

**LEEDS GRAMMAR SCHOOL AND
LEEDS GIRLS' HIGH SCHOOL
FOUNDATION**

Report and Financial Statements

For the year ended 31 August 2024

**LEEDS GRAMMAR SCHOOL AND
LEEDS GIRLS' HIGH SCHOOL FOUNDATION**

REPORT AND FINANCIAL STATEMENTS 2024

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**LEEDS GRAMMAR SCHOOL AND
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TRUSTEES' REPORT 2024

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

The Trust is registered with the Charity Commissioners under charity reference number 529215.

Nominations to the Board of Trustees are approved by the Governors of The Grammar School at Leeds (GSAL), and all the Trustees, detailed below, have served throughout the period and subsequently, except where indicated.

	Date of Appointment	Date of Resignation
Mrs E E Bailey	5 July 2005	4 March 2024
Mr P Jolly	18 May 2012	4 March 2024
Ms G Mitchell	23 March 2019	
Ms J Harper	24 September 2019	
Mr P Britton	23 March 2023	
Ms C Vilarrubi	23 March 2023	
Mr M Curle	4 April 2023	
Mr A Martin	20 March 2024	
Mr S Kingston	20 March 2024	

Officers

Secretary:	Mrs E Carruthers
Treasurer:	Mr S Kingston
Registered address:	The Grammar School at Leeds, Alwoodley Gates, Harrogate Road, Leeds, LS17 8GS

Advisers

Bankers	NatWest Group P O Box 154 Leeds United Kingdom	Lloyds Bank Plc 65 Briggate Leeds LS1 6LH
Independent auditor	Saffery LLP 10 Wellington Place Leeds LS1 4AP	
Solicitors	Lupton Fawcett LLP 2 The Embankment Sovereign Street Leeds LS1 4BA	
Insurance brokers	Bartlett & Company Limited Broadway Hall Horsforth Leeds LS18 4RS	
Investment managers	RBC Brewin Dolphin 10 Wellington Place Leeds LS1 4AN	

LEEDS GRAMMAR SCHOOL AND LEEDS GIRLS' HIGH SCHOOL FOUNDATION

TRUSTEES' REPORT 2024

The Trustees of Leeds Grammar School and Leeds Girls' High School Foundation ('the Foundation') present their annual report for the year ended 31 August 2024 under the Charities Act 2011, together with the audited financial statements for the year, and confirm that the latter comply with the requirements of the Charities Act 2011, the Trust Deed, and the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Foundation was regulated by a scheme made by the Charity Commissioners in 1978, and after a number of revisions a new scheme came into being on 5 July 2005 in connection with the legal merger of Leeds Grammar School and Leeds Girls' High School to form The Grammar School at Leeds (GSAL).

A unifying direction was issued on 25 November 2009 whereby the Leeds Grammar School and Leeds Girls' High School Foundation Award Fund for Girls, the Leeds Grammar School and Leeds Girls' High School Foundation Award Fund for Boys and the GSAL Award Fund were to be treated as forming part of the Foundation for the purposes of Part II (registration) and Part VI (accounting) of the Charities Act 1993, although the individual charities remained separate and legally distinct.

On 10 April 2015 the Charity Commission published a scheme whereby the funds and activities of the linked charities, being the Leeds Grammar School and Leeds Girls' High School Foundation Award Fund for Girls, the Leeds Grammar School and Leeds Girls' High School Foundation Award Fund for Boys and the GSAL Award Fund, were transferred into the Leeds Grammar School and Leeds Girls' High School Foundation, who will continue to pursue the same objects as those previously linked charities. The previously linked charities were removed from the Charity Commission register on 10 April 2015.

Recruitment and training of Trustees

The Trustees were selected both because of their relevant experience of the Trust's area of operations and because of their experience as Trustees of other bodies. An induction process is in place for new Trustees when appointed, and they are made aware of on-going training opportunities.

Organisational Management

The Trustees met on four occasions during the year. All operational decisions affecting the trust are undertaken by the Board of Trustees.

Risk Management

The Trustees have reviewed major risks to which the trust is exposed, particularly those related to the operation and finances of the trust. The Trustees have given consideration to the appropriate policies, procedures and systems to mitigate the trust's exposure to the major risks.

The principal risks of the Foundation are associated with its ability to continue to generate investment income and donations to support the work of GSAL. The majority of the assets of the restricted funds are invested and so are subject to market fluctuation. The Trustees advise the Foundation's investment managers on the acceptable level of risk. A development group works for both the Foundation and School in order to develop fund raising activities as a whole.

OBJECTIVES AND ACTIVITIES

Charitable Objects

The object of the Foundation is to further the objects of either or both of The Grammar School at Leeds (GSAL) and Leeds Girls' High School.

Leeds Girls' High School and the Grammar School at Leeds legally merged on 31 August 2005 and have been jointly known thereafter as The Grammar School at Leeds (GSAL).

The Foundation is the custodian of the land at Alwoodley on which GSAL is situated and must retain the property for use as a school or schools.

The Foundation's main objectives during the year were:

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TRUSTEES' REPORT 2024

- to continue exploring ways of attracting additional funding and/or other ways of meeting the Foundation's objectives, including reviewing the benefit provided to the public through support of GSAL, in the light of changing legislative requirements.
- to assist, where appropriate, GSAL with its review of activities and operations, in order to reduce overall costs of the services provided by the School without affecting their quality or scope.

The Foundation meets the definition of a public benefit entity under FRS 102. The Trustees confirm that they have had regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning activities.

ACHIEVEMENTS AND PERFORMANCE

The Trustees have had success in attracting donations to support bursaries awarded to pupils of GSAL, in accordance with the objectives of the Foundation, and this work will continue to be developed. During the year the Trustees have reviewed various aspects of the Foundation's operations and have implemented changes to the Foundation's investment portfolio and bursary policy in order to provide additional funds to support bursary awards made by the school.

FINANCIAL REVIEW

Unrestricted funds

Income in respect of unrestricted funds amounted to £30,000 (2023: £30,000) arising from donations. Expenditure during the year was £8,390 (2023: £11,376). Net income from operations for the year amounted to £21,610 (2023: £18,624) resulting in total negative unrestricted funds carried forward of £151,008 (2023: negative £172,618).

Endowment funds

Interest received totalled £27,918 (2023: £9,106) and consequently endowment funds carried forward were £11,564,892 (2023: £11,536,989).

Restricted funds

Incoming resources in respect of restricted funds amounted to £1,310,273 (2023: £605,163) made up of interest, dividends, legacies and donations. Expenditure amounted to £104,937 (2023: £134,199), the majority of which was the contribution towards bursaries awarded by GSAL, with the balance made up of support for projects specified by donors, investment portfolio management expenses and bank charges. Donations to the School for bursaries and projects totalled £70,260 (2023: £100,532).

Stock Market performance over the year has led to an increase in portfolio values at year end resulting in unrealised gains of £494,143 (2023: losses of £326,489). The net movement in restricted funds was an increase of £1,701,836 (2023: increase of £141,994) and restricted funds carried forward £7,790,895 (2023: £6,089,059).

Total funds for all three funds carried forward were £19,204,779 (2023: £17,453,430).

Fundraising

Fundraising is carried out on behalf of the Foundation by GSAL.

GSAL is registered with the Fundraising Regulator and, as a result, has signed up to the Code of Fundraising Practice. No complaints have arisen this year with regards to GSAL's fundraising activity. All marketing/advertisement of events and activities is planned and led by the GSAL Director of Development to ensure that it is not unreasonably intrusive or persistent.

Reserves policy

Net income after expenditure from unrestricted funds is normally donated annually to GSAL unless the Trustees have reason to retain it in furtherance of the trust's objectives, therefore no free reserves are considered necessary.

The unrestricted fund had a negative balance of £151,008 at 31 August 2024 (2023: £172,618) Having sought the views and advice of the Charity Commission, the Foundation Trustees have agreed with the Directors of GSAL to replenish these funds by annual donations over a period not exceeding twenty years.

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TRUSTEES' REPORT 2024

Investment policy and objectives

The Trustees have wide investment powers as if they were beneficially entitled. Their policy has been to maintain the level of working capital. Each year the Trustees agree what the following year's bursary support to the School will be based on an agreed monetary amount. This gives certainty to the School in planning bursary awards and allows the Trustees to give appropriate direction to the investment manager. Three investment portfolios are held, with different investment priorities. The average income yields for the three portfolios for the year were:

Heritage portfolio	3.8% (2023: 3.8%)
New Bursary portfolio	2.6% (2023: 2.6%)
Prize portfolio	2.2% (2023: 2.4%)

The Trustees review the financial position of the Foundation each year and decide on the donations to be made to GSAL.

PLANS FOR THE FUTURE

- to continue exploring ways of attracting additional funding and/or other ways of meeting the trust's objectives, including reviewing the benefit provided to the public through support of GSAL, in the light of changing legislative requirements.
- where appropriate, assisting GSAL with its review of activities and operations, in order to reduce overall costs of the services provided by the school without affecting their quality or scope.

LEEDS GRAMMAR SCHOOL AND LEEDS GIRLS' HIGH SCHOOL FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, applicable accounting regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Signed on behalf of the Trustees

Signed by:

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Philip Britton
Trustee

Date: 11 April 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LEEDS GRAMMAR SCHOOL AND LEEDS GIRLS' HIGH SCHOOL FOUNDATION

Opinion

We have audited the financial statements of Leeds Grammar School and Leeds Girl's High School Foundation for the year ended 31 August 2024 which comprise the statement of financial activities, balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LEEDS GRAMMAR SCHOOL AND LEEDS GIRLS' HIGH SCHOOL FOUNDATION

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LEEDS GRAMMAR SCHOOL AND LEEDS GIRLS' HIGH SCHOOL FOUNDATION

included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.



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Saffery LLP

Chartered Accountants

10 Wellington Place
Leeds
LS1 4AP

Date: 16 June 2025

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

LEEDS GRAMMAR SCHOOL AND
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STATEMENT OF FINANCIAL ACTIVITIES
Year ended 31 August 2024

Note	Unrestricted Funds £	Permanent Endowment £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
INCOME:					
Charitable Income – support of education					
Interest received	-	27,918	1,796	29,714	9,106
Dividends received	-	-	187,970	187,970	222,378
Donations received	30,000	-	1,120,507	1,150,507	412,785
Other Trading Income					
Realised gain on sale of tangible assets	-	-	-	-	165,000
Other income	-	15	-	15	401,931
TOTAL INCOME	30,000	27,933	1,310,273	1,368,206	1,211,200
EXPENDITURE:					
Raising funds:					
Investment management expenses	-	-	34,261	34,261	33,037
Charitable expenditure:					
Donation to GSAL	-	-	70,260	70,260	100,532
Bank charges	-	30	416	446	660
Operating expenses	2,890	-	-	2,890	12,672
Audit fees	5,500	-	-	5,500	8,040
TOTAL EXPENDITURE	8,390	30	104,937	113,357	154,941
Gains/(losses) on investments:					
Realised gains/(losses) on sale of investments	-	-	2,357	2,357	(2,481)
Unrealised gains/(losses) on sale of investments	-	-	494,143	494,143	(326,489)
NET INCOME FOR THE YEAR	21,610	27,903	1,701,836	1,751,349	727,289
NET MOVEMENT IN FUNDS	2	21,610	27,903	1,701,836	727,289
TOTAL FUNDS BROUGHT FORWARD					
	(172,618)	11,536,989	6,089,059	17,453,430	16,726,141
TOTAL FUNDS CARRIED FORWARD	(151,008)	11,564,892	7,790,895	19,204,779	17,453,430

All income and expenditure derives from continuing operations.
There are no recognised gains and losses for the current and prior period other than as stated above.
See note 12 for a comparative analysis of the 2023 Statement of Financial Activities.

LEEDS GRAMMAR SCHOOL AND
LEEDS GIRLS' HIGH SCHOOL FOUNDATION

BALANCE SHEET
Year ended 31 August 2024

	Note	Unrestricted Funds £	Permanent Endowment £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
FIXED ASSETS						
Tangible assets	3	-	2,500,000	-	2,500,000	2,500,000
Investments	4	-	-	6,673,343	6,673,343	5,958,134
CURRENT ASSETS						
Debtors - amounts falling due within one year	5	60,000	-	-	60,000	30,636
Debtors - amounts falling due after more than one year	5	-	10,900,000	-	10,900,000	10,900,000
Cash at bank and on deposit		(204,708)	807,255	1,117,646	1,720,193	713,852
		<u>(144,708)</u>	<u>11,707,255</u>	<u>1,117,646</u>	<u>12,680,193</u>	<u>11,644,488</u>
CREDITORS: amounts falling due within one year	6	(6,300)	-	(94)	(6,394)	(6,829)
NET CURRENT (LIABILITIES)/ASSETS		(151,008)	11,707,255	1,117,552	12,673,799	11,637,659
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(151,008)</u>	<u>14,207,255</u>	<u>7,790,895</u>	<u>21,847,142</u>	<u>20,095,793</u>
CREDITORS: amounts falling due after more than one year	7	-	(2,642,363)	-	(2,642,363)	(2,642,363)
NET (LIABILITIES)/ASSETS		<u>(151,008)</u>	<u>11,564,892</u>	<u>7,790,895</u>	<u>19,204,779</u>	<u>17,453,430</u>
FUNDS						
Permanent Endowment		-	11,564,892	-	11,564,892	11,536,989
Restricted	8	-	-	7,790,895	7,790,895	6,089,059
Unrestricted	9	(151,008)	-	-	(151,008)	(172,618)
		<u>(151,008)</u>	<u>11,564,892</u>	<u>7,790,895</u>	<u>19,204,779</u>	<u>17,453,430</u>

See note 13 for a comparative analysis of the 2023 total balances.

These financial statements of the Leeds Grammar School and Leeds Girls' High School Foundation registered number 529215 were approved by the Board of Trustees and authorised for issue on

Signed by: 11 April 2025

 Philip Britton
Chairman
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Philip Britton

LEEDS GRAMMAR SCHOOL AND LEEDS GIRLS' HIGH SCHOOL FOUNDATION

CASH FLOW STATEMENT For the year ended 31 August 2024

	<u>Note</u>	<u>2024</u> <u>£</u>	<u>2023</u> <u>£</u>
Net cash flows from operating activities	A	1,042,449	539,431
Cash flows from investing activities:			
Dividends & interest received		217,684	231,484
Proceeds from sales of investments		732,674	492,584
Purchase of investments		(986,466)	(1,193,600)
Proceeds from sale of fixed assets		-	395,000
Change in cash in the year		1,006,341	464,899
Cash at the beginning of the year		713,852	248,953
Cash at the end of the year		<u>1,720,193</u>	<u>713,852</u>

Cash and cash equivalents are represented by bank balances and cash.

NOTE A: RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	<u>2024</u> <u>£</u>	<u>2023</u> <u>£</u>
Net income for the year	1,751,349	727,289
Interest & dividends receivable	(217,684)	(231,484)
(Profit) on disposal of fixed assets	-	(165,000)
(Profit)/Loss on investments and transfers to cash	(461,417)	640,645
(Decrease) in creditors	(435)	(401,383)
(Increase) in debtors	(29,364)	(30,636)
Net cash inflow from operating activities	<u>1,042,449</u>	<u>539,431</u>

LEEDS GRAMMAR SCHOOL AND LEEDS GIRLS' HIGH SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 August 2024

1. ACCOUNTING POLICIES

The Charity is registered with the Charity Commission under registration number 529215. It meets the definition of a public benefit entity under FRS 102.

The principal accounting policies adopted by the Trustees are described below.

Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015.

Basis of preparation of financial statements – going concern basis

The charity has provided a guarantee under a loan agreement between NatWest and GSAL as disclosed in note 10. The guarantee embodies certain performance covenants for GSAL.

After making enquiries, the Trustees have a reasonable expectation that GSAL will have adequate resources to make the required capital and interest repayments to its bankers as they fall due and that the covenants will be met.

The Trustees of the Foundation have reviewed the ongoing commitment to the annual donations to GSAL in order to preserve funds in the Foundation, and accordingly, the Trustees continue to adopt the going concern basis in preparing the annual report and financial statements.

Income

All income is recognised in the statement of financial activities when the charity has entitlement to the funds, conditions for receipt have been met, it is probable that the income will be received and the amount can be measured reliably. The following accounting policies are applied to income:

Donations

Donations received are recognised in the Statement of Financial Activities in the period in which the charity is entitled to receipt.

Investment income

Dividends and interest are accounted for when receivable and include the related tax recoverable.

Expenditure

Direct charitable expenditure

Direct charitable expenditure includes all expenditure directly related to the objects of the charity and includes the following:

Donation to GSAL for bursaries and scholarships

Donations are made to GSAL towards the cost of bursaries. These are accounted for in the academic year to which they are used by GSAL.

Bursaries, prizes and scholarships

Scholarships and prizes are accounted for when the Trustees have accepted a legal or moral obligation to make the expenditure.

Other expenditure

Other expenditure represents expenditure incurred in the management of the charity's assets, organisational administration, and compliance with constitutional and statutory requirements. Administration services are provided by GSAL free of charge and it is not possible to determine a reliable value of these donated services.

LEEDS GRAMMAR SCHOOL AND LEEDS GIRLS' HIGH SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 August 2024

Fund accounting

The trust holds the following funds:

- Unrestricted funds - these funds can be used in accordance with the charitable objects at the discretion of the Trustees.
- Restricted funds - these funds can only be used for particular restricted purposes within the objects of the trust. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- Permanent endowment funds - income generated from these funds may be used in the furtherance of the objects of the trust, but the capital must be retained.

Tangible fixed assets

Freehold properties are stated in the balance sheet at cost or value at the date of receipt.

No depreciation has been provided on the freehold land at Alwoodley (occupied by GSAL). The Trustees consider that the residual values based on cost at the time of occupation are such that their depreciation is insignificant. Any impairment identified is charged against the original cost of the property.

Investments

Investments are stated at market value. Realised and unrealised gains and losses are shown separately in the appropriate section of the statement of financial activities.

Concessionary loans

Concessionary loans are initially measured at the amount received or paid. In subsequent years, the carrying amount of concessionary loans is adjusted to reflect any accrued interest payable or receivable, less any impairment loss.

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The charity 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.

Taxation

As a registered charity the Foundation is exempt from income tax on its charitable activities.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

LEEDS GRAMMAR SCHOOL AND LEEDS GIRLS' HIGH SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 August 2024

2. NET MOVEMENT IN FUNDS

Net movement in funds for the year is stated after charging:

	2024 £	2023 £
Auditors' remuneration	7,200	6,800

The Trustees received no remuneration or expenses in the performance of their duties as Trustees of the Trust in the current or prior year.

The charity employs no staff, employees from GSAL provide support to the operations of the charity, however, it is not possible to place a value on these services which are provided free of charge.

3. TANGIBLE ASSETS

	Freehold land The Grammar School at Leeds, Alwoodley £
Cost	
At 1 September 2023	2,500,000
Disposals during the year	-
At 31 August 2024	<u>2,500,000</u>

In respect of the loans held within GSAL, a first and third party first legal charge is given by the Foundation in respect of the Alwoodley Freehold.

4. INVESTMENTS

	2024 £	2023 £
Total investments		
Market value at 1 September 2023	5,958,134	5,897,763
Additions	986,466	1,193,600
Disposal proceeds	(732,674)	(492,584)
Net realised investment gains/(losses)	2,357	(2,481)
Net unrealised investment gains/(losses)	494,143	(326,489)
Net transfer between investments and cash deposits	(35,083)	(311,675)
Market value at 31 August 2024	<u>6,673,343</u>	<u>5,958,134</u>
Cost at 31 August 2024	<u>6,077,227</u>	<u>5,850,117</u>
Investments comprise the following:		
Investments	6,556,759	5,806,466
Cash held by investment managers	116,584	151,668
Market value at 31 August 2024	<u>6,673,343</u>	<u>5,958,134</u>

Investments are revalued at mid market value at the year end. All investments are held within restricted funds.

LEEDS GRAMMAR SCHOOL AND LEEDS GIRLS' HIGH SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 August 2024

5. DEBTORS

	2024 £	2023 £
Amounts falling due within one year		
Due from Grammar School at Leeds	60,000	30,636
	<u>60,000</u>	<u>30,636</u>
Amounts falling due after more than one year		
Amount due from GSAL	<u>10,900,000</u>	<u>10,900,000</u>

The loan is interest-free, unsecured and due to be repaid in one amount on 31 December 2067, with an option to make prepayments after 31 December 2028.

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Creditors and accruals	<u>6,394</u>	<u>6,829</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2024 £	2023 £
Loan from GSAL	<u>2,642,363</u>	<u>2,642,363</u>

Interest was charged on the loan until 31 January 2014, but it is now interest free.

8. RESTRICTED FUNDS

On 10 April 2015 the Charity Commission published a scheme whereby the funds and activities of the linked charities, being the Foundation Award Fund for Girls, the Foundation Award Fund for Boys and the GSAL Award Fund, were merged with the Leeds Grammar School and Leeds Girls' High School Foundation. The previously linked charities were removed from the Charity Commission register on 10 April 2015. The various restricted funds inherited from the predecessor charities were reviewed and combined so that now only three separate restricted funds are maintained.

- Heritage Fund – combines all the historical restricted funds relating to bursaries and any new heritage amounts as specified by the donor
- New Bursary Fund – intended to include all new donations, unless otherwise specified by the donor.
- Prize Fund – combines all the historical restricted funds related to prize awards, and donations received specifically for prizes.

9. UNRESTRICTED FUNDS

This fund had a negative balance of £151,008 at 31 August 2024 (2023: £172,618). Having sought the views and advice of the Charity Commission, the Foundation Trustees have agreed with the Directors of GSAL to replenish these funds by annual donations over a period not exceeding twenty years.

**LEEDS GRAMMAR SCHOOL AND
LEEDS GIRLS' HIGH SCHOOL FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2024**

10. CONTINGENT LIABILITIES

Under a loan agreement entered into in November 2022 between the NatWest Group (the Bank) and GSAL the Foundation has provided the following securities:-

- a) a first-party first legal charge in respect of the Alwoodley freehold
- b) a deed of sub-ordination subordinating the loan to GSAL to the indebtedness of the Bank.

At 31 August 2024, the borrowings of GSAL amounted to £19,371,432 (2023: £22,600,004)

NOTE 12 - STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES FOR YEAR ENDED 31 AUGUST 2023 BY FUND-TYPE

	Note	Unrestricted Funds £	Permanent Endowment £	Restricted Funds £	Total Funds 2023 £
INCOME:					
Charitable Income – support of education					
Interest received		-	9,106	-	9,106
Dividends received		-	-	222,378	222,378
Donations received		30,000	-	382,785	412,785
Other Trading Income					
Realised gain on sale of tangible assets		-	165,000	-	165,000
Other income		-	401,931	-	401,931
TOTAL INCOME		30,000	576,037	605,163	1,211,200
EXPENDITURE:					
Raising funds:					
Investment management expenses		-	-	33,037	33,037
Charitable expenditure:					
Donation to GSAL for bursaries and scholarships		-	-	100,532	100,532
Bank charges		-	30	630	660
Operating expenses		3,336	9,336	-	12,672
Audit fees		8,040	-	-	8,040
TOTAL EXPENDITURE		11,376	9,366	134,199	154,941
Gains/(losses) on investments:					
Realised (losses) on sale of investments		-	-	(2,481)	(2,481)
Unrealised (losses) on revaluation of investments		-	-	(326,489)	(326,489)
NET INCOME/(EXPENDITURE) FOR THE YEAR		18,624	566,671	141,994	727,289
NET MOVEMENT IN FUNDS					
2		18,624	566,671	141,994	727,289
TOTAL FUNDS BROUGHT FORWARD		(191,242)	10,970,318	5,947,065	16,726,141
TOTAL FUNDS CARRIED FORWARD		(172,618)	11,536,989	6,089,059	17,453,430

13 BALANCE SHEET - COMPARATIVE FIGURES AT 31 AUGUST 2023 BY FUND TYPE

	Note	Unrestricted Funds £	Permanent Endowment £	Restricted Funds £	Total Funds 2023 £
FIXED ASSETS					
Tangible assets	3	-	2,500,000	-	2,500,000
Investments	4	-	-	5,958,134	5,958,134
CURRENT ASSETS					
Debtors - amounts falling due within one year	5	30,000	-	636	30,636
Debtors - amounts falling due after more than one year	5	-	10,900,000	-	10,900,000
Cash at bank and on deposit		(195,818)	779,352	130,318	713,852
		(165,818)	11,679,352	130,954	11,644,488
CREDITORS: amounts falling due within one year					
	6	(6,800)	-	(29)	(6,829)
NET CURRENT (LIABILITIES)/ASSETS		(172,618)	11,679,352	130,925	11,637,659
TOTAL ASSETS LESS CURRENT LIABILITIES					
		(172,618)	14,179,352	6,089,059	20,095,793
CREDITORS: amounts falling due after more than one year					
	7	-	(2,642,363)	-	(2,642,363)
NET (LIABILITIES)/ASSETS		(172,618)	11,536,989	6,089,059	17,453,430
FUNDS					
Permanent Endowment		-	11,536,989	-	11,536,989
Restricted	8	-	-	6,089,059	6,089,059
Unrestricted	9	(172,618)	-	-	(172,618)
		(172,618)	11,536,989	6,089,059	17,453,430