

Registered number: 01657702
Charity number: 513031

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

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

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

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

Governors	Mrs S Burns (resigned 18 October 2023) Dr M L Bush (resigned 27 September 2023) Mr T Carson Mrs J Causer, Chair Rev J Davis Mr A S Firth Mr J Johnson Mr B W J Phillips
Company registered number	01657702
Charity registered number	513031
Registered office	Burton Manor Stafford Staffordshire ST18 9AT
Company secretary	Mr S R Baum (resigned 6 February 2023) Mr T Collier (appointed 1 November 2023)
Chief executive officer	Mr N Pietrek
Independent auditors	Cooper Parry Group Limited Statutory Auditor Cubo Birmingham Office 401, 3rd Floor Two Chamberlain Square Birmingham B3 3AX

STAFFORD INDEPENDENT GRAMMAR SCHOOL
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Governors of Stafford Independent Grammar School ("the School") present their annual report together with the audited financial statements for the year ended 31 August 2023.

The School also operates under the name Stafford Grammar School.

AIMS AND OBJECTIVES

Policies and objectives

The School's principal objective is to promote and advance education. The School provides education for boys and girls in Stafford and the surrounding areas from the ages of 4-18. Stafford Grammar School comprises the Preparatory School (4-11), Senior School (11-16) and Sixth Form (16-18). Stafford Grammar School aims to ensure that all pupils fulfil their academic and personal potential within a caring family atmosphere and where pupils are known as individuals and nurtured accordingly. The School strives to create a community of happy, caring and confident individuals. During the year the School averaged 444 pupils (2022: 435).

Almost all Year 6 pupils from the Preparatory School moved into the Senior School.

In pursuance of the School's principal objectives and its charitable status, the School:

- Awards scholarships and bursaries to encourage excellence and to enable children from families, who would not otherwise be able to afford to pay fees, to access the education the School offers.
- Has the necessary powers to conduct and develop (and if appropriate make acquisitions relating to) the School.

Objectives for the year ended 31 August 2023

Our main objectives were:

- To maintain and enhance the pupil roll.
- To continue to widen access to education and continue to provide a public benefit.
- To maintain current high levels of academic achievement through consistent excellent performance in public examinations, at the same time as maintaining our sporting and cultural activities.
- To maintain a long-term sustainable financial resilience in the light of the continuing challenges faced.

Considerations relevant to achieving objectives

- The effect of the current economic climate and the affordability of fees by our parents.
- To keep tuition fees as low as possible given the aims and objectives of the School.
- Class sizes of a maximum of 20 as far as reasonably practicable at Key Stage 2 and above, which allows pupils time to develop academically and attain well-rounded personalities.
- Maintaining the current high level of academic achievement as measured by external public examinations and independent standardised assessment criteria.
- Maintaining a reasonable net surplus level against a continuing threatening political environment by ensuring that strategies for controlling costs and capital expenditure continue to be robust and effective.
- Maximising access to the School still further by the provision of means-tested bursaries.
- The School continues to strive to make the fees affordable for parents to enable them to keep their children at Stafford Grammar School and to attract new families to the School.

PUBLIC BENEFIT

The School remains committed to the aim of providing public benefit and offering wider access to the education the School offers, by awarding scholarships and means tested bursaries to those unable to pay for an independent education.

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FOR THE YEAR ENDED 31 AUGUST 2023

During the year, the School awarded bursaries and scholarships totalling £683,934 (2022: £689,287) to 142 (2022: 123) pupils. Within this total, means-tested awards, based on a sliding scale according to family financial circumstances, totalling £390,724 (2022: £364,086), were awarded to 77 pupils (2022: 60 pupils), equivalent to 28 (2022: 24) full Senior School fee paying places.

In addition to bursaries, the School has engaged in a number of activities that provide a public benefit. As an example, the School enters into arrangements with local maintained schools, under which their pupils attend an annual choral day event involving a series of teaching workshops culminating in an evening show for parents. Also, local community groups and organisations have benefited from being able to use the wide range of facilities and resources available at the School.

Charitable support and activities

During the course of the year £5,341 (2022: £5,455) was donated to charities supported by Stafford Grammar School. These included the Bee Friendly Trust, Child of Mine, Read for Good, Young Minds, Children in Need, Save the Children, Acorns, House of Bread, Cancer Research, Syria Earthquake appeal, Amazon Smile, Hearts and Hands, Severn Hospice and the RSPCA. The School community also makes a large food donation to House of Bread at our harvest festival to support families in the local community. All pupils are expected to take part in supporting charities through form challenges in which they plan and design a fundraising activity and nominate a charity to support.

Fundraising performance

There were no donations and legacies in the year (2022: £none). From September 2023, the School has been fundraising for retractable seating for our theatre space. All fundraising activities for the School are carried out by School staff with assistance from the parents and pupils, and are monitored by the Headmaster and Director of Finance and Operations, with overall oversight by the governing body.

The School has an active Parent Teacher Association (PTA), who works closely with the School. Various fundraising events are held through the year by the PTA, and funds are provided by the PTA to the School for specific requests.

No complaints relating to fundraising activities have been received by the School during this financial period. The School does not currently subscribe to any specific fundraising standards or schemes for fundraising regulation but considers that it has set appropriate standards for the operation and management of its fundraising activities.

ACHIEVEMENTS AND PERFORMANCE

Review of significant activities

a. Curriculum

The National Curriculum provides the basis for Stafford Grammar School's broad and balanced curriculum. The School encourages excellence in all areas. Class sizes are small, which enables individual attention for each pupil and personalised tracking of progress. Options for GCSE are chosen at the end of Year 9 (although some subjects introduce GCSE content in Year 9), and support is provided for pupils in making their choices.

Typically, students begin the Sixth Form with 3 A-level subjects. Almost all students go on to study at university (with a small number choosing degree apprenticeships), many at Russell Group universities and the majority of students go on to study at their first choice university.

Personal, Social, Health and Economic Education (PSHEE) and Relationships and Sex Education (RSE) is covered through our dedicated 'Life and Wellbeing' programme and pupils receive lessons in each fortnightly

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cycle. In addition to the RSE curriculum, the School puts on additional 'dropdown' days with dedicated time off timetable for each year group to focus on a range of RSE topics. We have also launched a cross-schools project with another independent school to educate and engage students in responding to issues around sexual harassment in society and the significant issues raised by the Everyone's Invited website.

b. Examination results and academic achievements

The School achieved a 100% pass rate at A Level with 61% of grades at A*-B. In line with the national trend, the percentage of A*-B results achieved in 2023 was lower than for 2022. 6 pupils (or 15% of the cohort) achieved A* or A grades. The School improved its overall pass rate (Grades 4-9) for GCSE grades to 96% in 2023 from 95% in 2022. However, the percentage of 7-9 grades was down at 34% compared to 53% in 2022.

National league tables in newspapers place our results above those of most local independent and maintained schools. The Telegraph newspaper ranked Stafford Grammar School as 125 in the country for its A Level results and the top independent school in Staffordshire. Five pupils secured places on medical courses.

Pupils have also achieved considerable success in the UK Maths Challenges with 45 pupils achieving Gold, Silver or Bronze certificates.

c. The House system

Inter-House competition continues to thrive at the School, with events taking place throughout the year. This provides opportunities for the School to instil the values of team work and commitment. Sporting competitions include: football, cricket, cross-country, hockey, netball and tennis. In addition, the Houses compete in an annual Sports Day at a local sports stadium. The Houses also compete in a technology competition, ('The Great Egg Race'), a baking competition and a public speaking competition. The three Houses, Anson, Fitzherbert and Talbot, significantly add to the spirit of Stafford Grammar School and the Heads of House maintain pastoral and academic management for all pupils in their House.

As well as the House activities and House assemblies which build a strong sense of community, there is a tutorial programme delivered during form periods by tutors. Some of this programme supplements the formal 'Life and Wellbeing' programme through which PSHEE and RSE is delivered and other parts of the programme enable students to appreciate art, music and literature to enhance their cultural awareness and appreciation.

d. Other activities

The School is fortunate in having staff who are willing to devote time to a wide range of extracurricular activities, designed to enrich pupils' experiences over and above the School curriculum. The aim of these activities is to develop pupils as confident, articulate and well-rounded individuals who are well-prepared for life beyond School. We have a thriving Forest School for all year groups in the Prep. School to enable pupils to experience the outdoors in a woodland area of our extensive School site. The Forest School also builds pupils' confidence, self-esteem and a sense of wellbeing.

e. Performing arts – music and drama

Music continues to excel at Stafford Grammar School, with the Music Department performing around 40 concerts a year. The Music Department runs numerous groups and ensembles, including Big Band and Concert Band. The music groups perform in national and international competitions. Several of our musicians performed with the National Youth Orchestra. Major concerts take place in School at Christmas and Easter.

We ran our annual Choral Day, welcoming over 300 Primary School singers from around Staffordshire to our School for an afternoon of workshops and an evening concert for an audience of more than 700 people. We also visited four Primary Schools as part of our annual Big Band Roadshow, delivering free educational concerts to children in local Schools. Other community based projects include Christmas Music in the Community (local supermarkets and retirement homes) from the School band, the School choir being part of several community

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services at St Mary's Church throughout the year and pupils providing music for Stafford's remembrance service as well as playing the last post at 6 other remembrance services across the county in November. Our Community Band rehearses once a month, and draws members of all ages from the local community who perform in concerts and competitions through the year.

80 ASRBM, London College of Music and Trinity College London exams were passed by pupils during the academic year.

Drama goes from strength to strength at Stafford Grammar School, with very high-quality productions taking place each year. Typically, there is a junior play (Years 7-9) and a whole school musical production in the senior school. The Prep. School produces at least two plays each year, as well as performing in their own Christmas concert. The Sixth Form also put on an annual pantomime.

Stafford Grammar School pupils are also prepared for LAMDA examinations, with a wide range of students achieving success each year. The LAMDA teachers in School deliver lessons to pupils from the Prep School up to the Sixth Form. 100 pupils took LAMDA exams this year of whom 76 achieved distinction.

The dance and drama studio has proven very popular with students and we have three peripatetic dance teachers delivering a range of dance lessons to students as well as use on Saturdays during this year by a local theatre, dance and drama school.

f. Sport

The School continues to play competitive fixtures in the following sports: football, rugby, cricket, hockey, netball and rounders. In addition, pupils are also entered for competitions in cross-country, tennis, athletics, equestrianism, skiing, shooting, gymnastics, dance and swimming. The School hosts the District Cross-Country Championships and acts as team managers for the County Finals. The School also hosted the U15 and U13 Midlands football tournaments at Rowley Park.

Sport has seen some superb successes this year. Individual successes include several pupils who have been selected for district, county and national teams in their various sports, including athletics, cheerleading, cricket, cross-country, dance, equestrianism, fishing, football, golf, gymnastics, hockey, netball, rounders, rugby, shooting, skiing, speed-skating, swimming, tennis and squash.

Some of our team successes to note include:

- U12 and U13 District Netball Champions
- U15/U16 District Netball Champions
- U16 ISA Netball 2nd Place
- U13 ISA Midlands Football - 3rd Place
- U15 Rugby 10's ISA Midlands - 3rd
- U15 County Cup Cricket - 4th
- U13 and U15 ISA Midlands Rounders - 3rd
- ISA Skiing - Senior Girls 2nd
- British Outdoor National Schools Championships - 1st Senior Team
- UK Indoor Championships - 2nd U19 Girls Team
- British Schools Indoor Championships - 2nd Girls Senior Team

The School's AstroTurf MUGA (Multi Use Games Area) pitch installed in 2021 is in regular use for hockey and football training. The hiring out of the School's sports hall and facilities during evenings and holiday periods contributed towards the School's commitment to supporting the wider community.

g. Duke of Edinburgh's Award

The Duke of Edinburgh scheme continues to thrive at the School, thanks to the support and dedication of the staff and enthusiasm of the pupils. During the year, pupils achieved 32 Bronze, 16 Silver and 5 Gold Awards.

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h. School trips

There have been several residential trips in the year, including to trips to Arete, Brittany, Paris, London and Berlin. There has also been the Year 8 bush craft trip.

i. School transport

The School runs a fleet of minibuses in order to get pupils from their home address to the School which, due to its popularity and convenience for parents, is growing in size to accommodate the increase in demand. Each route is reviewed annually to provide as near as practicable a 'door to door' daily service for pupils attending School. There is a knock-on environmental advantage to doing this in that it saves in the order of 100,000 car journeys per year which would otherwise have had to be undertaken by parents. An important secondary function is to transport pupils to the many sporting, musical, curricular and extracurricular venues visited during the course of the School year.

FINANCIAL REVIEW

Results for the year

The School's net income surplus for the year amounted to £180,306 (2022: £245,343). The annual fee increase in September 2022 was 3.5%. The School's total net income for the year increased by £350,443, up by 6.8% (2022: 9.6% increase), on the previous year. However, the total expenditure for the year increased by £415,480, up by 8.4% (2022: 9.4% increase).

One of the main objectives of the School is to maintain the pupil roll at a realistic level and the Governors, principally through the Finance, Development and Audit Committee, regularly review pupil retention and recruitment, including strategies to be adopted and activities to be undertaken in support of this key objective of the School.

Key performance indicators

The main performance metrics of the School are pupil numbers and successes at GCSE and A-levels as well as pupils getting into their first choice university; these have already been set out in other areas of this report. The future prosperity of the School is closely linked to these figures. Some of the other indicators we use to monitor the financial health of the School are:

	2023	2022
% Costs to net income	97%	95%
% Teaching salaries to net income	57%	53%
% Support salaries to net income	16%	16%
% Net surplus to net income	3.3%	4.7%
Current ratio	3.4 : 1	2.7 : 1

Whilst the School has improved income, costs also significantly increased resulting in the teaching salary percentage increasing compared to 2022.

Going Concern

It is critical that shortfalls are tackled in turbulent times as financial resilience will help the School to stay flexible and adaptable to unexpected changes in pupil numbers and to manage planned and unplanned costs. The expenditure of the School is dominated by staff salaries which amount to 72% of net income, nevertheless opportunities for reducing costs, without adversely affecting performance, are identified and actioned when possible.

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The School is debt free. At the year end the School had cash at bank and in hand of £1,696,245. After making appropriate enquiries, including consideration of cash flow forecasts to the end of FY2025, the Governors have concluded that it is reasonable to expect that the School will generate sufficient resources to continue in operational existence for the foreseeable future and meet all of its financial obligations. It is considered that, after examining likely future risks to the business (including the possibility that VAT will be added to tuition fees and business rates relief will be scrapped), that there will be sufficient funds to continue in operation should these risks materialise. As a matter of course Governors consider the financial risks to the School at formal meetings and also informally on a monthly basis by reviewing the management accounts. For this reason the Governors have continued to adopt a going concern basis in preparing the School's financial statements.

Financial and general risk management

The Governors have assessed the major risks to which the School is exposed, in particular those related to the operations and finances of the School, and are satisfied that systems and procedures are in place to mitigate its exposure to the major risks.

The principal short and long term risks facing the School are considered to be:

- Affordability of an independent school education to our parents in relation to household income and other financial pressures. This is especially true if independent schools lose their exemption for VAT on school fees together with business rates relief.
- Future enforced lockdowns of the School for health or other reasons. This risk will be mitigated by the proven ability of the School to switch to extensive high quality online teaching of its pupils.
- Continued economic shock resulting from global conflicts have posed both financial and general risk to the operation of the School which has required very careful management by both the Governors and Senior Leadership Team to minimise its impact on the general operation of the School and its financial wellbeing.
- Operational costs of running an independent school, including staffing, facilities, assets, pensions and utilities. The future loss of business rate relief for charities would have an immediate impact on the operational costs of the school.
- Cybercrime attacks on schools. The impact of this has been mitigated by having strong firewalls and IT protocols in place. The School has used external advice to improve its defence against cybercrime, and is continually looking to improve our defence mechanisms including compulsory staff training. In addition, the School carries insurance against cybercrime. The School's plan of action to mitigate the risk of a cyberattack is under constant review.
- Regulatory and compliance burdens such as safeguarding to ensure the health and wellbeing of our pupils and staff under the protection and guidance of the School.
- The changing political and social environment and our responsiveness to changes.
- The macroeconomic impact of the international increase in the cost of energy, raw materials and goods and services in general together with inflationary pressures on salaries.
- Recruitment and retention of quality teachers and support staff with relevant skills.

In the opinion of the Governors, the School has established resources and a review system whereby detailed considerations of risk are delegated to the appropriate Committees. Risks are identified, assessed and controls established throughout the year.

The generic controls used by the School to mitigate risks include:

- Formal agendas for all Committee and Board activity;
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structure and lines of reporting.
- Formal written policies.
- Hierarchical authorisation and approval levels for financial decision making.

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- Vetting procedures as required by law for the protection of the vulnerable.

The Governors regularly review the effectiveness of current plans and strategies for managing all identified principal risks for the School.

Health and Safety is always a significant area for risk management. The risks range from fire and infrastructure to personal risks. These risks are minimised by thorough planning and risk assessment. The Health and Safety Committee regularly reviews the health and safety risks to the School and best practice to deal with them.

Fees

The Governors are mindful of the economic outlook and are aware that fees need to be affordable and realistic. Key financial decisions in the year included the decision of a modest, below inflation, fee increase of 3.5%, applied from September 2022, in order to maintain affordability for parents while providing the funds necessary to meet inflationary increases in expenditure and to further invest in the School's buildings, equipment and infrastructure.

Principal funding and reserves policy

The Governors recognise the need for prudent financial management and to have sufficient reserves and cash over the short, medium and long term. The School's policy is to hold sufficient cash reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall or expenditure increase.

The Governors view the development plan for the School as the most effective and prudent way to ensure the long term future of the School. Free Reserves were £1,282,430 which the School calculates as the net funds less those represented by tangible fixed assets.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The School is registered as a charitable company limited by guarantee (number 513031) and constituted under the Articles of Association dated 11 August 1982, as amended by special resolution on 1 March 2021.

Policies adopted for the induction and training of Governors

New Governors are inducted into the workings of the School, including Governing Body policies and procedures at meetings with the Headmaster and Director of Finance and Operations. The new Governors are also able to attend specialist external courses on the role and responsibilities of charity trustees.

Members of the Governing Body attend internal and external trustee training and information briefings designed to keep them informed and updated on current issues in the sector and regulatory requirements.

Pay policy for senior and other staff

The remuneration of senior staff members is reviewed annually by the Headmaster in conjunction with advice and recommendations given by selected members of the Governing Body. The remuneration of the Headmaster is reviewed and agreed at the Finance, Development and Audit Committee.

Reference is made to comparisons contained within independent schools' peer group benchmarking survey reports so as to ensure that the School remains aware of (and is able to take into account) pay and employment conditions elsewhere in the independent and state sectors.

Generally, the School aims to recruit, subject to experience, at the lower to median point within a band, providing scope for rewarding excellence. Delivery of the School's charitable role is primarily dependent upon

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our key management personnel and staff costs are the largest single element of the School's charitable expenditure.

Organisational structure and decision making

The members of the Governing Body, as the charity trustees, are legally responsible for the overall management and control of the School. They meet at least three times a year. The work of implementing their policies is carried out by three committees, which meet as required and report back to the Governing Body. These committees are:

- The Finance, Development and Audit Committee which scrutinises the School's management accounts, budget, financial risk and capital expenditure. This Committee also supervises and finalises the audited financial statements and annual report for approval by the Governing Body. The Committee is chaired by Mr Brett Phillips.
- The Education and Standards Committee scrutinises procedures implemented by the School for regulatory compliance and oversight of the School's educational provision. The Committee has been chaired by Dr Marie Bush for the 2022/23 academic year.
- The Health and Safety Committee ensures that all relevant statutory requirements are being complied with and that the Health and Safety Policy requirements are met. The Committee is chaired by Mr John Johnson.

The day-to-day running of the School is delegated to the Headmaster, Deputy Head – Pupils and Staff, Deputy Head – Academic and Operations, Director of Finance & Operations (previously known as the Bursar), Head of the Preparatory School and Head of the Sixth Form as the key management personnel and Senior Leadership Team (SLT). The Headmaster and Director of Finance & Operations attend meetings of the Governing Body's Committees.

PLANS FOR FUTURE PERIODS

The School has been planning for the future. These plans include:

- To continue to ensure the School site provides a safe and attractive environment for pupils, staff and visitors alike.
- To provide a happy and secure pastoral environment, in which all pupils are offered opportunities for leadership and service to others.
- To provide a stimulating and enjoyable learning environment in which pupils can develop their academic potential to the full.
- Developing partnerships with businesses through membership of the Staffordshire Chambers of Commerce.
- To ensure the School plays a significant part in the life of the local community, sharing facilities and seeking local partnerships wherever possible.
- Retractable seating in the theatre to enable visitors and parents to support the plays and musical performances of the pupils. The School is grateful for the continued support of the PTA with this endeavour.

GOVERNORS' RESPONSIBILITIES STATEMENT

The Governors (who are also directors of Stafford Independent Grammar School for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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

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resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgments and accounting estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Disclosure of information to Auditors

In so far as each of the Governors, as Directors of the charitable company, at the date of this report is aware there is no relevant audit information of which the charitable company's auditors are unaware, and:

- Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make him or her aware of the relevant audit information and to establish that the charitable company's auditors are aware of that information.
- Other than one Governor having children as pupils at the School no Governor has any related party relationships with respect to Stafford Grammar School.

Approved by order of the members of the Board of Governors and signed on their behalf by:



Mrs J Causer
Chair

Date: 25 January 2024

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STAFFORD INDEPENDENT GRAMMAR SCHOOL

Opinion

We have audited the financial statements of Stafford Independent Grammar School (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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 Governors with respect to going concern are described in the relevant sections of this report.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STAFFORD INDEPENDENT GRAMMAR SCHOOL (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The Governors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report including the Strategic Report.

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

- 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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STAFFORD INDEPENDENT GRAMMAR SCHOOL (CONTINUED)

Responsibilities of trustees

As explained more fully in the Governors' responsibilities statement, the Governors (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 Governors 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 Governors 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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Our assessment focused on key laws and regulations the charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery, and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the charitable company's control environment and how the charitable company has applied relevant control procedures, through discussions with Governors and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STAFFORD INDEPENDENT GRAMMAR SCHOOL (CONTINUED)

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. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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



Glen Bott FCA (Senior statutory auditor)

for and on behalf of

Cooper Parry Group Limited

Statutory Auditor

Cubo Birmingham

Office 401, 3rd Floor

Two Chamberlain Square

Birmingham

B3 3AX

Date: 7 February 2024

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Charitable activities	3	5,468,387	5,468,387	5,132,856
Other trading activities		37,011	37,011	37,491
Investments	4	17,707	17,707	2,315
Total income		<u>5,523,105</u>	<u>5,523,105</u>	<u>5,172,662</u>
Expenditure on:				
Charitable activities	5	5,342,799	5,342,799	4,927,319
Total expenditure		<u>5,342,799</u>	<u>5,342,799</u>	<u>4,927,319</u>
Net movement in funds		<u>180,306</u>	<u>180,306</u>	<u>245,343</u>
Reconciliation of funds:				
Total funds brought forward		5,262,970	5,262,970	5,017,627
Net movement in funds		180,306	180,306	245,343
Total funds carried forward		<u>5,443,276</u>	<u>5,443,276</u>	<u>5,262,970</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 35 form part of these financial statements.

STAFFORD INDEPENDENT GRAMMAR SCHOOL

(A company limited by guarantee)

REGISTERED NUMBER: 01657702

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	10		4,160,846		4,277,508
			<u>4,160,846</u>		<u>4,277,508</u>
Current assets					
Stocks	11	6,443		3,791	
Debtors	12	118,939		52,443	
Cash at bank and in hand		1,696,245		1,503,083	
		<u>1,821,627</u>		<u>1,559,317</u>	
Creditors: amounts falling due within one year	13	(527,721)		(573,855)	
Net current assets			<u>1,293,906</u>		<u>985,462</u>
Total assets less current liabilities			<u>5,454,752</u>		<u>5,262,970</u>
Creditors: amounts falling due after more than one year	14		(11,476)		-
Total net assets			<u><u>5,443,276</u></u>		<u><u>5,262,970</u></u>
Charity funds					
Restricted funds	16		-		-
Unrestricted funds	16		5,443,276		5,262,970
Total funds			<u><u>5,443,276</u></u>		<u><u>5,262,970</u></u>

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

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



Mrs J Causer
Chair

Date: 25 January 2024

The notes on pages 18 to 35 form part of these financial statements.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	272,033	481,008
Cash flows from investing activities		
Investment income receipts	17,707	2,315
Purchase of tangible fixed assets	(94,597)	(180,200)
Finance costs paid	(1,981)	(2,970)
Net cash used in investing activities	(78,871)	(180,855)
Cash flows from financing activities		
Repayments of borrowing	-	(31,496)
Net cash provided by/(used in) financing activities	-	(31,496)
Change in cash and cash equivalents in the year	193,162	268,657
Cash and cash equivalents at the beginning of the year	1,503,083	1,234,426
Cash and cash equivalents at the end of the year	1,696,245	1,503,083

The notes on pages 18 to 35 form part of these financial statements

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. General information

Stafford Independent Grammar School (the School) is an incorporated charitable company which is limited by guarantee, (registered company no. 01657702), (charity no. 513031), registered in England & Wales. The members of the company are the Governors named on page 1. In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per member of the School. The School's registered address and principal place of business is Stafford Independent Grammar School, Burton Manor, Stafford, Staffordshire, ST18 9AT.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Stafford Independent Grammar School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

2.2 Going concern

It is critical that shortfalls are tackled in turbulent times as financial resilience will help the School to stay flexible and adaptable to unexpected changes in pupil numbers and to manage planned and unplanned costs. The expenditure of the School is dominated by staff salaries which amount to 71% of net income, nevertheless opportunities for reducing costs, without adversely affecting performance, are identified and actioned when possible.

The School is debt free. At the year end the School had cash at bank and in hand of £1,696,246. After making appropriate enquiries, including consideration of cash flow forecasts to the end of FY2025, the Governors have concluded that it is reasonable to expect that the School will generate sufficient resources to continue in operational existence for the foreseeable future and meet all of its financial obligations. It is considered that, after examining likely future risks to the business (including the possibility that VAT will be added to tuition fees and business rates relief will be scrapped), that there will be sufficient funds to continue in operation should these risks materialise. As a matter of course Governors consider the financial risks to the School at formal meetings and also informally on a monthly basis by reviewing the management accounts. For this reason the Governors have continued to adopt a going concern basis in preparing the School's financial statements.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.3 Income

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

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School. Scholarships are assessed and awarded on a pupil's merit. Bursaries are considered on the basis of a declaration of income and liabilities from the parents applying for such an award.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Charitable activities and governance costs are costs incurred on the School's educational operations, including support costs and costs relating to the governance of the School apportioned to charitable activities. Costs of raising funds are those costs incurred in attracting income and those incurred in trading activities that raise funds for the School,

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the School; this is normally upon notification of the interest paid or payable by the bank.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition are included in the measurement of cost.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Freehold property	-	2% straight line
Motor vehicles	-	20% straight line
Fixtures and fittings	-	10% straight line
Office equipment	-	20% straight line
Other fixed assets	-	20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.8 Debtors

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

2.9 Cash at bank and in hand

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

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.11 Financial instruments

The School only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.13 Pensions

The School operates two defined contribution pension schemes and the pension charge represents the amounts payable by the School to the schemes' funds in respect of the year.

2.14 Fund accounting

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

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

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

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.15 Critical accounting estimates and areas of judgement

The Governors are required to adopt those accounting policies most appropriate to the circumstances for the purposes of presenting fairly its financial position, financial performance, and cash flows. The preparation of the financial statements requires the Governors to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenditure. These judgements, estimates, and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Governors consider that accounting forecasts, assumptions and judgements made will not result in a significant difference to the amounts of assets and liabilities carried forward in the next financial year.

The Governors consider the areas set out below to be those where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities:

Recoverability of debtors (Note 12)

The provision for doubtful debts is based on an estimate of the expected recoverability of those debts. In line with the School's accounting policy, the provision is based on the current situation of the customer and the age profile of the debt. At the reporting date, the bad debt provision is £30,187 (2022: £35,871).

Useful economic life (UEL) of tangible fixed assets (Note 10)

Freehold property, motor vehicles and equipment represent a significant proportion of the School's total assets. Therefore, the estimated useful lives can have a significant impact on the depreciation charged and the reported performance. Useful lives are determined at the time the asset is acquired, and the UEL of its assets is reviewed annually. The UEL are based on historical experience with similar assets as well as anticipation of future events. Depreciation policies are applied to each asset category in order to reflect the useful economic life of the assets.

3. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Gross school fees	5,983,738	5,983,738	5,621,409
Scholarships, bursaries and discounts	(1,068,500)	(1,068,500)	(971,348)
Other education income	553,149	553,149	482,795
Total 2023	5,468,387	5,468,387	5,132,856
Total 2022	5,132,856	5,132,856	

STAFFORD INDEPENDENT GRAMMAR SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

4. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	17,707	17,707	2,315
	<u>17,707</u>	<u>17,707</u>	<u>2,315</u>
Total 2022	<u>2,315</u>	<u>2,315</u>	

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Teaching	3,646,224	-	3,646,224	3,134,823
Prep School	530,524	-	530,524	627,950
Transport	339,227	-	339,227	299,478
Sports Hall	28,192	-	28,192	31,403
Premises	761,754	-	761,754	782,308
Governance	36,878	-	36,878	51,357
	<u>5,342,799</u>	<u>-</u>	<u>5,342,799</u>	<u>4,927,319</u>
Total 2022	<u>4,903,954</u>	<u>23,365</u>	<u>4,927,319</u>	

STAFFORD INDEPENDENT GRAMMAR SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

5. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total 2023 £	Total 2022 £
Teaching	2,700,246	-	945,978	3,646,224	3,134,823
Prep School	522,828	-	7,696	530,524	627,950
Transport	222,212	-	117,015	339,227	299,478
Sports Hall	-	-	28,192	28,192	31,403
Premises	550,495	211,259	-	761,754	782,308
Governance	-	-	36,878	36,878	51,357
	<u>3,995,781</u>	<u>211,259</u>	<u>1,135,759</u>	<u>5,342,799</u>	<u>4,927,319</u>
Total 2022	<u>3,602,413</u>	<u>208,555</u>	<u>1,116,351</u>	<u>4,927,319</u>	

6. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Teaching	3,088,500	557,724	3,646,224	3,134,823
Prep School	503,272	27,252	530,524	627,950
Transport	339,227	-	339,227	299,478
Sports Hall	28,192	-	28,192	31,403
Premises	-	761,754	761,754	782,308
Governance	-	36,878	36,878	51,357
	<u>3,959,191</u>	<u>1,383,608</u>	<u>5,342,799</u>	<u>4,927,319</u>
Total 2022	<u>3,486,515</u>	<u>1,440,804</u>	<u>4,927,319</u>	

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

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

6. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Teaching 2023 £	Prep School 2023 £	Transport 2023 £	Sports Hall 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	2,624,526	495,576	222,212	-	3,342,314	2,957,327
Subject materials and supplies	180,969	7,696	-	-	188,665	161,034
School transport costs	34,210	-	-	-	34,210	73,421
Seminars and training courses	22,232	-	-	-	22,232	8,291
Travelling and motor expenses	879	-	117,015	-	117,894	99,619
Light and heat	120	-	-	23,389	23,509	26,284
Catering costs	139,821	-	-	-	139,821	104,356
Sundry expenses - sports hall	-	-	-	4,803	4,803	5,119
Marketing	85,743	-	-	-	85,743	51,064
	<u>3,088,500</u>	<u>503,272</u>	<u>339,227</u>	<u>28,192</u>	<u>3,959,191</u>	<u>3,486,515</u>
Total 2022	<u>2,556,986</u>	<u>598,648</u>	<u>299,478</u>	<u>31,403</u>	<u>3,486,515</u>	

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

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

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Teaching 2023 £	Prep School 2023 £	Premises 2023 £	Governance 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	75,720	27,252	550,495	-	653,467	645,086
Depreciation	-	-	211,259	-	211,259	208,555
Postage, printing, stationery & advertising	1,176	-	-	-	1,176	4,836
Insurances	57,567	-	-	-	57,567	53,240
Marketing	10,453	-	-	-	10,453	10,317
Telephone	16,422	-	-	-	16,422	17,568
Maintenance and repairs	98,928	-	-	-	98,928	102,625
Business & water rates	37,881	-	-	-	37,881	39,575
Light and heat	52,794	-	-	-	52,794	57,539
Subscriptions	56,234	-	-	-	56,234	44,422
Cleaning	11,894	-	-	-	11,894	18,247
Leasing charges	69,506	-	-	-	69,506	84,916
Sundry expenses	43,256	-	-	-	43,256	34,171
Consumable computer expenses	15,590	-	-	-	15,590	9,496
Professional fees	6,671	-	-	36,878	43,549	56,765
Bad debts	1,651	-	-	-	1,651	50,476
Bank charges	1,981	-	-	-	1,981	2,970
	<u>557,724</u>	<u>27,252</u>	<u>761,754</u>	<u>36,878</u>	<u>1,383,608</u>	<u>1,440,804</u>
Total 2022	<u>577,837</u>	<u>29,302</u>	<u>782,308</u>	<u>51,357</u>	<u>1,440,804</u>	

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

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

7. Auditors' remuneration

	2023 £	2022 £
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts exclusive of VAT	14,500	11,000
Fees payable to the charitable company's auditor in respect of: All non-audit services not included above exclusive of VAT	1,150	1,500
	<u>15,650</u>	<u>12,500</u>

8. Staff costs

	2023 £	2022 £
Wages and salaries	3,233,463	2,904,750
Social security costs	316,894	284,767
Other pension costs	445,424	412,896
	<u>3,995,781</u>	<u>3,602,413</u>

The average number of persons employed by the charitable company during the year was as follows:

	2023 No.	2022 No.
Teaching staff	61	62
Support staff	56	53
	<u>117</u>	<u>115</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023 No.	2022 No.
In the band £60,001 - £70,000	3	4
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-

The total remuneration and benefits received by 6 (2022: 5) key management personnel for the year was £554,484 (2022: £437,972).

Settlement payments were made to 1 employee (2022: settlement payments to 1 employee) £37,208 (2022: £2,000). The settlement payments for 2023 are included within the key management personnel remuneration.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

9. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, expenses totalling £32 were reimbursed or paid directly to 1 Governor (2022 - £NIL to no Governors).

10. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Other fixed assets £	Total £
Cost or valuation						
At 1 September 2022	5,805,515	557,073	502,390	1,262,210	199,834	8,327,022
Additions	-	34,331	14,222	38,617	7,427	94,597
At 31 August 2023	5,805,515	591,404	516,612	1,300,827	207,261	8,421,619
Depreciation						
At 1 September 2022	1,834,759	493,377	329,255	1,195,559	196,564	4,049,514
Charge for the year	116,743	25,917	39,183	28,020	1,396	211,259
At 31 August 2023	1,951,502	519,294	368,438	1,223,579	197,960	4,260,773
Net book value						
At 31 August 2023	3,854,013	72,110	148,174	77,248	9,301	4,160,846
At 31 August 2022	3,970,756	63,696	173,135	66,651	3,270	4,277,508

11. Stocks

	2023 £	2022 £
Raw materials	3,432	2,583
Finished goods	3,011	1,208
	6,443	3,791

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12. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	41,396	622
Other debtors	30	4,652
Prepayments and accrued income	77,513	47,169
	<u>118,939</u>	<u>52,443</u>

13. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	39,806	31,816
Other taxation and social security	73,804	68,888
Other creditors	22,480	21,467
Accruals and deferred income	391,631	451,684
	<u>527,721</u>	<u>573,855</u>

	2023 £	2022 £
Deferred income at 1 September 2022	420,140	315,273
Resources deferred during the year	358,517	420,140
Amounts released from previous periods	(420,140)	(315,273)
	<u>358,517</u>	<u>420,140</u>

All deferred income is made up of fees paid in advance.

14. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Accruals and deferred income	<u>11,476</u>	<u>-</u>

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15. Financial instruments

	2023 £	2022 £
Financial assets		
Financial assets measured at fair value through income and expenditure	1,696,245	1,503,083

16. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
Unrestricted funds				
Designated funds				
Sixth form	5,822	-	(3,930)	1,892
General funds				
General funds - all funds	5,257,148	5,523,105	(5,338,869)	5,441,384
Total unrestricted funds	5,262,970	5,523,105	(5,342,799)	5,443,276

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16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2022 £
Unrestricted funds					
Designated funds					
Sixth form	6,470	-	(648)	-	5,822
General funds					
General funds - all funds	4,989,595	5,172,662	(4,903,306)	(1,803)	5,257,148
Total unrestricted funds	4,996,065	5,172,662	(4,903,954)	(1,803)	5,262,970
Restricted funds					
Performing arts	21,562	-	(23,365)	1,803	-
Total of funds	5,017,627	5,172,662	(4,927,319)	-	5,262,970

The designated fund relates to a donation made which has been allocated to the sixth form.

The restricted funds relates to a donation which was to be used for performing arts and theatre renovation.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Summary of funds

Summary of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
Designated funds	5,822	-	(3,930)	1,892
General funds	5,257,148	5,523,105	(5,338,869)	5,441,384
	<u>5,262,970</u>	<u>5,523,105</u>	<u>(5,342,799)</u>	<u>5,443,276</u>

Summary of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2022 £
Designated funds	6,470	-	(648)	-	5,822
General funds	4,989,595	5,172,662	(4,903,306)	(1,803)	5,257,148
Restricted funds	21,562	-	(23,365)	1,803	-
	<u>5,017,627</u>	<u>5,172,662</u>	<u>(4,927,319)</u>	<u>-</u>	<u>5,262,970</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	4,160,846	4,160,846
Current assets	1,821,627	1,821,627
Creditors due within one year	(527,721)	(527,721)
Creditors due in more than one year	(11,476)	(11,476)
Total	<u>5,443,276</u>	<u>5,443,276</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	4,277,508	4,277,508
Current assets	1,559,317	1,559,317
Creditors due within one year	(573,855)	(573,855)
Total	5,262,970	5,262,970

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

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	180,306	245,343
Adjustments for:		
Depreciation charges	211,259	208,555
Investment income	(17,707)	(2,315)
Decrease/(increase) in stocks	(2,652)	1,429
Increase in debtors	(66,496)	(847)
Increase/(decrease) in creditors	(34,658)	25,873
Financing costs	1,981	2,970
Net cash provided by operating activities	272,033	481,008

20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	1,696,245	1,503,083
Total cash and cash equivalents	1,696,245	1,503,083

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21. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	1,503,083	193,162	1,696,245
	<u>1,503,083</u>	<u>193,162</u>	<u>1,696,245</u>

22. Capital commitments

	2023 £	2022 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	88,679	64,970
	<u>88,679</u>	<u>64,970</u>

23. Pension commitments

The School contributes to two defined contribution schemes administered by Standard Life and Aviva for the benefit of eligible support staff employees and teachers respectively. The pension cost charged in the accounts is the amount payable by the School during the year which amounted to £445,424 (2022: £412,896). Contributions totalling £5,063 (2022: 7,361) were payable to the funds at the Balance Sheet date and are included in other creditors.

24. Operating lease commitments

At 31 August 2023 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	45,354	68,428
Later than 1 year and not later than 5 years	10,034	48,471
	<u>55,388</u>	<u>116,899</u>

25. Finance lease commitments

At the year end, the School had agreed to enter into new operating leases commencing 1 September 2023, the total commitment is £134,280 (2022: £nil).

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26. Related party transactions

There were no related party transactions noted in the year. There was 1 trustee expense that occurred in the year (2022: none). One (2022: two) of the Governors have children or grandchildren at the School.

27. Controlling party

The School, having no share capital, is under the control of the Board of Governors, who are also the Trustees and the Directors of the School.