

STAFFORD INDEPENDENT GRAMMAR SCHOOL

(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

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 2024**

Governors	Mrs S Burns (resigned 18 October 2023) Dr M L Bush (resigned 27 September 2023) Mr T Carson (resigned 5 July 2024) Mrs J Causer, Chair (resigned 21 January 2025) Rev J Davis Mr A S Firth Mr J Johnson (resigned 21 November 2024) Mr B W J Phillips Mrs V L Hawley (appointed 20 February 2024) Mr I P Pickstock (appointed 28 August 2024) Mr A G Cooper (appointed 22 November 2024) Mr A I Lewer (appointed 22 November 2024) Mrs E Christmas (appointed 17 January 2025)
Company registered number	01657702
Charity registered number	513031
Registered office	Burton Manor Stafford Staffordshire ST18 9AT
Company secretary	Mr T Collier (appointed 1 November 2023)
Chief executive officer	Mr N Pietrek
Independent auditor	Cooper Parry Group Limited Statutory Auditor Cubo Birmingham Two Chamberlain Square Birmingham B3 3AX

STAFFORD INDEPENDENT GRAMMAR SCHOOL
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

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 2024.

The School also operates under the name Stafford Grammar School.

AIMS, VALUES AND OBJECTIVES

Our aims

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 potential within a caring community where pupils are known as individuals and nurtured accordingly.
- Create a varied extracurricular environment, so our pupils are challenged and motivated with opportunities to build on their broader talents and interests.
- Develop pupils to enable them to advance their academic and professional careers beyond the School; and
- Provide a first class campus to enable pupils and staff to enjoy and provide an all-round education.

During the year, the School averaged 426 pupils (2023: 444). Almost all Year 6 pupils from the Preparatory School moved into the Senior School.

Our values

At the School we take pride in the quality of relationships between all those within our community, which are based on our School values. The values of the School reflect our School Motto "Quod Tibi Hoc Alteri", or "Treat others as you would like to be treated". We want the School to be the first-choice school for families who share our values, whether they have experienced independent education previously or are moving to the independent sector for the first time. Our values are:

- Excellence
- Courage
- Respect
- Compassion
- Responsibility
- Integrity
- Creativity

Our Objectives

Our main objectives for the year were:

- To maintain 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 macro political and economic challenges faced by the School and the wider independent school sector.

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.

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- Has the necessary powers to conduct and develop (and if appropriate make acquisitions relating to) the School.

Considerations relevant to achieving objectives

- The effect of the current economic climate and the affordability of fees by our parents.
- The issue of VAT on School fees impacted the School through the year, which was brought into sharper focus after the summer General Election.
- To keep tuition fees as low as possible given the aims and objectives of the School.
- Class sizes of a maximum of 22 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 whilst also investing in the medium to long term infrastructure of the School.
- Maximising access to the School 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, part of which is achieved by awarding scholarships and means tested bursaries to those unable to pay for an independent education.

During the year, the School awarded bursaries and scholarships totalling £608,897 (2023: £683,934) to 139 (2023: 142) pupils. Within this total, means-tested awards, based on a sliding scale according to family financial circumstances, totalling £343,280 (2023: £390,724), were awarded to 70 pupils (2023: 77 pupils), equivalent to 23 (2023: 28) full Senior School fee paying places. Those pupils who attend the School and who receive financial support contribute to the School community in many ways, and so the benefit is to the whole School and the wider community.

In addition to bursaries, the School has engaged in a number of activities that provide a public benefit, including amongst others:

- 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;
- The music department puts on a Big Band Roadshow and delivers concerts to a number of Primary schools to promote interest and enjoyment of music;
- Local community groups and organisations have benefited from being able to use the wide range of facilities and resources available at the School;
- Regular performances to the residents of Dora Rose, a local care home;
- Christmas and Easter concerts which are open to the wider community;
- An annual Higher Education and Careers event to which all local state schools are invited;
- Members of the Senior Leadership Team act as governors and Committee members at state schools and colleges;
- The School hosts local Stafford and District Schools Sports events; and
- Events to support local and national charities (see below for further details).

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FOR THE YEAR ENDED 31 AUGUST 2024

Charitable support and activities

During the course of the year £4,785 (2023: £5,341) was donated to charities supported by Stafford Grammar School. Part of these funds were collected by the School and paid to the charity and part paid by donations directly via Just Giving. The charities supported in the year were Brighter Days Cancer Research, Children in Need, Eco Project, Katherine House, Royal British Legion Poppy Appeal, Save the Children, Simons Heroes, Stafford Lions, Trussell Trust and Younger Minds (Hello Yellow). The School's chosen charity for the year was Stafford Lions. 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 fundraising donations of £51,536 in the year (2023: £nil), which was £50,091 for the retractable seating for our theatre space and £1,445 for the Prep School playground. Thank you to everyone that has donated to these two causes. These two fundraising activities for the School were 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 we work closely with. Various fundraising events are held through the year by the PTA, and funds are provided by the PTA to the School for specific requests. The School is extremely grateful to the PTA for all of their hard work, time and monetary contributions which help to fund various activities across the School.

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

The School has a wide ranging and broad activity base, through academic, sporting and artistic themes as detailed below. This has been recognised nationally with the School being Highly Commended in the Muddy Stiletto's Best Schools of the Year Awards, shortlisted for Best Co-Educational Independent School in the Independent School of the Year Awards, Finalist in the Best Senior School category in the ISA Awards, winner and runner-up in the ISA Young Musician of the Year Competition, winner of Best Actress in a Musical at the National School Theatre Awards along with being double Platinum Award winners at the National Concert Band Festival Finals.

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.

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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 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.

b. Examination results and academic achievements

The School has achieved superb results in A Levels, building on its success from last year. 48% of pupils have achieved all A*/A grades and 69% of all grades have been graded at A*- B with an overall 100% pass rate. There was also outstanding success in the Cambridge STEP papers.

For GCSE's, 52% of all pupil grades have been achieved at grade 9-7 which exceeds the high levels achieved in the pre-COVID examination results. 98% of all grades were achieved at grade 9-4. These results build on the outstanding achievements of the school community this year.

National league tables place our results above our local independent and maintained schools. For example, the Britannia Study UK League Table ranked Stafford Grammar School in the top 100 in the country for its A Level results and the top independent school in Staffordshire. Also, the Telegraph League Tables showed the School is nationally ranked 139 for GCSEs with only 10 schools above us marginally less expensive and at A Level the School is nationally ranked 118 with only 5 schools above us less expensive.

c. The House system

Inter-House competition continues to thrive at the School, with events and competitions taking place throughout the year. This provides opportunities for the School to instil the values of team work and commitment. Inter House competitions in various sports also take place across the year, which culminates in the annual Sports Day at a local sports stadium. The three Houses, Anson, Fitzherbert and Talbot, significantly add to the spirit of Stafford Grammar School. During the year the Heads of House maintained pastoral and academic management for all pupils in their House. From September 2024, the School has strengthened its pastoral care arrangements for pupils so that Heads of House are supported by Heads and Deputy Heads of Years in this.

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. 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 our Orchestra, Big Band and Concert Band. The music groups perform in national and international competitions, often achieving considerable success. Major concerts take place in School at Christmas and Easter and other concerts occur around the town, county and country as the groups are invited to perform in churches, schools, theatres and concert halls.

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 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 several 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.

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Our musicians are also recognised for their hard work and talent. Our Concert Band and Big Band won two coveted Platinum Awards at the National Finals of the National Concert Band Festival, as well as picking up numerous first place trophies at the local Newcastle Music Festival with our choirs. Individual success saw one of our pupils awarded the Staffordshire Young Musician of the Year for 2024. Earlier in the year we had two of our pupils in the National Finals of the ISA Young Musician of the Year, held at Oxford University. The two pupils performed superbly well and won the 1st and 2nd prizes! A phenomenal achievement for them and for the School. In addition, we had four of our singers selected in the Young Musical Theatre Singer of the Year, held in Ascot. All sang beautifully with one Year 8 pupil being awarded the judges prize in her age category.

84 Associated Board of the Royal Schools of Music (ABRSM), 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. 112 pupils took LAMDA exams this year of whom 98 achieved distinctions (the highest grade) and 14 achieved merits.

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.

Similarly to the musicians, our drama pupils have also achieved individual success. Four pupils were nominated for awards at the National School Theatre Awards, with the highlight being a pupil winning the Actress of the Year for her performance as Elle Woods in the School production of Legally Blonde.

e. Sport

The School maintains an impressive array of competitive fixtures across several major sports, including football, rugby, cricket, hockey, netball, and rounders. In addition to these team sports, students regularly participate in competitions in cross-country, tennis, athletics, equestrianism, skiing, shooting, gymnastics, dance, and swimming. The School takes a leadership role within the District, hosting the annual District Cross-Country Championships and managing teams for the County Finals. Furthermore, it has been the proud host of the U16 Girls, U15 Boys and U13 Boys ISA Midlands football tournaments at Rowley Park.

This year has been particularly notable for the School's sporting achievements. A number of students have been selected for district, county, and even national teams across a wide spectrum of disciplines, including athletics, cheerleading, cricket, cross-country, dance, equestrianism, fishing, football, golf, gymnastics, hockey, netball, rounders, rugby, shooting, skiing, speed-skating, swimming, tennis, and squash. These individual successes highlight the School's commitment to fostering excellence in a diverse range of sports.

Lots of our School matches at U15 and above are filmed using Veo camera software enabling us to do some analytical work with players and provide them with highlights from matches.

The School has had team success in the year as follows:

- Girls Senior Ski Team - ISA Champions
- Boys Senior Ski Team - ISA Runners Up
- Cross-Country - Year 7 Boys and Girls team: District winners
- Cross-Country - Year 8/9 Girls team: District winners

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Cross-Country -Y10/11 Boys and Girls team: District winners
Cross-Country -Senior Boys team: District winners
U14 Boys ISA Midlands Rugby 7's - 3rd
U13 Boys ISA Midlands Football 6 a-side - 2nd
U15/U16 District Netball - 3rd
U13 Girls Football - Terra Nova Tournament - 2nd
U13 Girls District Netball Champions
U18 Rugby 7's ISA National Plate Winners
U16 Girls ISA Midlands Football Champions 7 a-side
U14 Girls District Netball Champions
U13 Boys County Rugby Championships - 1st
U12 Boys County Rugby Championships - 2nd
U14 Boys County Rugby Championships - 3rd
Junior Girls National Shooting Finals - 3rd
U12 Girls District Netball- 3rd
U13 and U15 Girls ISA Midlands Rounders- 3rd

The School's AstroTurf MUGA (Multi Use Games Area) pitch installed in 2021 is in regular use for hockey, cricket 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.

f. 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. Our Duke of Edinburgh programme empowers students to excel as they progress from Bronze to Gold levels, gaining invaluable confidence, resilience and life skills along the way. As a Directly Licensed Centre, we maintain rigorous standards of safety and training, ensuring every student achieves success. The School has a dedicated programme coordinator, stands as a leading Duke of Edinburgh Centre in Staffordshire, nurturing students to thrive in resilience and initiative.

During the year, pupils achieved 17 Bronze, 15 Silver and 10 Gold Awards.

g. School trips

The School has a wide range of trips and activities that pupils can engage in if they wish to. These include residential trips, which are often one of the highlights of a pupil's time at the School. This year, there were several residential trips including to London, Brittany and the Rhineland along with a ski trip to Folgaria in Italy. The Concert Band also toured Holland.

h. School transport

The School runs a fleet of minibuses in order to get pupils from their home address to the School. 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 were also visited during the course of the School year.

i. Careers Event

In March, the School hosted its Careers Event, with over 30 exhibitors covering apprenticeships, employment opportunities and careers opportunities. A number of local and national Universities were also in attendance. The School ensured that all students from Years 5 to Year 12 were actively engaged with the event, ensuring an incredibly enjoyable and enriching experience.

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j. 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.

FINANCIAL REVIEW

Results for the year

The School's net income (deficit) / surplus for the year amounted to £(49,606) (2023: £180,306). The annual fee increase in September 2023 was 6.5%. The School's total net income for the year increased by £523,352, up by 9.5% (2023: 6.8% increase), on the previous year. However, the total expenditure for the year increased by £753,264, up by 14.1% (2023: 8.4% increase).

One of the main objectives of the School is to maintain the pupil roll and associated fee levels 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:

	2024	2023
% Costs to net income	101%	97%
% Teaching salaries to net income	54%	57%
% Support salaries to net income	18%	16%
% Net surplus to net income	(0.8)%	3.3%
Current ratio	2.6 : 1	3.4 : 1

Whilst the School has improved income, costs also significantly increased resulting from a combination of the inflationary pay award for the year and investment in non-pay items in marketing, IT, premises and teaching support to maintain the high standards of the School.

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.

The School is debt free. At the year end the School had cash at bank and in hand of £1,659,844 alongside £2,500,000 of current asset investments, but has £2,579,671 as part of our fees in advance schemes and £51,536 of restricted reserves leaving a net unencumbered cash and current investment balance available to the School of £1,528,637. 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 and definite future risks to the business (including the fact that VAT will be added to tuition fees and charitable business rates relief will be scrapped during the

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2024/25 academic year), that there will be sufficient funds to continue in operation as and when 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 now that independent schools have lost their exemption for VAT on school fees together with charitable business rates relief. There has been a direct impact on pupil numbers for the School in 2024/25 resulting from the imposition of VAT on School fees, and the School is mitigating the financial impact of this by reducing staffing FTE headcount, deferring any pay award for staff in 2024/25 and reducing non-pay costs in order to offset the financial impact that this has had on the School.
- 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 loss of charitable business rates relief for independent schools will have a significant impact from April 2025 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 is using cyber defence experts to improve its resilience 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 key controls used by the School to mitigate risks include:

- Formal Committee and Board structure, with agendas to support all of the activities of these meetings.
- Detailed terms of reference for all Committees.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structure and lines of reporting.
- Formal written policies which are reviewed and updated on a timely basis.
- Hierarchical authorisation and approval levels for decision making.
- Vetting procedures as required by law for the protection of the vulnerable.

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- The use of a risk register for the School to be discussed and updated on a timely basis.

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 below inflation fee increase of 6.5%, applied from September 2023, 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. The fees have been increased by 7.0% for 2024/25, whilst VAT will be added from January 2025 to School fees as required by government legislation.

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. To measure sufficient cash reserves, the School uses the equivalent of two months of Total Expenditure, which as at 31 August 2024 equated to £1,016,010. This compares to £1,659,844 of cash at bank and in hand held by the School at the equivalent date. During the year, the School introduced a Treasury and Investment Management Policy to ensure that funds are invested with highly rated banks to maximise returns but with no risk at all to the capital element.

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 are the total unrestricted funds less fixed assets, which at year end equated to £1,130,036. The School holds restricted and unrestricted reserves, the full details of which are disclosed in Notes 17 and 18 in the Notes to the Financial Statements.

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 as appropriate.

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.

The School has an excellent Governing Body, which has Governors with different skill sets to cover the wide ranging activities that the School engages in. The School's Articles of Association state that each Governor is subject to a maximum term of office, and as such Governor's would by necessity come to the end of their term of office and will require replacing. The methods for recruiting a new Governor includes being asked by existing

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Governor's, being asked by the Senior Leadership Team or people asking to become Governors. It may be on occasions that a specific requirement, such as Safeguarding for example, may be necessary which would refine the search for a Governor. The School is always open to an approach to be a Governor. Once someone has indicated that they would wish to be considered for a role as a Governor, then the usual recruitment process of interviewing the candidate alongside the relevant Disclosure and Barring Service and Safeguarding checks must be taken in the same way that it would for any other colleague.

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 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 during her time as a Governor, but since she resigned as a Governor, Mrs Julia Causer has chaired the Committee.
- 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, and meets on a termly basis. Each meeting is followed by a walk round of the School by Mr Johnson to review areas discussed at the meeting.

A Safeguarding and Behaviour Committee has been established from 1 September 2024 to provide members and staff with a separate forum to discuss this critical area in more detail. 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, Head of the Preparatory School and Head of the Sixth Form as the key management personnel. The Headmaster and Director of Finance & Operations along with other members of the Senior Leadership Team attend meetings of the Governing Body's Committees.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

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

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. As part of this, from the start of the 2024/25 academic year, the School has re-organised its pastoral care structure to ensure that this continues to remain focused on providing the best pastoral care for pupils.
- 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 for local sports clubs and musical/theatre groups and seeking local partnerships with state schools where possible.
- To continue to invest in the premises and infrastructure across the School to provide the best experience for all of our stakeholders within the envelope of an affordable budget.

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 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.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

- Other than two Governors 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: 21.1.25

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S 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 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S 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 Auditor's 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.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

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

Responsibilities of Governors

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.

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:

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 AUDITOR'S 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 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 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

Two Chamberlain Square

Birmingham

B3 3AX

Date: 24 February 2025

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

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

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Charitable activities	3	5,923,035	51,536	5,974,571	5,468,387
Other trading activities		32,549	-	32,549	37,011
Investments	4	39,337	-	39,337	17,707
Total income		<u>5,994,921</u>	<u>51,536</u>	<u>6,046,457</u>	<u>5,523,105</u>
Expenditure on:					
Charitable activities	5	6,096,063	-	6,096,063	5,342,799
Total expenditure		<u>6,096,063</u>	<u>-</u>	<u>6,096,063</u>	<u>5,342,799</u>
Net movement in funds		<u>(101,142)</u>	<u>51,536</u>	<u>(49,606)</u>	<u>180,306</u>
Reconciliation of funds:					
Total funds brought forward		5,443,276	-	5,443,276	5,262,970
Net movement in funds		(101,142)	51,536	(49,606)	180,306
Total funds carried forward		<u>5,342,134</u>	<u>51,536</u>	<u>5,393,670</u>	<u>5,443,276</u>

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

The notes on pages 22 to 39 form part of these financial statements.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 01657702

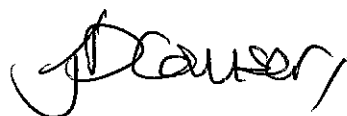
BALANCE SHEET
AS AT 31 AUGUST 2024

	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	10		4,212,098		4,160,846
			<u>4,212,098</u>		<u>4,160,846</u>
Current assets					
Stocks	11	3,276		6,443	
Debtors	12	132,480		118,939	
Investments	13	2,500,000		-	
Cash at bank and in hand		1,659,844		1,696,245	
		<u>4,295,600</u>		<u>1,821,627</u>	
Creditors: amounts falling due within one year	14	(1,627,336)		(527,721)	
Net current assets			<u>2,668,264</u>		<u>1,293,906</u>
Total assets less current liabilities			<u>6,880,362</u>		<u>5,454,752</u>
Creditors: amounts falling due after more than one year	15		(1,486,692)		(11,476)
Total net assets			<u><u>5,393,670</u></u>		<u><u>5,443,276</u></u>
Charity funds					
Restricted funds	17		51,536		-
Unrestricted funds	17		5,342,134		5,443,276
Total funds			<u><u>5,393,670</u></u>		<u><u>5,443,276</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: 21. 1. 25.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 01657702

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2024

The notes on pages 22 to 39 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 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	19	2,711,894	272,033
Cash flows from investing activities			
Investment income receipts		39,337	17,707
Purchase of tangible fixed assets		(279,644)	(94,597)
Purchase of investments		(2,500,000)	-
Finance costs paid		(7,988)	(1,981)
Net cash used in investing activities		(2,748,295)	(78,871)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		(36,401)	193,162
Cash and cash equivalents at the beginning of the year		1,696,245	1,503,083
Cash and cash equivalents at the end of the year	20	1,659,844	1,696,245

The notes on pages 22 to 39 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 2024**

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 72% 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 £1,659,844 alongside £2,500,000 of current asset investments, but has £2,579,671 as part of our fees in advance schemes and £51,536 of restricted reserves leaving a net unencumbered cash and current investment balance available to the School of £1,528,637. 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 and definite future risks to the business (including the fact that VAT will be added to tuition fees and charitable business rates relief will be scrapped during the 2024/25 academic year), that there will be sufficient funds to continue in operation as and when 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 2024**

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 2024**

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, using the straight-line method.

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 Current asset investments

Current asset investments are categorised as short term deposit funds intended to be held in accounts for a maximum of one year at the date of the balance sheet.

2.8 Stocks

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

2.9 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.

2.10 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.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.11 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.

2.12 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.

2.13 Operating leases

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

2.14 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.

2.15 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 2024**

2. Accounting policies (continued)

2.16 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 £36,008 (2023: £30,187).

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 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Gross school fees	6,144,292	-	6,144,292	5,983,738
Scholarships, bursaries and discounts	(1,007,826)	-	(1,007,826)	(1,068,500)
Other education income	786,569	51,536	838,105	553,149
	<u>5,923,035</u>	<u>51,536</u>	<u>5,974,571</u>	<u>5,468,387</u>
Total 2023	<u>5,468,387</u>	<u>-</u>	<u>5,468,387</u>	

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

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

4. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Bank interest	39,337	39,337	17,707
	<u>39,337</u>	<u>39,337</u>	
Total 2023	<u>17,707</u>	<u>17,707</u>	

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
Teaching	3,953,567	3,953,567	3,646,224
Prep School	781,481	781,481	530,524
Transport	340,576	340,576	339,227
Sports Hall	5,561	5,561	28,192
Premises	946,778	946,778	761,754
Governance	68,100	68,100	36,878
	<u>6,096,063</u>	<u>6,096,063</u>	<u>5,342,799</u>
Total 2023	<u>5,342,799</u>	<u>5,342,799</u>	

STAFFORD INDEPENDENT GRAMMAR SCHOOL
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5. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2024 £	Depreciation 2024 £	Other costs 2024 £	Total 2024 £	Total 2023 £
Teaching	2,670,847	-	1,282,720	3,953,567	3,646,224
Prep School	709,625	-	71,856	781,481	530,524
Transport	252,394	-	88,182	340,576	339,227
Sports Hall	-	-	5,561	5,561	28,192
Premises	718,386	228,392	-	946,778	761,754
Governance	-	-	68,100	68,100	36,878
	<u>4,351,252</u>	<u>228,392</u>	<u>1,516,419</u>	<u>6,096,063</u>	<u>5,342,799</u>
Total 2023	<u>3,995,781</u>	<u>211,259</u>	<u>1,135,759</u>	<u>5,342,799</u>	

6. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Teaching	3,194,963	758,604	3,953,567	3,646,224
Prep School	746,126	35,355	781,481	530,524
Transport	340,576	-	340,576	339,227
Sports Hall	5,561	-	5,561	28,192
Premises	-	946,778	946,778	761,754
Governance	-	68,100	68,100	36,878
	<u>4,287,226</u>	<u>1,808,837</u>	<u>6,096,063</u>	<u>5,342,799</u>
Total 2023	<u>3,959,191</u>	<u>1,383,608</u>	<u>5,342,799</u>	

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6. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Teaching 2024 £	Prep School 2024 £	Transport 2024 £	Sports Hall 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	2,579,445	674,270	252,394	-	3,506,109	3,342,314
Subject materials and supplies	203,383	71,654	-	-	275,037	188,665
School transport costs	194,493	-	-	-	194,493	34,210
Seminars and training courses	20,688	-	-	-	20,688	22,232
Travelling and motor expenses	1,379	202	88,182	-	89,763	117,894
Light and heat	380	-	-	-	380	23,509
Catering costs	125,565	-	-	-	125,565	139,821
Sundry expenses - sports hall	-	-	-	5,561	5,561	4,803
Marketing	69,630	-	-	-	69,630	85,743
	<u>3,194,963</u>	<u>746,126</u>	<u>340,576</u>	<u>5,561</u>	<u>4,287,226</u>	<u>3,959,191</u>
Total 2023	<u>3,088,500</u>	<u>503,272</u>	<u>339,227</u>	<u>28,192</u>	<u>3,959,191</u>	

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6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Teaching 2024 £	Prep School 2024 £	Premises 2024 £	Governance 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	91,402	35,355	718,386	-	845,143	653,467
Depreciation	-	-	228,392	-	228,392	211,259
Postage, printing, stationery & advertising	6,566	-	-	-	6,566	1,176
Insurances	74,789	-	-	-	74,789	57,567
Marketing	860	-	-	-	860	10,453
Telephone	13,312	-	-	-	13,312	16,422
Maintenance and repairs	151,771	-	-	240	152,011	98,928
Business & water rates	46,855	-	-	-	46,855	37,881
Light and heat	90,563	-	-	-	90,563	52,794
Subscriptions	57,477	-	-	-	57,477	56,234
Cleaning	19,044	-	-	-	19,044	11,894
Leasing charges	90,244	-	-	-	90,244	69,506
Sundry expenses	65,119	-	-	-	65,119	43,256
Consumable computer expenses	26,444	-	-	-	26,444	15,590
Professional fees	7,396	-	-	67,860	75,256	43,549
Bad debts	8,774	-	-	-	8,774	1,651
Bank charges	7,988	-	-	-	7,988	1,981
	<u>758,604</u>	<u>35,355</u>	<u>946,778</u>	<u>68,100</u>	<u>1,808,837</u>	<u>1,383,608</u>
Total 2023	<u>557,724</u>	<u>27,252</u>	<u>761,754</u>	<u>36,878</u>	<u>1,383,608</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Auditor's remuneration

	2024 £	2023 £
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts exclusive of VAT	13,125	12,500
Fees payable to the charitable company's auditor in respect of: All non-audit services not included above exclusive of VAT	3,250	3,150
	<u> </u>	<u> </u>

8. Staff costs

	2024 £	2023 £
Wages and salaries	3,471,239	3,233,463
Social security costs	340,947	316,894
Contribution to defined contribution pension schemes	539,066	445,424
	<u>4,351,252</u>	<u>3,995,781</u>

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

	2024 No.	2023 No.
Teaching staff	66	61
Support staff	59	56
	<u>125</u>	<u>117</u>

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

	2024 No.	2023 No.
In the band £60,001 - £70,000	3	3
In the band £70,001 - £80,000	1	-
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-

The total remuneration and benefits received by 6 (2023: 6) key management personnel for the year was £566,273 (2023: £554,484).

Settlement payments were made to no employees (2023: settlement payments to 1 employee) for £NIL (2023: £37,208)

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FOR THE YEAR ENDED 31 AUGUST 2024**

9. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 August 2024, expenses totalling £98 were reimbursed or paid directly to 1 Governor (2023 - £32 to 1 Governor).

10. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Other fixed assets £	Total £
Cost or valuation						
At 1 September 2023	5,805,515	591,404	516,612	1,300,827	207,261	8,421,619
Additions	-	189,187	37,179	53,278	-	279,644
Disposals	-	(53,592)	-	(1,920)	-	(55,512)
At 31 August 2024	5,805,515	726,999	553,791	1,352,185	207,261	8,645,751
Depreciation						
At 1 September 2023	1,951,502	519,294	368,438	1,223,579	197,960	4,260,773
Charge for the year	116,742	45,328	34,127	29,916	2,279	228,392
On disposals	-	(53,592)	-	(1,920)	-	(55,512)
At 31 August 2024	2,068,244	511,030	402,565	1,251,575	200,239	4,433,653
Net book value						
At 31 August 2024	3,737,271	215,969	151,226	100,610	7,022	4,212,098
At 31 August 2023	3,854,013	72,110	148,174	77,248	9,301	4,160,846

11. Stocks

	2024 £	2023 £
Raw materials	3,276	3,432
Finished goods	-	3,011
	3,276	6,443

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FOR THE YEAR ENDED 31 AUGUST 2024**

12. Debtors

	2024	2023
	£	£
Due within one year		
Trade debtors	73,178	41,396
Other debtors	3,220	30
Prepayments and accrued income	56,082	77,513
	<u>132,480</u>	<u>118,939</u>

13. Current asset investments

	2024	2023
	£	£
Unlisted investments	2,500,000	-
	<u>2,500,000</u>	<u>-</u>

14. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	55,657	39,806
Other taxation and social security	74,986	73,804
Other creditors	9,379	22,480
Accruals and deferred income	1,487,314	391,631
	<u>1,627,336</u>	<u>527,721</u>

	2024	2023
	£	£
Deferred income at 1 September	358,517	420,140
Resources deferred during the year	1,466,349	358,517
Amounts released from previous periods	(358,517)	(420,140)
	<u>1,466,349</u>	<u>358,517</u>

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

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FOR THE YEAR ENDED 31 AUGUST 2024**

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

	2024	2023
	£	£
Accruals and deferred income	1,486,692	11,476
	<u>1,486,692</u>	<u>11,476</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2024	2023
	£	£
Payable or repayable by instalments	157,584	-
	<u>157,584</u>	<u>-</u>

16. Financial instruments

	2024	2023
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand and current asset investments	4,159,844	1,696,245
	<u>4,159,844</u>	<u>1,696,245</u>

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

17. Statement of funds

Statement of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Balance at 31 August 2024 £
Unrestricted funds				
Designated funds				
Sixth form	1,892	-	(1,892)	-
	<u>1,892</u>	<u>-</u>	<u>(1,892)</u>	<u>-</u>
General funds				
General Funds - all funds	5,441,384	5,994,921	(6,094,171)	5,342,134
	<u>5,441,384</u>	<u>5,994,921</u>	<u>(6,094,171)</u>	<u>5,342,134</u>
Total Unrestricted funds	<u>5,443,276</u>	<u>5,994,921</u>	<u>(6,096,063)</u>	<u>5,342,134</u>
Restricted funds				
Theatre appeal	-	50,091	-	50,091
Playground fund	-	1,445	-	1,445
	<u>-</u>	<u>51,536</u>	<u>-</u>	<u>51,536</u>
Total of funds	<u><u>5,443,276</u></u>	<u><u>6,046,457</u></u>	<u><u>(6,096,063)</u></u>	<u><u>5,393,670</u></u>

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

17. Statement of funds (continued)

Statement of funds - prior 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

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

The Theatre appeal relates to funds raised to support moveable tiered seating in the School theatre.

The Playground fund relates to funds raised specifically for improving the Prep School playground.

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	4,212,098	-	4,212,098
Current assets	4,244,064	51,536	4,295,600
Creditors due within one year	(1,627,336)	-	(1,627,336)
Creditors due in more than one year	(1,486,692)	-	(1,486,692)
Total	5,342,134	51,536	5,393,670

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

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior 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	5,443,276	5,443,276

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

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(49,606)	180,306
Adjustments for:		
Depreciation charges	228,392	211,259
Investment income	(39,337)	(17,707)
Decrease/(increase) in stocks	3,167	(2,652)
Increase in debtors	(13,541)	(66,496)
Increase/(decrease) in creditors	2,574,831	(34,658)
Financing costs	7,988	1,981
Net cash provided by operating activities	2,711,894	272,033

20. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	1,659,844	1,696,245
Total cash and cash equivalents	1,659,844	1,696,245

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21. Analysis of changes in net debt

	At 1 September 2023	Cash flows	At 31 August 2024
	£	£	£
Cash at bank and in hand	1,696,245	(36,401)	1,659,844
Liquid investments	-	2,500,000	2,500,000
	<u>1,696,245</u>	<u>2,463,599</u>	<u>4,159,844</u>

22. Capital commitments

	2024 £	2023 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	<u>154,602</u>	<u>88,679</u>

23. Pension commitments

The School contributes to three defined contribution schemes administered by NEST, 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 £539,066 (2023: £445,424). Contributions totalling £5,853 (2023: £5,063) were payable to the funds at the Balance Sheet date and are included in other creditors.

24. Operating lease commitments

At 31 August 2024 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	50,090	45,354
Later than 1 year and not later than 5 years	82,014	10,034
	<u>132,104</u>	<u>55,388</u>

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25. Operating lease commitments

At the year end, the School had agreed to enter into no new operating leases. At 31 August 2023 the total commitment for new operating leases was £134,280.

The total amount spent on operating leases in the year was £105,898 (2023: £80,473).

26. Related party transactions

There were no related party transactions noted in the year. There was one Governor expense that occurred in the year (2023: one). Two (2023: one) 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.