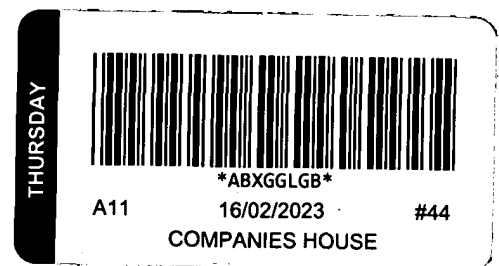


Registered number: 01657702
Charity number: 513031

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charitable company, its Governors and advisers	1
Governors' report (incorporating strategic report)	2 - 10
Independent auditor's report on the financial statements	11 - 14
Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18 - 35

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS GOVERNORS
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2022**

Governors	Mrs S Burns Dr M L Bush Mr T Carson Mrs J Causer, Chair Mrs J Colman (resigned 24 January 2022) Rev J Davis Mr A S Firth Mr J Johnson Mr B W J Phillips
Company registered number	01657702
Charity registered number	513031
Registered office	Burton Manor Stafford Staffordshire ST18 9AT
Company secretary	Mr S R Baum
Chief executive officer	Mr L H Thomas
Independent auditor	Cooper Parry Group Limited Chartered Accountants Cubo Birmingham Office 401, 4th Floor Two Chamberlain Square Birmingham B3 3AX

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

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 2022.

The School also operates under the name Stafford Grammar School.

AIMS AND OBJECTIVES

Policies and objectives

The School's principal objective is to promote and advance education. The School principally provides education for boys and girls in Stafford and the surrounding areas from the ages of 4-18. Stafford Grammar School comprises the Preparatory School (4-11), Senior School (11-16) and Sixth Form (16-18). Stafford Grammar School aims to ensure that all pupils fulfil their academic and personal potential within a caring family atmosphere and where pupils are known as individuals and nurtured accordingly. The School strives to create a community of happy, caring and confident individuals. During the year the School averaged 435 pupils (2021: 418).

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

In pursuance of the School's principal objectives, the School:

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

Objectives for the year ended 31 August 2022

Our main objectives at the start of the year were:

- To maintain and enhance the pupil roll.
- To continue to widen access and 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 consistent and sustainable financial resilience in light of the continuing challenges posed by the Covid-19 pandemic.

Considerations relevant to achieving objectives

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

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

PUBLIC BENEFIT

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

During the year, the School awarded bursaries and scholarships totalling £689,287 (2021: £600,279) to 123 (2021: 124) pupils. Within this total, means-tested awards, based on a sliding scale according to family financial circumstances totalling £364,086 (2021: £314,782), were awarded to 60 pupils (2021: 65 pupils), equivalent to 24 (2021: 24) full fee paying places.

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

Stafford Grammar School also runs a 'Music in Primary Schools' programme, through which the School's Director of Music visits local primary schools to deliver music workshops and classes. As a result, over 40 children from local primary schools now receive music lessons because of Stafford Grammar School's outreach programme.

Charitable support and activities

During the course of the year £5,455 was donated to charities supported by Stafford Grammar School. These included Katherine House, The Royal British Legion, Staffordshire Women's Aid, Children in Need, Save the Children, Young Minds, Read for Good, Acorns, House of Bread, Cancer Research and Amazon Smile. 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 fund-raising activity and nominate a charity to support.

ACHIEVEMENTS AND PERFORMANCE

Review of significant activities

a. Curriculum

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

Stafford Grammar School currently enters Sixth Form students for AS level qualifications where they exist. Typically, students begin the Sixth Form with 4 AS subjects, continuing with 3 to the full A-level at the end of the second year. Almost all students go on to study at university (with a small number choosing degree apprenticeships), many at Russell Group universities and the majority of students go on to study at their first choice university.

Personal, Social, Health and Economic Education (PSHEE) and Relationships and Sex Education (RSE) is covered through our dedicated 'Life and Wellbeing' programme and pupils receive lessons in each fortnightly cycle. In addition to the RSE curriculum, the School puts on additional 'drop-down' days with dedicated time off timetable for each year group to focus on a range of RSE topics. We have also launched a cross-schools project with another independent school to educate and engage students in responding to issues around sexual harassment in society and the significant issues raised by the Everyone's Invited website.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

b. Examination results

The School achieved a 100% pass rate at A Level with 72.3% of grades at A*-B which is an excellent achievement and is an improvement on the 2019 results (65%). 5 pupils achieved all A* star grades. The GCSE grades are down on the 2019 pass rate of 97% at 94%. This is because of a small number of pupils who did not perform well across the board and pulled down the overall pass rate. However, the percentage of 7-9 grades was slightly up at 52% compared to 51% in 2019. The comparison is deliberately made with 2019 since this is the last comparable year where grades were not based on teacher assessed grades and reflected outside assessment through examinations.

National league tables in newspapers place our results above those of most local independent and maintained schools.

These excellent results are a testament to the hard work of our students, in the case of Y13 never having sat a public examination before, throughout a very challenging two years, and the continued dedication, professionalism and commitment of our teachers.

Pupils have also achieved considerable success in the UK Maths Challenges with 60 pupils achieving Gold, Silver or Bronze certificates.

In March 2022 the Independent Schools Inspectorate conducted an Educational Quality Inspection of Stafford Grammar School. This type of inspection focuses on the quality of two areas; pupils' academic and other achievements and pupils' personal development. Stafford Grammar School secured the highest possible rating of 'Excellent' in both aspects.

Following this, in April 2022, the Times newspaper named Stafford Grammar School as the top independent school in Staffordshire.

c. The House system

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

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

d. Other activities

The School is fortunate in having staff who are willing to devote time to a wide range of extra-curricular activities, designed to enrich pupils' experiences over and above the School curriculum. The aim of these activities is to develop pupils as confident, articulated and well-rounded individuals who are well-prepared for life beyond School.

We have a thriving Forest School for all year groups in the Prep. School to enable pupils to experience the outdoors in a woodland area of our extensive School site. The Forest School also builds pupils' confidence, self-esteem and a sense of wellbeing.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

e. Performing arts – music and drama

Music continues to excel at Stafford Grammar School, with the Music Department performing around 40 concerts a year. The Music Department runs numerous groups and ensembles, including: Big Band, Concert Band, Orchestra, Dixie Band, 'Little Big' Band, Choir, Chamber Choir, Flute Group and Saxophone Group. The music groups perform in national and international competitions: the Big Band and Concert Band received Platinum Awards at the National Concert Band Festival and in the National Finals. Several of our musicians perform with the National Youth Orchestra. This year a Stafford Grammar School pupil was the Intermediate winner of the Staffordshire Young Musician of the Year. The Music Department also organises a biennial international tour. Major concerts take place in School at Christmas and Easter.

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

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

Stafford Grammar School pupils are also prepared for LAMDA examinations, with a wide range of students achieving success each year. We have three new LAMDA teachers in School delivering lessons to pupils from the Prep School up to the Sixth Form. 38 pupils took LAMDA exams this year of whom 31 achieved distinction.

The dance and drama studio which was installed last year 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 by a local theatre, dance and drama school.

f. Sport

The School continues to play competitive football, rugby, cricket, hockey, netball and rounders. In addition, pupils are entered for competitions in cross country, athletics and swimming. We have a team of pupils who enter national skiing competitions. Individual successes this year include several pupils who have been selected for district, county and national teams in their various sports, including athletics, cricket, cross country, dance, equestrianism, football, golf, gymnastics, hockey, netball, rounders, rugby, skiing, swimming, tennis and squash.

Team successes this year include: U15 ISA Midland Rounders Champions, U13 ISA Midland Rounders 4th, U18 District Football Runners Up, ISA Midland Athletics Runners Up, U12 District Netball Runners Up, U14 District Netball Runners Up, National Outdoor Skiing Champions, National Open Skiing Champions, ISA National Skiing Champions, Y12/13 Boys District Cross Country Champions, Y10/11 Boys District Cross Country Champions, Y8/9 Boys Cross Country Champions, Y7 Boys Cross Country Runners Up, Y10/11 Girls Cross Country Champions, Y8/9 Girls Cross Country Champions, Y7 Girls Cross Country Runners Up, U14 ISA Midland Football Champions, National Schools Skiing Qualifiers 3rd, British Schools Skiing Indoor Open Girls Championships Champions, British Schools Skiing Indoor Open Boys Championships 4th

The School has a new AstroTurf MUGA (Multi Use Games Area) pitch which was installed over the summer of 2021 on the site of a disused bowling green. This is in regular use for hockey and football training.

g. Duke of Edinburgh's Award

The Duke of Edinburgh scheme continues to thrive with pupils achieving a very high number of Bronze, Silver and Gold Awards each year; 21 Bronze and 8 Silver Awards were achieved, a terrific success given the impact of COVID, which significantly impacted upon the pupils' ability to fulfil all the expedition requirements this year.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

h. School trips

School trips have been run again this year following the lifting of the restrictions during the pandemic. A successful tour to Belgium was carried out by the music department and UK based residential trips have been re-established including sports and theatre trips and visits to museums. The full complement of trips is back in place for the following academic year.

i. School transport

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

FINANCIAL REVIEW

Results for the year

The School's net income surplus for the year amounted to £245,343 (2021: £214,118), which the Governors consider to be a reasonable result, the best since 2016, given the fact that this was the first full academic year when the School did not have a period of lock-down but still had to overcome the numerous challenges posed by coronavirus and the Governors decision to keep the annual fee increase in September 2021 to just 1.8%.

The hiring out of the School's sports hall and facilities during evenings and holiday periods contributed towards the School's income surplus and commitment to supporting the wider community.

The School's total income for the year increased by £453,626, up by 9.6 % (2021: 1.7% increase), on the previous year. However, the total expenditure for the year increased by £422,401, up by 9.4% (2021: 1.6% decrease).

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

Key performance indicators

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

Some of the other indicators we use to monitor the financial health of the School are::

	2022	2021
% Costs to net income	95%	95%
% Teaching salaries to net income	53%	58%
% Support salaries to net income	16%	15%
% Net surplus to net income	4.7%	4.5%
Current ratio	2.7:1	2.3:1

All of which indicate a steadily improving trend. The cash flow forecast for the next two years is also

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

encouraging.

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 unplanned costs. The expenditure of the School is dominated by staff salaries which amount to 70% of net income, nevertheless opportunities for reducing costs, without adversely affecting performance, are identified and actioned when possible.

A long term loan was paid off in December 2021 so the School is now debt free. At the year end the School had cash of £1,503,083. After making appropriate enquiries, including consideration of cash flow forecasts to the end of FY2024, the Governors have concluded that it is reasonable to expect that the School will generate sufficient resources to continue in operational existence for the foreseeable future and meet all of its financial obligations. It is considered that, after examining likely future risks to the business (including the most recent risks caused by the economic shock of the conflict in Ukraine), that there will be sufficient funds to continue in operation should one of those risks materialise. As a matter of course Governors consider the financial risks to the School at formal meetings and also informally on a monthly basis by reviewing the management accounts. For this reason the Governors have continued to adopt a going concern basis in preparing the School's financial statements.

Financial and general risk management

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

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

- Affordability of an independent school education to our parents in relation to household income and other financial pressures. This is especially true if independent schools lose their exemption for VAT on school fees. The Governors' policy is to set annual fee increases as low as possible commensurate with the costs of running the School and the need to invest for the future.
- Future enforced lockdowns of the School for health or other reasons. This risk will be mitigated by the proven ability of the School to switch to extensive high quality online teaching of its pupils
- Continued economic shock resulting from the conflict in the Ukraine has 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 well-being.
- Operational costs of running an independent school, including staffing, facilities, assets, pensions and utilities. The future loss of business rate relief for charities would have an immediate impact on the operational costs of the school however it is reasonable to assume that some notice period would be given of this policy change.
- Cybercrime attacks on schools. The impact of this has been mitigated by having strong firewalls and IT protocols in place. In the past year an external consultant has been used by the School to review the actual risk to the School by conducting a cyber hygiene risk assessment, highlight any weak areas and propose any improvements to the system. In addition, the School carries insurance against cybercrime. A plan of action to mitigate the risk of a cyber-attack is currently under development.
- Regulatory and compliance burdens such as safeguarding to ensure the health and well-being of our pupils and staff under the protection and guidance of the School.
- Culture and complacency due to 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 with relevant skills.
- Lack of a strategy to deal with future waves of the pandemic. This has been mitigated by very regular

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

communication with the various professional bodies associated with independent education who advise the School on legislative and regulatory measures and on sector best practice.

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

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

- Formal agendas for all Committee and Board activity;
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structure and lines of reporting.
- Formal written policies.
- Hierarchical authorisation and approval levels for financial decision making.
- Vetting procedures as required by law for the protection of the vulnerable.

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

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

Fees

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

Principal funding and reserves policy

The Governors recognise the need for prudent financial management and to build up reserves over time.

The School's policy is to build reserves sufficient to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall.

The Governors view the development plan for the School as the most effective and prudent way to ensure the long term future of the School. Free Reserves were £985,000 which the School calculates as the net funds less those represented by tangible fixed assets.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

Policies adopted for the induction and training of Governors

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

Members of the Governing Body attend internal and external trustee training and information briefings designed

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

to keep them informed and updated on current issues in the sector and regulatory requirements.

Pay policy for senior and other staff

The remuneration of senior staff members is reviewed annually by the Headmaster in conjunction with advice and recommendations given by selected members of the Governing Body. The Remuneration Committee reviews, on an annual basis, the remuneration of the Headmaster.

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 five committees, which meet as required:

- The Finance, Development and Audit Committee scrutinises revenue, the 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. This year, the work of the former Remuneration Committee has been subsumed into this Committee. 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 is chaired by Dr Marie Bush.
- The Health and Safety Committee ensures that all relevant statutory requirements are being complied with and that the Health and Safety Policy requirements are met. The Committee is chaired by Mr John Johnson.

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

PLANS FOR FUTURE PERIODS

The new Head has been in post since September 2022 and has made a strong impact on the School. He has been driving plans for the future which include:

- A new Sixth Form programme.
- Developing partnerships with businesses through membership of the Staffordshire Chambers of Commerce.
- To continue to ensure the School site provides a safe and attractive environment for pupils, staff and visitors alike.
- To provide a happy and secure pastoral environment, in which all pupils are offered opportunities for leadership and service to others.
- To provide a stimulating and enjoyable learning environment in which pupils can develop their academic potential to the full.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

- To increase the capability of the School to offer education to children whose parents are unable to afford full fees.
- To ensure the School plays a significant part in the life of the local community, sharing facilities and seeking local partnerships wherever possible.

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.
- 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: 1 February 2023

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 2022 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 2022 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 trustees

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

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

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
Chartered Accountants
Statutory Auditor
Cubo Birmingham
Office 401, 4th Floor
Two Chamberlain Square
Birmingham
B3 3AX

Date: 10 February 2023

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds As restated 2021 £
Income from:					
Donations and legacies	3	-	-	-	6,470
Charitable activities	4	5,132,856	-	5,132,856	4,624,444
Other trading activities		37,491	-	37,491	6,733
Investments	5	2,315	-	2,315	927
Other income	6	-	-	-	80,462
Total income		5,172,662	-	5,172,662	4,719,036
Expenditure on:					
Raising funds	7	2,970	-	2,970	7,313
Charitable activities	8	4,900,984	23,365	4,924,349	4,497,605
Total expenditure		4,903,954	23,365	4,927,319	4,504,918
Net income/(expenditure)		268,708	(23,365)	245,343	214,118
Transfers between funds	19	(1,803)	1,803	-	-
Net movement in funds		266,905	(21,562)	245,343	214,118
Reconciliation of funds:					
Total funds brought forward		4,996,065	21,562	5,017,627	4,803,509
Net movement in funds		266,905	(21,562)	245,343	214,118
Total funds carried forward		5,262,970	-	5,262,970	5,017,627

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

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

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

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2022 £	As restated 2021 £	As restated 2021 £
Fixed assets					
Tangible assets	13		4,277,508		4,305,863
			<u>4,277,508</u>		<u>4,305,863</u>
Current assets					
Stocks	14	3,791		5,220	
Debtors	15	52,443		51,596	
Cash at bank and in hand		1,503,083		1,234,426	
		<u>1,559,317</u>		<u>1,291,242</u>	
Creditors: amounts falling due within one year	16	(573,855)		(565,980)	
Net current assets			<u>985,462</u>		<u>725,262</u>
Total assets less current liabilities			<u>5,262,970</u>		<u>5,031,125</u>
Provisions for liabilities	18		-		(13,498)
Total net assets			<u><u>5,262,970</u></u>		<u><u>5,017,627</u></u>
Charity funds					
Restricted funds	19		-		21,562
Unrestricted funds	19		5,262,970		4,996,065
Total funds			<u><u>5,262,970</u></u>		<u><u>5,017,627</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: 1 February 2023

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

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	481,008	525,307
Cash flows from investing activities		
Investment income receipts	2,315	927
Purchase of tangible fixed assets	(180,200)	(276,757)
Finance costs paid	(2,970)	(7,313)
Net cash used in investing activities	(180,855)	(283,143)
Cash flows from financing activities		
Repayments of borrowing	(31,496)	(58,800)
Net cash used in financing activities	(31,496)	(58,800)
Change in cash and cash equivalents in the year	268,657	183,364
Cash and cash equivalents at the beginning of the year	1,234,426	1,051,062
Cash and cash equivalents at the end of the year	1,503,083	1,234,426

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

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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 unplanned costs. The expenditure of the School is dominated by staff salaries which amount to 70% of net income, nevertheless opportunities for reducing costs, without adversely affecting performance, are identified and actioned when possible.

A long term loan was paid off in December 2021 so the School is now debt free. At the year end the School had cash of £1,503,083. After making appropriate enquiries, including consideration of cash flow forecasts to the end of FY2024, the Governors have concluded that it is reasonable to expect that the School will generate sufficient resources to continue in operational existence for the foreseeable future and meet all of its financial obligations. It is considered that, after examining likely future risks to the business (including the most recent risks caused by the economic shock of the conflict in Ukraine), that there will be sufficient funds to continue in operation should one of those 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 2022**

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.

Other income relates to income from the Coronavirus Job Retention Scheme. This is a government grant and is therefore recognised in the period that it is receivable. Where entitlement occurs before income is received, the income is accrued.

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.

Support costs are those costs incurred directly in support of expenditure on the objects of the School.

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.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 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 should be included in the measurement of cost.

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

Depreciation is provided on the following basis:

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

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

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

2.7 Stocks

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

2.8 Debtors

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

2.9 Cash at bank and in hand

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

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.10 Liabilities and provisions

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

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

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

2.11 Financial instruments

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

2.12 Operating leases

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

2.13 Pensions

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

2.14 Fund accounting

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

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

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

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

2. Accounting policies (continued)

2.15 Critical accounting estimates and areas of judgement

Estimates, forecasts and judgements are regularly evaluated and based on historical data, changes in School or national policies as well as predicted future trends that are believed to be reasonable or likely under the prevailing circumstances at the time. The resulting forecasts will always have a margin of uncertainty and rarely be an exact match for actual outturns depending on the fidelity of the assumptions used in constructing the forecast. Notwithstanding the current economic uncertainty, the Governors consider that accounting forecasts, assumptions and judgements made will not have a significant difference to the amounts of assets and liabilities carried forward in the next financial year. Depreciation policies are applied to each asset category in order to reflect the useful economic life of the assets. It is considered that there are sufficient procedures, policies, checks and controls in place to monitor the financial health of the School on a near continual basis. The School also makes judgements regarding the recovery of debt from trade debtors. If these are not believed to be recoverable based on their knowledge and experience, then these amounts will be provided for in the accounts of the School.

3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	-	-	6,470
Total 2021	6,470	6,470	

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Gross school fees	5,621,409	5,621,409	5,229,708
Scholarships, bursaries and discounts	(971,348)	(971,348)	(887,232)
Other education income	482,795	482,795	282,012
Donations	-	-	(44)
Total 2022	5,132,856	5,132,856	4,624,444
Total 2021	4,624,444	4,624,444	

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	2,315	2,315	927
	<u>2,315</u>	<u>2,315</u>	<u>927</u>
Total 2021	<u>927</u>	<u>927</u>	

6. Other income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Coronavirus Job Retention Scheme	-	-	80,462
	<u>-</u>	<u>-</u>	<u>80,462</u>
Total 2021	<u>80,462</u>	<u>80,462</u>	

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest and charges	2,970	2,970	7,313
	<u>2,970</u>	<u>2,970</u>	<u>7,313</u>
Total 2021	<u>7,313</u>	<u>7,313</u>	

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Teaching	3,131,853	-	3,131,853	2,852,172
Prep School	627,950	-	627,950	663,790
Transport	299,478	-	299,478	215,409
Sports Hall	31,403	-	31,403	26,198
Premises	758,943	23,365	782,308	712,081
Governance	51,357	-	51,357	27,955
	<u>4,900,984</u>	<u>23,365</u>	<u>4,924,349</u>	<u>4,497,605</u>
Total 2021	<u>4,494,667</u>	<u>2,938</u>	<u>4,497,605</u>	

Summary by expenditure type

	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total 2022 £	Total 2021 £
Teaching	2,248,959	-	882,894	3,131,853	2,852,172
Prep School	601,871	-	26,079	627,950	663,790
Transport	201,195	-	98,283	299,478	215,409
Sports Hall	-	-	31,403	31,403	26,198
Premises	550,388	208,555	23,365	782,308	712,081
Governance	-	-	51,357	51,357	27,955
	<u>3,602,413</u>	<u>208,555</u>	<u>1,113,381</u>	<u>4,924,349</u>	<u>4,497,605</u>
Total 2021	<u>3,470,267</u>	<u>187,848</u>	<u>839,490</u>	<u>4,497,605</u>	

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Teaching	2,556,986	574,867	3,131,853	2,852,172
Prep School	598,648	29,302	627,950	663,790
Transport	299,478	-	299,478	215,409
Sports Hall	31,403	-	31,403	26,198
Premises	-	782,308	782,308	712,081
Governance	-	51,357	51,357	27,955
	<u>3,486,515</u>	<u>1,437,834</u>	<u>4,924,349</u>	<u>4,497,605</u>
Total 2021	<u>3,199,835</u>	<u>1,297,770</u>	<u>4,497,605</u>	

Analysis of direct costs

	Teaching 2022 £	Prep School 2022 £	Transport 2022 £	Sports Hall 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	2,181,175	574,957	201,195	-	2,957,327	2,857,582
Subject materials and supplies	140,427	20,607	-	-	161,034	128,615
School transport costs	73,421	-	-	-	73,421	985
Seminars and training courses	5,356	2,935	-	-	8,291	10,109
Travelling and motor expenses	1,187	149	98,283	-	99,619	64,026
Light and heat	-	-	-	26,284	26,284	22,203
Catering costs	104,356	-	-	-	104,356	57,619
Sundry expenses - sports hall	-	-	-	5,119	5,119	3,995
Marketing	51,064	-	-	-	51,064	54,701
	<u>2,556,986</u>	<u>598,648</u>	<u>299,478</u>	<u>31,403</u>	<u>3,486,515</u>	<u>3,199,835</u>
Total 2021	<u>2,326,131</u>	<u>632,097</u>	<u>215,409</u>	<u>26,198</u>	<u>3,199,835</u>	

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Teaching 2022 £	Prep School 2022 £	Premises 2022 £	Governance 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	67,784	26,914	550,388	-	645,086	612,685
Depreciation	-	-	208,555	-	208,555	187,848
Postage, printing, stationery & advertising	4,836	-	-	-	4,836	4,598
Insurances	53,240	-	-	-	53,240	47,493
Marketing	10,317	-	-	-	10,317	10,317
Telephone	17,568	-	-	-	17,568	17,952
Maintenance and repairs	79,260	-	23,365	-	102,625	83,304
Business & water rates	39,575	-	-	-	39,575	34,624
Light and heat	57,539	-	-	-	57,539	49,077
Subscriptions	42,729	1,693	-	-	44,422	45,116
Cleaning	18,247	-	-	-	18,247	19,092
Leasing charges	84,916	-	-	-	84,916	106,266
Sundry expenses	33,476	695	-	-	34,171	22,780
Consumable computer expenses	9,496	-	-	-	9,496	6,778
Professional fees	5,408	-	-	51,357	56,765	31,216
Bad debts	50,476	-	-	-	50,476	18,624
	<u>574,867</u>	<u>29,302</u>	<u>782,308</u>	<u>51,357</u>	<u>1,437,834</u>	<u>1,297,770</u>
Total 2021	<u>526,041</u>	<u>31,693</u>	<u>712,081</u>	<u>27,955</u>	<u>1,297,770</u>	

10. Auditor's remuneration

	2022 £	2021 £
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	11,000	11,000
Fees payable to the charitable company's auditor in respect of:		
All non-audit services not included above	<u>1,500</u>	<u>800</u>

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

11. Staff costs

	2022	2021
	£	£
Wages and salaries	2,904,750	2,812,829
Social security costs	284,767	256,829
Other pension costs	412,896	400,609
	<u>3,602,413</u>	<u>3,470,267</u>

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

	2022	2021
	No.	No.
Teaching staff	62	56
Support staff	53	48
	<u>115</u>	<u>104</u>

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	4	5
In the band £80,001 - £90,000	1	-

The total remuneration and benefits received by key management personnel for the year was £437,972 (2021: £332,287).

Settlement payments were made to 1 employee (2021: redundancy payments to 7 employees) totalling £2,000 (2021: £41,119).

12. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 August 2022, no Governor expenses have been incurred (2021 - £NIL).

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

13. Tangible fixed assets (brought forward balances as restated)

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Other fixed assets £	Total £
Cost or valuation						
At 1 September 2021	5,715,498	557,073	442,822	1,235,565	195,864	8,146,822
Additions	90,017	-	59,568	26,645	3,970	180,200
At 31 August 2022	5,805,515	557,073	502,390	1,262,210	199,834	8,327,022
Depreciation						
At 1 September 2021	1,718,014	474,326	286,574	1,167,644	194,401	3,840,959
Charge for the year	116,745	19,051	42,681	27,915	2,163	208,555
At 31 August 2022	1,834,759	493,377	329,255	1,195,559	196,564	4,049,514
Net book value						
At 31 August 2022	3,970,756	63,696	173,135	66,651	3,270	4,277,508
At 31 August 2021	3,997,484	82,747	156,248	67,921	1,463	4,305,863

14. Stocks

	2022 £	2021 £
Raw materials	2,583	3,878
Finished goods	1,208	1,342
	3,791	5,220

15. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	622	46,372
Other debtors	4,652	3,134
Prepayments and accrued income	47,169	2,090
	52,443	51,596

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	-	31,496
Trade creditors	31,816	109,194
Other taxation and social security	68,888	67,441
Other creditors	21,467	26,857
Accruals and deferred income	451,684	330,992
	<u>573,855</u>	<u>565,980</u>
	2022 £	2021 £
Deferred income at 1 September 2021	315,273	304,198
Resources deferred during the year	151,648	315,273
Amounts released from previous periods	(315,273)	(304,198)
	<u>151,648</u>	<u>315,273</u>

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

17. Financial Instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>1,503,083</u>	<u>1,234,426</u>

18. Provisions

	Exam fee refund £
At 1 September 2021	13,498
Amounts used	(13,498)
	<u>-</u>

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

19. Statement of funds

Statement of funds - current year

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

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

19. Statement of funds (continued)

Statement of funds - prior year

	As restated Balance at 1 September 2020 £	Income £	Expenditure £	As restated Balance at 31 August 2021 £
Unrestricted funds				
Designated funds				
Sixth form	-	6,470	-	6,470
General funds				
General Funds - all funds	4,779,009	4,712,566	(4,501,980)	4,989,595
Total Unrestricted funds	4,779,009	4,719,036	(4,501,980)	4,996,065
Restricted funds				
Performing arts	24,500	-	(2,938)	21,562
Total of funds	4,803,509	4,719,036	(4,504,918)	5,017,627

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

The restricted funds relates to a donation in the prior year which is to be used for performing arts and theatre renovation.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

20. Summary of funds

Summary of funds - current year

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

Summary of funds - prior year - as restated

	As restated Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Designated funds	-	6,470	-	6,470
General funds	4,779,009	4,712,566	(4,501,980)	4,989,595
Restricted funds	24,500	-	(2,938)	21,562
	<u>4,803,509</u>	<u>4,719,036</u>	<u>(4,504,918)</u>	<u>5,017,627</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

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

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year - as restated

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	4,305,863	-	4,305,863
Current assets	1,269,680	21,562	1,291,242
Creditors due within one year	(565,980)	-	(565,980)
Provisions for liabilities and charges	(13,498)	-	(13,498)
Total	4,996,065	21,562	5,017,627

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

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	245,343	214,118
Adjustments for:		
Depreciation charges	208,555	187,847
Investment income	(2,315)	(927)
Loss on the sale of fixed assets	-	1,530
Decrease in stocks	1,429	146
Decrease/(increase) in debtors	(847)	97,943
Increase in creditors	25,873	17,337
Financing costs	2,970	7,313
Net cash provided by operating activities	481,008	525,307

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	1,503,083	1,234,426
Total cash and cash equivalents	1,503,083	1,234,426

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

24. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,234,426	268,657	1,503,083
Debt due within 1 year	(31,496)	31,496	-
	<u>1,202,930</u>	<u>300,153</u>	<u>1,503,083</u>

25. Capital commitments

	2022 £	2021 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	64,970	-
	<u>64,970</u>	<u>-</u>

26. Pension commitments

The School contributes to two defined contribution schemes administered by Standard Life and Aviva for the benefit of eligible support staff employees and teachers respectively. The pension cost charged in the accounts is the amount payable by the School during the year which amounted to £412,896 (2021: £400,609). Contributions totalling £7,361 (2021: £8,884) were payable to the funds at the Balance Sheet date and are included in other creditors.

27. Operating lease commitments

At 31 August 2022 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	68,428	64,227
Later than 1 year and not later than 5 years	48,471	91,313
	<u>116,899</u>	<u>155,540</u>

28. Related party transactions

There were no related party transactions noted in the year. There were no trustee expenses that occurred in the year (2021: none). Two (2021: two) of the Governors have children or grandchildren at the School.

STAFFORD INDEPENDENT GRAMMAR SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

29. 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.

30. Prior year adjustment

The tangible fixed assets opening cost and depreciation have been restated to agree to the School's fixed asset register following a review of the historical assets recorded in the fixed asset register and the depreciation charged thereon.

The restatement has resulted in a decrease to the tangible fixed asset net book value at the start of the year of £76,736 with a corresponding reduction in the brought forward reserves. The full impact was to unrestricted reserves.