

Endowment funds (restricted)	18	748,435	750,103
Restricted funds	19	23,140	15,767
Unrestricted funds		<u>12,815,105</u>	<u>12,567,067</u>
		<u><u>13,586,680</u></u>	<u><u>13,332,937</u></u>

The accounts were issued and approved by the Board of Trustees on 7 December 2020 and signed on their behalf by:


S. GASZTOWICZ


M. J. HOLLEY

Company Registration No. 01521751

The accompanying notes form part of these financial statements

LEICESTER GRAMMAR SCHOOL TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2020

	Notes	2020		2019	
		£	£	£	£
Net cash inflow from operations					
Net cash provided by operating activities	(i)		1,422,575		1,740,325
Cash flows from investing activities:					
Payments for tangible fixed assets		(340,008)		(405,407)	
Investment income and bank interest received		36,408		33,770	
Purchase of investments		(82,488)		(40,537)	
Proceeds from sale of investments		<u>82,902</u>		<u>36,348</u>	
Net cash used in investing activities			(303,186)		(375,826)
Cash flow from financing activities					
New borrowing in the year		4,000,000		-	
Repayment of long term loan		<u>(1,793,820)</u>		<u>(773,340)</u>	
Net cash (used) in financing activities			<u>2,206,180</u>		<u>(773,340)</u>
Change in cash and cash equivalents in the reporting period			3,325,569		591,159
Cash and cash equivalents at the beginning of the period			3,647,086		3,055,927
Cash and cash equivalents at the end of the reporting period	(ii)		<u>6,972,655</u>		<u>3,647,086</u>

(i) RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net movement in funds	253,743	537,754
Depreciation charges	1,217,598	1,185,180
(Increase)/decrease in stock	(11,799)	634
(Increase) in debtors	(209,053)	(62,375)
Increase in creditors	197,916	123,501
Bank interest received	(36,408)	(33,770)
Losses/(Gains) on investments	10,578	(10,599)
Net cash inflow from operating activities	<u>1,422,575</u>	<u>1,740,325</u>

(ii) Analysis of cash and cash equivalents

	2020	2019
	£	£
Cash	6,972,655	3,647,086
Total cash and cash equivalents	<u>6,972,655</u>	<u>3,647,086</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year and in the preceding year are:

a) **Basis of Accounting**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP 2015 (Second Edition, effective 1 January 2019)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Leicester Grammar School Trust meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) **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 assumptions concerning future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment of their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements, except for the fact that it is no longer considered appropriate to accrue for teachers' holiday pay or to recognise as a prepayment any time teachers have spent in preparing for the following academic year.

c) **Going Concern**

The accounts have been prepared on a going concern basis. The Leicester Grammar School Trust Board reviews the financial information for the charitable company and consider whether the charitable company is a going concern for a period of at least 12 months from the date of approval of the accounts. After making enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

d) **School Fees Receivable and Similar Income**

Fees receivable and other educational income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances and other remissions granted by the school. Fees received in advance of education to be provided in future years under an Advance Fee Payments Scheme contract are included in liabilities until either taken to income in the term when used or refunded.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES (continued)

e) **Ancillary and Non-Ancillary Trading Income**

Ancillary trading income represents amounts from activities to generate funds within the charitable objects for example, school refectory sales, coaches to and from school and school trips. Non-ancillary trading income represents amounts from activities not directly related to the charitable objects, for example lettings of school facilities. Income from these activities is recognised in the SOFA when the goods are sold or services provided.

f) **Voluntary sources, Grants and Donations**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can reliably be quantified and the economic benefit is considered probable.

Voluntary income for general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the school in case of donated services or facilities.

g) **Expenditure**

Expenditure is accrued as soon as there is a contractual obligation or a liability is considered probable, discounted to present value for longer term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates. Bad debts are provided for in accordance with the trust bad debt policy.

The cost of refurbishing and converting existing buildings is written-off in the year in which it is incurred except where the useful life has been extended.

h) **Pension Costs**

The trust participates in the Teachers' Pensions scheme, which is an unfunded government scheme, which provides benefits based on final pensionable pay. The funds of the scheme are separate from the trust, although the trust's share of the schemes cannot be identified as the schemes are multi-employer schemes, and so the pension costs are accounted for as defined contribution schemes. The trust also contributes to other defined contribution pension schemes for non-teaching staff.

i) **Tangible Fixed Assets and Depreciation**

In accordance with Section 35.10 (d) of FRS102, Leicester Grammar School has elected to use the carrying value of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost at the date of transition to FRS102, 1 August 2014.

Tangible fixed assets are stated at cost less depreciation.

Where tangible fixed assets have been acquired with the aid of specific grants they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES (continued)

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset based on current market prices, over its expected useful life, as follows:

Freehold land is not depreciated

Freehold Buildings - 2% to 20% per annum on cost

Computers and equipment - 25% on cost

Fixtures and fittings - 12.5% to 33% on cost

Leicester Grammar School Trust exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

j) Financial Instruments

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

k) Securities investments and Fees in Advance

Securities investments and Fees in Advance are carried at fair value, which is deemed to be market value as at the balance sheet date.

Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate fund according to the 'ownership' of the underlying assets. Realised gains and losses are the difference between sales proceeds and opening market value where the investment was held at the beginning of the year, or sales proceeds less cost of purchase where the investment was acquired in the year. Uninvested cash is the balance of liquid cash, held as an investment, which has not been invested in securities.

l) Stocks

Stock of goods held for resale are valued at the lower of cost and net realisable value.

m) Leasing Commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives or the period of the lease whichever is the shorter. The interest element of the obligations is charged to the SOFA over the period of the lease. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA on a straight line basis over the lease term. Lease incentives are accounted for over the lease term on a straight-line basis.

n) Fund Accounts

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity. Endowment funds are further sub-divided into permanent and expendable, where required by the terms of the trust.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and have not been designated for other purposes.

o) Taxation

Leicester Grammar School Trust is a registered charity and as such is exempt from income tax and corporation tax under the provisions of Section 478 of the Corporation Tax Act 2010. There is a similar exemption for VAT, which is included in expenditure or in the cost of assets as appropriate.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

Note 2 FEES RECEIVABLE (Unrestricted funds)

	2020	2019
	£	£
Fees receivable consists of		
Gross fees	16,595,445	16,716,407
Less: Bursaries and awards	(1,014,101)	(977,484)
Add back: Bursaries fundraised externally	26,970	38,295
	<u>15,608,314</u>	<u>15,777,218</u>

Total bursaries and awards

Leicester Grammar School Trust makes awards to individual families to support schooling.

	2020	2019
	£	£
From Unrestricted Funds:		
Bursaries	854,170	793,956
Scholarships and awards	159,931	183,528
Prizes and leaving awards	-	-
	<u>1,014,101</u>	<u>977,484</u>

Note 3 INVESTMENTS - INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2020 £
Securities investment income				
Equities	4,892	-	796	5,688
Fixed Interest	-	-	1,751	1,751
	<u>4,892</u>	<u>-</u>	<u>2,547</u>	<u>7,439</u>

PRIOR YEAR

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2019 £
Securities investment income				
Equities	4,760	-	775	5,535
Fixed Interest	-	-	1,703	1,703
	<u>4,760</u>	<u>-</u>	<u>2,478</u>	<u>7,238</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

Note 4 INVESTMENTS - BANK AND OTHER INTEREST

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2020 £
Bank interest	2,018	-	16,172	18,190
Other interest	10,779	-	-	10,779
	<u>12,797</u>	<u>-</u>	<u>16,172</u>	<u>28,969</u>

PRIOR YEAR	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2019 £
Bank interest	3,359	1,000	13,694	18,053
Other interest	8,479	-	-	8,479
	<u>11,838</u>	<u>1,000</u>	<u>13,694</u>	<u>26,532</u>

Note 5 VOLUNTARY SOURCES - GRANTS AND DONATIONS

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2020 £
Donations from: LGS Enterprises	-	13,016	-	13,016
Coronavirus Job Retention Scheme grant	355,411	-	-	355,411
Small sundry donations	3,300	20,926	-	24,226
	<u>358,711</u>	<u>33,942</u>	<u>-</u>	<u>392,653</u>

PRIOR YEAR	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2019 £
Donations from: LGS Enterprises	-	80,000	-	80,000
Small sundry donations	1,300	5,061	-	6,361
	<u>1,300</u>	<u>85,061</u>	<u>-</u>	<u>86,361</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

Note 6 ANALYSIS OF EXPENDITURE

a) Total expenditure

	Staff costs (note 7) £	Depreciation (note 10) £	Support Costs £	Total 2020 £
Charitable expenditure				
Teaching	8,429,440	964,122	3,665,540	13,059,102
Welfare	689,747	78,890	299,936	1,068,573
Premises	394,385	45,109	171,498	610,992
School administration and governance	1,132,044	129,477	492,269	1,753,790
Total expenditure	10,645,616	1,217,598	4,629,243	16,492,457

Support costs are allocated or

b) Governance included in support costs

	2020 £	2019 £
Remuneration paid to auditor for audit services	13,800	12,366
Remuneration paid to auditor for non-audit services	3,390	2,220
Trustees' training expenses	-	5,707
	17,190	20,293

Leicester Grammar School Trust reimburses trustees for out of pocket expenses including travel subsistence and accomodation, where a claim is made. In 2020 no expenses were reimbursed to the trustees (2019: 2 trustees were reimbursed expenses of £314).

PRIOR YEAR

	Staff costs £	Depreciation £	Support Costs £	Total 2019 £
Charitable expenditure				
Teaching	7,684,564	938,453	4,315,240	12,938,257
Welfare	628,797	76,790	353,099	1,058,686
Premises	359,534	43,907	201,895	605,336
School administration and governance	1,032,010	126,030	579,521	1,737,561
Total expenditure	9,704,905	1,185,180	5,449,755	16,339,840

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

Note 7 STAFF COSTS

	2020	2019
	£	£
The aggregate payroll costs for the year were:		
Wages and salaries	8,307,410	7,866,716
Social security costs	816,063	790,538
Pension costs	1,522,144	1,047,651
	<u>10,645,616</u>	<u>9,704,906</u>

None of the trustees received remuneration, reimbursement of expenses or other benefits from Leicester Grammar School Trust or from any connected body.

	2020	2019
	£	£
Total amount of employee benefits (including employer pension contributions) of key management personnel	<u>906,984</u>	<u>796,591</u>

The number of higher paid employees whose annual emoluments were £60,000 or more was:

	2020	2019
	No	No
£60,001 - £70,000	2	1
£70,001 - £80,000	1	2
£80,001 - £90,000	1	1
£120,001 - £130,000	1	-
£150,001 - £160,000	1	-

The average number of employees during the year were:

	2020	2019
	No	No
Teaching	154	150
Office and non-teaching staff	106	103
	<u>260</u>	<u>253</u>

Note 8 TRUSTEES

None of the trustees (or any persons connected with them) received any remuneration during the year.

There were no other related party transactions during the year.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

Note 9 TAXATION

The Trust is a registered charity and therefore no liability to taxation arises on its charitable activities.

Note 10 TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Furniture and Fittings £	Computers and Equipment £	Total £
Cost				
At 1 August 2019	36,448,331	1,203,527	1,596,830	39,248,688
Additions	85,450	14,020	240,538	340,008
Disposals	-	(50,437)	(39,093)	(89,530)
At 31 July 2020	<u>36,533,781</u>	<u>1,167,110</u>	<u>1,798,275</u>	<u>39,499,166</u>
Depreciation				
At 1 August 2019	7,080,883	883,127	1,174,925	9,138,935
Charge for the year	889,670	106,758	221,170	1,217,598
Disposals	-	(50,437)	(38,231)	(88,668)
At 31 July 2020	<u>7,970,553</u>	<u>939,448</u>	<u>1,357,864</u>	<u>10,267,865</u>
Net Book Value				
At 31 July 2020	<u>28,563,228</u>	<u>227,662</u>	<u>440,411</u>	<u>29,231,301</u>
At 31 July 2019	<u>29,367,448</u>	<u>320,400</u>	<u>421,905</u>	<u>30,109,753</u>

All assets are used for charitable purposes.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

Note 11 FIXED ASSETS INVESTMENTS

	2020	2019
	£	£
Securities Investments (11a)	357,563	368,556
Investment property (11b)	250,000	250,000
Total investments at 31 July 2020	<u><u>607,563</u></u>	<u><u>618,556</u></u>

Note 11a Securities Investments

	2020	2019
	£	£
At 1 August 2018	368,555	353,768
Additions at cost	82,487	40,536
Disposal proceeds	(82,902)	(36,348)
Realised (loss)	(4,978)	(792)
Unrealised (loss)/gain	(5,600)	11,391
	<u>357,562</u>	<u>368,555</u>
Investment in subsidiaries	1	1
Securities investments at 31 July 2020	<u><u>357,563</u></u>	<u><u>368,556</u></u>

Investments comprise:

Listed investments

Fixed interest	52,403	58,236
Equities - UK	103,489	124,446
Equities - overseas	168,380	157,987
Property	8,787	8,895
Other Investments	10,097	9,923
Cash	14,406	9,068
	<u>357,562</u>	<u>368,555</u>
Investment in subsidiary	1	1
Securities investments at 31 July 2020	<u><u>357,563</u></u>	<u><u>368,556</u></u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

Note 11a FIXED ASSET INVESTMENTS (continued)

Leicester Grammar School Trust owns 100% of the ordinary share capital of LGS Enterprises Limited a company registered in England and Wales. The principal activities of LGS Enterprises Limited are the hiring out of the School facilities and the running of the café. It is intended that profits made by the company will be donated to the Trust unless required for the furtherance of LGS Enterprise Limited's own trading activities.

In the year to 31 July 2020 LGS Enterprises Limited made a gift-aid donation of £13,016 (2019: £80,000) and had capital and reserves of £5,193 (2019: £3,733).

The Trustees provided an initial working capital loan to LGS Enterprises Limited to cover essential set-up costs and have advanced a further loan to finance the construction of the new café. Loans are secured on the assets of that company. The Trustees have reviewed the financial forecast of the company for further years and are satisfied that it is a going concern and that it is expected to generate a profit before donations during 2020/21 and thereafter.

Consolidated accounts have not been prepared on the grounds of materiality.

Note 11b INVESTMENT PROPERTY

	2020	2019
	£	£
Valuation at 1 August 2019	250,000	250,000
Valuation at 31 July 2020	<u><u>250,000</u></u>	<u><u>250,000</u></u>

Investment properties consist of the Lodge/Gatehouse property at Stoneygate School held for investment purposes and which are not used in the Trust's own activities, primarily a residential house which is let out on the open market. Leicester Grammar School Trust is responsible for improvements and maintenance of the properties.

A formal valuation of the properties was prepared by Mr Richard Stamp MRICS of Pinders Professional & Consultancy Services Limited as 4 March 2016. The Trustees have assessed and agreed the valuation of the property in 2020.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

Note 12 DEBTORS

	2020	2019
	£	£
Trade debtors	467,639	297,168
Amounts owed by subsidiary company	207,508	180,169
Prepayments and accrued income	323,443	312,200
	<u>998,590</u>	<u>789,537</u>

Note 13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loan	945,175	804,450
Trade creditors	691,743	628,384
Deposits	52,786	46,581
Taxation and social security	208,725	205,048
Accruals and deferred income	269,060	196,768
	<u>2,167,489</u>	<u>1,881,231</u>
Advance fees (see note 15)	76,219	107,400
	<u>2,243,708</u>	<u>1,988,631</u>

The bank loan is secured by a debenture over the assets of the charity.

Note 14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Bank loan	21,540,915	19,476,323
Deposits	421,495	378,900
Advance fees (see note 15)	40,969	-
	<u>22,003,379</u>	<u>19,855,223</u>

Loan maturity analysis

Repayable within	1-2 years	1,011,175	863,161
	2-5 years	9,769,112	3,016,038
	Over 5 years	10,760,628	15,597,124
		<u>21,540,915</u>	<u>19,476,323</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

**Note 14 CREDITORS: AMOUNTS FALLING DUE
AFTER MORE THAN ONE YEAR (continued)**

The company has two bank loans. These are secured by a debenture over the assets of the charity. The original loan is repayable in equal quarterly instalments. Interest is payable at LIBOR plus an agreed percentage up to a maximum of 7.77% until January 2025 and thereafter at LIBOR plus 2.55%.

The other loan is repayable in monthly instalments. Interest is payable at bank base rate plus 2.95%.

During the year a new loan was taken out under the Coronavirus Business Interruption Loan scheme (CBILs). The loan is interest-free for the first year and has a repayment period of six years commencing from the beginning of the second year. Interest is payable at bank base rate plus 2.34%.

Note 15 ADVANCE FEE PAYMENTS

Parents may enter into an agreement to pay the school the equivalent of up to seven years tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the school, advance fees will be applied as follows:

	2020	2019
	£	£
Within 1 year	76,219	107,400
	<u>76,219</u>	<u>107,400</u>

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

	£	£
Balance at 1 August 2019	107,400	89,142
Fees received in advance	-	80,310
Amounts utilised in payment of fees	(31,181)	(62,052)
Balance at 31 July 2020	<u>76,219</u>	<u>107,400</u>

Note 16 SHARE CAPITAL

The company is limited by guarantee and does not have any share capital. The liability of the members of the Trust is limited to £1 each.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

Note 17 FINANCIAL COMMITMENTS

At 31 July 2020 the charity had total commitments under non-cancellable operating leases for plant and equipment as follows:

	2020	2019
	£	£
Operating lease expenditure falling due within:		
One year	103,577	53,272
One to two years	12,649	28,879
Two to five years	6,105	65,183
	<u>122,331</u>	<u>147,334</u>

Note 18 ENDOWMENT FUNDS

	Balance	Movement in Resources			Balance
	1 August	Income	Expenditure	Investment	31 July
	2019			gains/	2020
	£	£	£	(loss)	£
	£	£	£	£	£
Bursary Funds:					
Edward Smith Fund	24,776	1,218	(1,218)	(467)	24,309
Mrs M E Smith Fund	11,428	1,405	(1,405)	-	11,428
Parent donations	4,574	92	(92)	-	4,574
Bishop Mort fund	10,000	200	(200)	-	10,000
The Hon Lady A Brooks	38,859	1,732	(1,732)	(617)	38,242
Edith Murphy Foundation	10,000	200	(200)	-	10,000
John Higginbothan Fund	18,000	360	(360)	-	18,000
Telereal Trillium Fund	600,000	12,000	(12,000)	-	600,000
Margaret Float Travel Fund	30,456	1,512	(1,512)	(584)	29,872
Margaret Float Travel Cash	2,010	-	-	-	2,010
	<u>750,103</u>	<u>18,719</u>	<u>(18,719)</u>	<u>(1,668)</u>	<u>748,435</u>

Bursary funds are established to provide means tested bursaries to enable pupils to attend the school who would not otherwise be able to.

Incoming resources during the year were cash receipts from donors and interest/investment income received. Gains during the year were due to the increasing value of investments.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

Note 18 ENDOWMENT FUNDS - PRIOR YEAR

	Balance 1 August 2018 £	Movement in Resources			Balance 31 July 2019 £
		Income £	Expenditure £	Investment gains/ £	
Bursary Funds:					
Edward Smith Fund	23,631	505	(505)	1,145	24,776
Mrs M E Smith Fund	11,428	1,405	(1,405)	-	11,428
Parent donations	4,574	91	(91)	-	4,574
Bishop Mort fund	10,000	200	(200)	-	10,000
The Hon Lady A Brooks	37,343	790	(790)	1,516	38,859
Edith Murphy Foundation	10,000	200	(200)	-	10,000
John Higginbotham Fund	18,000	360	(360)	-	18,000
Telereal Trillium Fund	600,000	12,000	(12,000)	-	600,000
Margaret Float Travel Fund	29,049	621	(621)	1,407	30,456
Margaret Float Travel Cash	2,010	-	-	-	2,010
	<u>746,035</u>	<u>16,172</u>	<u>(16,172)</u>	<u>4,068</u>	<u>750,103</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

Note 19 RESTRICTED FUNDS

	At 1 August '19 £	Income £	Expenditure £	Transfers £	At 31 July '20 £
Vestments	61	-	-	-	61
Chapel Fund	205	-	-	-	205
Music bursary	46	-	(46)	-	-
Music equipment	237	-	(237)	-	-
Neville Hall Travel Fund	4,439	-	(345)	-	4,094
Hall art project	3,500	-	(3,500)	-	-
Other small prize fund	7,279	-	0	-	7,279
Shelter Fund	-	4,000	0	-	4,000
Dowlings Fund	-	500	(500)	-	-
COVID19 donations	-	16,426	(8,925)	-	7,501
General Bursaries Fund	-	13,016	(13,016)	-	-
	<u>15,767</u>	<u>33,942</u>	<u>(26,569)</u>	<u>-</u>	<u>23,140</u>

During the year the above restricted donations were received and have been allocated to specific funds in accordance with the donors' intentions.

Where funds have been spent on capital items in the current and previous years, these have been released to unrestricted funds as there are no ongoing restrictions as to the use of these funds.

Other small prize funds comprise 22 individual funds, which are established to provide a school prize, annually, out of income.

RESTRICTED FUNDS - PRIOR YEAR

	At 1 August '18 £	Income £	Expenditure £	Transfers £	At 31 July '19 £
Vestments	-	61	-	-	61
Chapel Fund	205	-	-	-	205
Music bursary	46	-	-	-	46
Music equipment	2,329	-	(2,092)	-	237
Tanzania Link School	-	-	-	-	-
Neville Hall Travel Fund	4,439	-	-	-	4,439
Hall art project	2,500	1,000	-	-	3,500
Other small prize fund	6,279	1,000	-	-	7,279
Fire Pit Shelter	-	4,000	(4,000)	-	-
General Bursaries Fund	-	80,000	(80,000)	-	-
	<u>15,798</u>	<u>86,061</u>	<u>(86,092)</u>	<u>-</u>	<u>15,767</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

Note 20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed assets	Investments	Other Net liabilities	Total 2020
	£	£	£	£
Endowment funds	656,012	92,423	-	748,435
Restricted funds	-	-	23,140	23,140
Unrestricted funds	28,575,289	515,140	(16,275,324)	12,815,105
Total funds	<u>29,231,301</u>	<u>607,563</u>	<u>(16,252,184)</u>	<u>13,586,680</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Tangible Fixed assets	Investments	Other Net liabilities	Total 2019
	£	£	£	£
Endowment funds	656,012	94,091	-	750,103
Restricted funds	-	-	15,767	15,767
Unrestricted funds	29,453,741	524,465	(17,411,139)	12,567,067
Total funds	<u>30,109,753</u>	<u>618,556</u>	<u>(17,395,372)</u>	<u>13,332,937</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

Note 21 PENSION COMMITMENTS

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,424,082 (2019: £951,986) and at the year-end £121,938 (2019: £132,594) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.