

Registered number: 05664801  
Charity number: 1114424

# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

**Annual report**

**31 July 2020**

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# **The Newcastle upon Tyne Royal Grammar School**

**(A company limited by guarantee)**

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# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

## **Reference and administrative details**

**Year ended 31 July 2020**

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### **Governors**

Mrs J Drummond, Co-opted Governor (Chairman from 2 December 2017)  
Ms T Hartley, Co-opted Governor (Vice Chairman)  
Dr J Berry, Co-opted Governor (appointed 15 October 2020)  
Mr P.A Campbell, Co-opted Governor (resigned 12 June 2020)  
Ms C D'Cruz, Co-opted Governor (resigned 12 June 2020)  
Mr I Evbuomwan, Co-opted Governor (resigned 12 June 2020)  
Mr H Fell, Co-opted Governor  
Mr A Fletcher, Co-opted Governor  
Mrs S Green, Co-opted Governor  
Mrs A Gupta, Co-opted Governor  
Prof S Hambleton, Nominated by the University of Newcastle  
Prof M Hannifa, Nominated by the University of Newcastle  
Mr A Lamb, Co-opted Governor  
Mr N McMinn, Co-opted Governor (appointed 24 April 2020)  
Miss S Milligan, Co-opted Governor  
Mr A Murphy, Co-opted Governor  
Mrs C Murphy, Co-opted Governor (resigned 12 June 2020)  
Mr M Robinson, Co-opted Governor (appointed 15 October 2020)  
Mr I Simpson, Co-opted Governor  
Ms C Stonehouse, Co-opted Governor  
Cllr T Thorne, Nominated by Northumberland County Council  
Prof J Turner, Co-opted Governor (resigned 8 January 2020)  
Mrs S Woodroffe, Co-opted Governor

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|----------------------------------|--------------------------------------------------------------------------------------------------------|
| <b>Company registered number</b> | 05664801                                                                                               |
| <b>Charity registered number</b> | 1114424                                                                                                |
| <b>Registered office</b>         | Eskdale Terrace<br>Newcastle upon Tyne<br>NE2 4DX                                                      |
| <b>Company secretary</b>         | J Blott                                                                                                |
| <b>Headmaster</b>                | Mr G Stanford                                                                                          |
| <b>Independent auditor</b>       | UNW LLP<br>Chartered Accountants<br>Citygate<br>St. James' Boulevard<br>Newcastle upon Tyne<br>NE1 4JE |

# **The Newcastle upon Tyne Royal Grammar School**

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## **Reference and administrative details (continued)**

**Year ended 31 July 2020**

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### **Bankers**

Barclays Bank plc  
PO Box 379  
71 Grey Street  
Newcastle upon Tyne  
NE99 1JA

NatWest  
2nd Floor  
1 Trinity Gardens  
Broad Chare  
Newcastle upon Tyne  
NE1 2HF

### **Investment advisors**

Brewin Dolphin Limited  
Time Central  
Gallowgate  
Newcastle upon Tyne  
NE1 4SR

CCLA  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4ET

### **Insurance broker**

Zurich Municipal  
Zurich House  
2 Gladiator Way  
Farnborough  
GU14 6GB

# **The Newcastle upon Tyne Royal Grammar School**

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## **Trustees' report**

**Year ended 31 July 2020**

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The Governors present their annual report together with the audited financial statements for the year 1st August 2019 to 31st July 2020. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) 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 2019).

## **OBJECTIVES AND ACTIVITIES**

### **Charitable objectives**

The charitable objectives of the Newcastle Royal Grammar School (RGS) are set out in the School's Memorandum of Association as follows and state that we are established for public benefit to deliver:

- The education of children and young persons in the North East of England;
- To provide facilities in the interests of social welfare for the education, recreation or other leisure facilities (including but not limited to the arts) of the public at large with a view to improving the conditions of life in Newcastle upon Tyne and the North East of England.

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### **Our Vision**

The School has a very clear vision as to what it wishes to achieve and the purposes for which it was established:

- We believe that by inspiring and nurturing hearts and minds, we can give those around us the freedom to create and shape their own future.
- A future that is built on our sense of history and belonging in the city but is fueled by an ambition to succeed and evolve.
- A place where freedom of expression, ideas and beliefs can be shared, exchanged and grow openly in our happy environment.
- An environment where we look out for each other and treat everyone with care and respect, within and beyond our community.
- A spirit to challenge, inspire and stretch the minds of everyone here so we feel free to explore, free to think, free to try, free to dream of possibilities and free to be ourselves.
- With hard work, courage and belief in each other, together we have the freedom to make the future our own.

We do this through our purpose and our values which guide everything we do, giving those around us the freedom to create their future.

Much has been achieved in an exceptional year where every member of our community has been impacted by the Covid-19 pandemic. Our Vision has been pivotal in how we have approached these challenges with a strong focus on the well being of our students and staff and we have continued to ensure that the RGS is an "environment where we look out for each other and treat everyone with care and respect, within and beyond our community."

Using this Vision, the School has identified 4 key purposes and values which are applied practically on a daily basis:

# **The Newcastle upon Tyne Royal Grammar School**

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## **Trustees' report (continued)** **Year ended 31 July 2020**

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1. To provide a sense of belonging
2. To instil a love for learning
3. To encourage a belief in each other
4. To promote an ambition to succeed

### **Activities for achieving objectives**

The Governors of the RGS review the performance of the school through the four key values as established in the School's Vision Statement. This better reflects the aims and priorities of the school to help nurture and develop each and every member of the community.

#### **1. *Sense of Belonging***

Care and respect for each other lies at the heart of the Royal Grammar School, and therefore pastoral care support for each individual remains central to its work.

The School continues to invest in wellbeing and mental health, and this area is seen as an essential part of meeting our vision. The Deputy Head Pastoral has a team which includes dedicated counsellors along with a full-time Assistant Head Pastoral in the Junior School, a School Doctor and nurses. All staff and governors have received training in the safeguarding of children and the topic has also been a focus amongst the pupils. This is crucial in ensuring the school can support the individual needs of the members of the community as far as it can.

The School has strong links with the local and regional communities and is very aware of its role in providing public benefit above and beyond its significant bursary and accessibility provision. This year the new role of Director for Community Partnership and Outreach has been a focus for leading and co-ordinating the school's interactions with other maintained schools and businesses.

The school is blessed with very good facilities and the new building housing the library, assembly space, art block, maths classrooms and new pastoral suite was completed in time to open for the new academic year in September 2019. These facilities have provided a new impetus to the school's work both with our own students as increase our ability to host other groups and events. The refurbishment programme for the Sixth Form and old library to create an enlarged and enhanced Sixth Form Centre was opened in January 2020. It has provided the Sixth Form students with an enhanced space for both studying and social activity. The school continues to expand the use of its facilities by other community users including schools, clubs and societies with the Sports Centre and Performing Arts Centre particularly well used. Unfortunately, the Covid-19 lockdown in March halted all external use of the school facilities through to the end of August 2020 and this remains under review with the School acting in accordance with guidance set out by the Government. The RGS is strongly committed to supporting the wider education community of the city and North East Region and is engaged in projects with other regional schools. We strive to help recruit and support new entrants to the profession by working closely with local GTP/SCITT providers.

Staff are involved in the community in many ways ranging from being governors and trustees at state schools in the region to teaching and lecturing at other institutions.

The Governing Board and the School take their place and sense of belonging in the community very seriously.

#### **2. *Love for Learning***

The School prides itself on nurturing academic promise and doing its best to instil a real love for learning and not simply teaching 'to the test'. To that end, the school thinks carefully about its approaches to learning and teaching and encourages staff to develop original and innovative approaches.

The RGS culture is that if students can enjoy their lessons and learning, then it follows that they will do better. Although examination results are certainly not the only measure, they remain an important benchmark and the school is rightly proud of the academic results achieved by its students this year in spite of the significant changes in the assessment of both GCSEs and A Levels by the examination boards.

# **The Newcastle upon Tyne Royal Grammar School**

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## **Trustees' report (continued)**

**Year ended 31 July 2020**

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Love of learning goes beyond examinations and encompasses a wide variety of, and mass participation in, extra-curricular societies and competitions, and the school encourages and supports student involvement in regional and national competitions.

### **3. *Belief in Each Other***

The RGS culture seeks to actively appreciate and celebrate each other's skills and talents.

The opportunities the school provides are extremely wide-ranging and this hopefully allows everyone to try new things and find their passion. It is also an opportunity for us to appreciate and celebrate each other's skills and talents. Having a range of outlets for interests is also an important part of the school's approach to well-being and helping students and staff develop a healthy balance of activities.

The Junior School provides a very wide range of activities to help students explore new things and find themselves, including camps, expeditions and musicals, which has allowed so many students an opportunity to perform, work together and develop new and life-long skills.

The Senior School's dance, drama and music all provide many chances for students to perform and participate at all levels including producing a major production each year with a large cast and crew.

The school has an excellent reputation as a debating school and the teamwork involved is a real demonstration of what we strive to achieve.

The range and breadth of sporting opportunity is an important feature of the school, not just for the excellence of its first teams and sports, but crucially for opportunities for wider participation. The school continues to broaden the provision it has to encourage everyone to be active, to have a healthier lifestyle and find things that they can continue with for life.

Fostering a strong sense of teamwork, mutual trust and reliance are central to the Combined Cadet Force (CCF) and Duke of Edinburgh (D of E) Award which operate in the Senior School. The CCF has expanded this year to include an RAF section to complement the existing Army and Royal Navy sections.

Everyone has their own particular interests and skills and the House System is very good at allowing these to be used and acknowledged in a community setting.

### **4. *Ambition to Succeed***

The RGS seeks to foster, throughout its student and staff community, an ambition to succeed and discover new ways to move forward.

This longer term vision for RGS that came from the strategic review instigated by Governing Board in 2017/18 has been reinforced and is being built into the culture of the School.

The Governing Board has seen significant change over the year. Towards the end of the year, five long serving Governors stood down and two new Governors were appointed to strengthen the board's expertise in primary education and finance. The Governing Board regularly reviews the mix of skills, experience and diversity in the Governors that are essential to deliver the School's vision.

Success is not just about numbers and grades and the School is very aware of the pressures that an obsession with grades can create for its students

In order to encourage the whole community to strive to succeed the school completed a review of its curriculum and reporting systems. More emphasis has been placed upon the importance and power of the conversations around reporting, rather than simpler number and letter grading systems. The aim is to encourage and nurture our students into being ambitious for themselves but in a sensible and controlled way. The School curriculum is designed to not only produce academic excellence but also to have the breadth to create confident, independent

# **The Newcastle upon Tyne Royal Grammar School**

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## **Trustees' report (continued) Year ended 31 July 2020**

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and resilient learners who are ready to face the world outside school.

### **Main activities undertaken to further the charity's purposes for the public benefit**

The School is dedicated to providing education to children in the North East of England. The School was founded in the Sixteenth Century in order to provide education in Newcastle and continuing our role in the community of the city and the North East is a key aspect of what we do. In particular we are committed to providing a first-class education to boys and girls in the city and wish to be as inclusive as possible. To this end the Governors are fully committed to funding bursaries from voluntary income as much as possible. The RGS is committed to increasing access to the opportunities it provides for bright boys and girls from those families whose means would not allow them to afford school fees.

The aim is to increase the number of bursaries in a sustainable manner. In the school year 2019/20, 76 students were in receipt of bursaries, to a value of £968,947 all funded through voluntary donations. The average level of fee help during the year was 93% of fees, indicating that the majority came from homes with low family incomes. Sixty students received bursaries of between 90% to 100% of school fees. RGS bursaries are strictly means-tested and parents of bursary holders contribute on a sliding scale according to their family income. The school's Bursary Outreach Officer makes home visits before recommending the award of bursaries. The school saw a significant increase in bursary applications, which is encouraging, and shows that more and more people are aware of the opportunity. Looking ahead, the School is committed to extending this further. The role of the Bursary Outreach Officer is being extended to provide not just a link with bursary applicants but to also support them throughout their time in the school which will be in addition to the normal pastoral support provided to all students.

The voluntary funding to support bursaries is generated by the Development Office and interest on charitable funds held in the RGS Educational Trust; income will always fluctuate year on year. In the FY19/20 the climate for fundraising has been severely impacted by Covid-19 and although the funds raised this year have not been as high as expected there have been notable successes and overall the Bursary Campaign has raised a total income of £353k. Looking ahead, the School continues to be committed to sustainably increasing the number of bursaries, allowing greater access for boys and girls from those families whose means would not allow them to afford school fees. This will both transform the lives of the families in receipt of a bursary, and adds value to the diverse social mix of the school. The Old Novocastrians Association produces a magazine that reaches a large number of former students who provide a significant contribution to bursaries and this year the two editions focused on sport and the creative arts at the RGS.

The School has strong links with the local and regional communities and is very aware of its role in providing public benefit above and beyond its significant bursary and accessibility provision. One of the most important ways in which the school community reaches far and wide is through its charitable work.

Every year the students and staff vote to support local charities which this year were The People's Kitchen and St Oswald's Hospice. We also supported the Lord Mayor's nominated charity, Mental Health Concern. In addition, the School supported Children in Need and Sports Relief. In total, over £15,000 was raised.

A significant number of our Sixth Formers volunteered on a weekly basis to work in eight primary schools in our local community. In particular, they listened to children read and over time they were able to build good relationships and act as positive role models. Many other RGS students volunteered and worked with a range of other charities in the city and region and a further 128 students performed voluntary work as part of their D of E Silver or Gold Awards.



# The Newcastle upon Tyne Royal Grammar School

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## Trustees' report (continued)

Year ended 31 July 2020

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### STRATEGIC REPORT

#### Achievements and performance

##### Review of activities

##### 1. Sense of belonging

*"Proud of our heritage, we have a deep sense of belonging. Our school community reaches far and wide. With an open mind and with care and respect for those around us, we inspire collaboration, forging connections that last a lifetime."*

The role of the school in the community of the city and the North East continues to be a key priority for the school. The Governors are very conscious of the position the school has in the life of the local community and the region and other stakeholders including the school's staff, parents, and suppliers. The school strives to ensure that the decisions it makes are consistent with the charitable objectives of the school and are to the benefit of the students and all stakeholders. We seek to use local suppliers where possible and to maintain the school's reputation as a fair and supportive customer.

The School has strong links with the local and regional communities and is very aware of its role in providing public benefit above and beyond its significant bursary and accessibility provision. We are very proud to be part of that community and the work of the Development Team and the Director of Community Partnerships & Outreach have been pursuing opportunities to extend the projects that we run with other schools and businesses locally, and to enhance the quality of the work that we do in those areas. The school secured funding from the Reece Foundation to enable the school to send maths and physics teachers into local schools to support their learning programmes. The school is committed to making a very positive impact to the region.

Examples of the work that we have done over the last year include provision of educational opportunities like: Author Visits, which local primary schools enjoy attending with our Junior School, and Ancient History Education Days, allowing students from around the region access to exciting new learning that is not normally available to them. The school has embarked upon two partnerships with Digital Schoolhouse and LEGO Education. Our work with Digital Schoolhouse has seen us offer primary computing workshops to schools in the region with over 300 students visiting the school to participate in cryptography and game-creation workshops that were extremely well received. We are also able to support local schools by offering robotics loan kits that were very kindly funded by the Reece Foundation.

During the Covid-19 pandemic the school provided care for children of key workers in school when their parents would not have been able to provide this at home, including throughout the Easter holidays and summer half term, with staff giving their time voluntarily to supervise and support. In addition, during lockdown a number of students and staff from the Engineering, Design and Technology Department helped produce PPE for the NHS using their own, or the schools, 3D-printers and equipment. The school was very pleased to see the efforts of one of our students recognised with an award of the British Empire Medal in the recent honours list for his work.

The School is committed to providing first-class well-being and mental health support for its staff and students, and is also committed to sharing the resources and expertise widely, and we have been proud to continue to work closely with Schools North East in the delivery and development of region wide initiatives over the last year.

We are indebted to a broad range of donors for their support and are especially grateful to the parents of existing and former RGS students, and Old Novocastrians, who have seen first-hand how the bursary programme changes lives, who have personally supported this important element of RGS's work. During the Covid-19 crisis parents and former students have donated over £50k to a hardship fund that has been able to support many parents, particularly those of bursary students, who were in difficult circumstances due to the lockdown.

RGS has the benefit of outstanding facilities and the most recent phase of our modernisation programme (XL3), that consisted of a new library, an additional assembly space, a new art block, a new pastoral suite, a new Sixth Form centre and new Maths, Science, Design Technology and Computer Science classrooms has been completed with the new building open for the new academic year in September and the enhanced Sixth Form

# The Newcastle upon Tyne Royal Grammar School

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## Trustees' report (continued) Year ended 31 July 2020

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Centre opening in January 2020.

Until the Covid-19 lockdown was imposed in March 2020, the Miller Theatre was used by many external organisations, which this year this have included Newcastle University Gilbert & Sullivan Society, Newcastle and Northumbria Society, ABCD Conducting course, various auditions, the Dental Hygiene & Therapy UK conference and the Salvation Army Creative Arts Day.

The School also hosts teacher training programmes, academic events, sporting competitions, performing arts shows and other inter-school competitions like public speaking / debating. These are all open to visitors from around the region and nationally. The excellent sports facilities are also regularly used by local Rugby, Hockey, Cricket and Swimming clubs and this year it was also used by the England Rugby team ahead of the Autumn International Series.

### 2. Love for learning

*"In a happy environment where people can be themselves, we teach and learn in diverse and surprisingly different ways. By exploring our passions, we have the freedom to bring specialist knowledge to life, supporting creativity, encouraging self-expression and truly nurturing academic promise."*

The RGS firmly believes that happy students will do their best in all areas, not least in their enjoyment of their lessons and learning. Although examination results are certainly not the only measure, they remain an important benchmark and although the assessment and awarding of examination results this year was severely affected by the Covid-19 lockdown, which meant that examination grades were award on Centre Assessed Grades rather than public examinations, the school is rightly proud of the academic results achieved by its students this year. At GCSE, we have seen, once again, a really impressive set of results from Year 11 students. In total, the students achieved 44% of grades at grade 9, 26.1% at grade 8 and 18.2% at grade 7. In total, 88.3% of grades were at grade 7 or better. There were 16 students who achieved straight 9s across their subjects, with 11 of these securing 11 GCSEs at grade 9.

Finally, at A-Level, our students also produced a superb set of results with over 35.3% of all grades coming out at A\*, 69.1% at A\* or A and over 90% at A\* to B. A staggering 39% (65) students achieved all A\* and As. 14 of these students gained a full set of A\*s. In particular, we are immensely proud of the 15 means-tested bursary holders, who this year collectively secured 49 A Levels across 17 different subjects. Five of these students secured all A\*-As, with one securing four A\*s. There were 13 students who achieved all A\* grades in their A-Levels with a further 52 achieving all A\* or A grades. Twenty students obtained places at either Oxford or Cambridge.

Learning at the school extends beyond examinations and normal lessons; the usual participation in visits and trips was severely curtailed this year due to the Covid-19 travel restrictions however trips were possible to China to explore the culture, Gandia in Spain for rock climbing, and history trips to Berlin and the Flanders battlefields. Students also regularly take part, and are hugely successful, in national competitions, e.g. a finalist in the British Brain Bee, a British Neuroscience Olympiad for teenagers; in the University Challenge – Classics Quiz, the junior category was won by a team of Year 9 students, the intermediate category was won by Year 10 students and, in the senior category, RGS teams were placed first and second; and a significant number of Gold certificates achieved in the very challenging Biology, Chemistry, Physics, Linguistics and Mathematics Olympiad competitions.

Students' passion and commitment to their wider learning has also led to considerable other successes at national level. For example, one student was on the U18 shortlist of the 10th annual Scottish Nature Photography Awards and the Royal Horticultural Society (RHS) Photographic Competition. In the F1 in Schools Competition one the two RGS teams won the Nissan Team Spirit Award and were also awarded a Bronze CREST award and the Young Enterprise Competition. Music examinations this year were able to take place with special measures introduced and students did exceptionally well with half achieving Distinctions (10) or Merits (20) in the Associated Board of Royal Schools of Music (ABRSM) examinations.

"There are no limits to what we can achieve when we work hard, support and look out for each other. Through a

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## Trustees' report (continued) Year ended 31 July 2020

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shared belief, we appreciate and celebrate everyone's achievements. With well-being at the heart of everything we do, our warm and caring culture helps nurture confidence and develop all of the skills needed for a successful and happy life."

Supporting each other and working closely together is a major factor in the success of the school and its students, and the residential trip run for Year 5 children to Robinwood was able to go ahead in November as was the Year 4 trip to Patterdale demonstrate the wonderful spirit of togetherness that the students and staff enjoy and celebrate. It was unfortunate that the Year 7 trip to Lakeside had to be cancelled.

This is also very much evident through the regular performing arts events that the school runs e.g. productions of Chicago and A Christmas Carol. The school continued its excellent reputation in debating competitions across the country with two teams each reaching the finals of the British Parliamentary school-level debate Competition and the Oxford Schools Debating Competition. Team spirit and support is also evident, of course, through the vast array of sporting events that the students participate in and notable successes this year include: the Junior School swimming team were crowned HMC Champions winning six out of the available eight categories; U13s won the Birkdale 9-a-side Football Festival; the girls hockey team reached the final of the U18 Investec England Hockey Tier 2 National Schools Championship and the U19 Smile Independent Schools Hockey Cup; U18 and U16 girls' hockey teams both reached the national indoor finals; meanwhile, the senior netball squad reached the National Netball Finals, . In rugby one student represented England U18, one at U17 and one was a Scotland U18 trialist whilst another played for Durham Jets in ladies cricket.

Health and well-being are also a regular feature in our curriculum provision, but this is also backed by a determination to support this in practical terms by encouraging the students to be healthy and active. This is also a major factor for instilling the confidence and self-belief in the children to allow them to be so successful.

The school has a very active House system which encourages the vast majority of students to play their part in supporting the many inter-House events. Until the Covid-19 restrictions a wide range of activities and competitions were held including House Music, the Miller Cup for cross country running and House Drama. A new event, the House JAM, was a massive hit with our students and the wider community. There was also plenty of House sport with events in rugby, football, hockey, netball and duathlon. Even during lockdown a house art competition was held remotely. We believe that wider participation is as important as inspiring our elite performers, and the House system is a fantastic way of encouraging this: the range and breadth of opportunity is an important feature of the school.

Finally, activities and participation in the CCF, which has been expanded this year to include an RAF contingent, the D of E awards and the National Citizens Service give the students amazing opportunities to play their part in the wider community, but also to foster in them a strong sense of teamwork, mutual trust and reliance. The activities were curtailed after March due to the lockdown but the CCF still managed to undertake virtual training sessions.

### **3. Ambition to succeed**

*"Excellence and success are built on our freedom to explore, courage to innovate and spirit to push boundaries both in and outside the classroom. We don't stand still, challenging, provoking and stretching minds to help our students evolve new ways of thinking and discover future opportunities."*

Teachers at RGS are ambitious in their teaching practice, encouraging the students to develop the higher order thinking skills, initiative and independence that leads to positive success. We pride ourselves in challenging the students to think, as well as to learn, something that encourages in them the resilience to manage the difficulties that they regularly face in and out of the classroom.

Supporting and promoting their longer-term ambitions, we put significant time in to giving students access and information about careers / university opportunities via presentations, visiting speakers and trips; something which very much encourages them to aim high for the future.

Individuals also pursue their own interests alongside commitments to school, and notable successes include

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## **Trustees' report (continued)**

**Year ended 31 July 2020**

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national honours in Photography, Public Speaking, Music, Chess, and, of course, in Sport, e.g. Gymnastics, Fencing, Biathlon, and Trampolining (as well as in the traditional school sports).

Within the organisation, the School Governing Board seeks to encourage the very highest standards for the school, and the ambitious Development Plan (detailed later in this report) demonstrates the school's commitment to this aim. The Board has continued to be strengthened with the appointment of two Governors with experience in primary education and business and finance. Most importantly, however, this focus is not just inwards on the needs of our students and staff, but also sets out our commitment to playing a leading role in supporting the local and regional community.

### **Statement by the governors in performance of their statutory duties in accordance with s172(1) of the Companies Act 2006**

The board of governors consider, both individually and collectively, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the charitable company for the benefit of its members as a whole, having regard to the stakeholders and members set out in s172(1) (a-f) of the Act in the decisions taken during the year ended 31 July 2020.

# **The Newcastle upon Tyne Royal Grammar School**

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## **Trustees' report (continued)**

**Year ended 31 July 2020**

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### **FINANCIAL REVIEW**

Student numbers were above budget for the year and are anticipated to maintain a high level in 2020-21. Careful management of expenditure and cashflow led to an operating surplus of £226k. Full details of the school's financial performance are set out in other sections of these Accounts.

The School generated a surplus before gains on investment assets of £340,899 (2019: £521,156). Investment losses amounted to £115,105 (2019: gain of £40,328) resulting in a net surplus of £225,794 (2019: £561,484).

The School's subsidiary trading company, RGS Trading Limited, generated a deficit of £1,175 (2019: surplus of £8,139) which is included in the above figures.

The net current assets of the School excluding long-term liabilities total £2.1 million (2019: £3.5 million).

### **Principal risks and uncertainties**

The main risk areas for the School are risks associated with the protection of the School's pupils, staff and assets. Procedures and systems to minimise these risks are regularly reviewed and updated. Within financial risks, liquidity risk is managed by a combination of loans to finance long term projects and overdraft facilities to deal with month on month fluctuations in cash flow. External financial pressures that are out of the control of the school such as major impacts on the national economy such as the current Covid-19 pandemic, increases to contribution rates for the Teacher's Pension Scheme, the removal of charitable relief and the possibility of VAT on school fees are carefully monitored and contingency plans drawn up to manage the risks.

The second half of this year has seen the school impacted by the Covid-19 pandemic which resulted in the school being closed on Government instruction and learning undertaken remotely. In addition, the pandemic has had a major impact on parents with increased concern around jobs and livelihoods which in turn caused uncertainty regarding future fee income. The school has engaged proactively with parents who have been affected and provided support where possible. Another major risk is the income from the Educational Trust for the support of existing bursaries due to the economic slowdown and resulting impact on donations, and income from investments and rental properties. In light of this uncertainty the school partook in the only government support scheme available to it, the Coronavirus Job Retention Scheme (CJRS). This support protected employees by underpinning the income that supports the bursary students as a result of the anticipated significant reduction in the Educational Trust investment returns and rental incomes.

### **Going concern**

As set out above, the pandemic had an impact on the operations of the school in the latter part of the year. Pupil numbers at the start of the 2020/21 academic year are encouraging and are ahead of those originally forecast. Governors have carried out a detailed re-budgeting exercise, looking at the potential for a fall in pupil numbers or bad debts as the full economic impact of the pandemic takes effect. Action taken included participation in the CJRS scheme, taking out additional short term loan finance and the renegotiation of existing bank covenants during 2020, including a loan repayment holiday to April 2021. The School has considered a range of scenarios to help the ongoing assessment of risks and opportunities. The modelling considered the liquidity and positive cash position of the School. Given the above, after making appropriate enquiries, the Governors have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.

Having due regard to these matters and after making appropriate enquiries, the Board have therefore continued to adopt the Going Concern basis in preparing these financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

### **Investment policy and performance**

The trustees' investment powers are governed by the Trust Deed. The Governors have delegated the management of the investment portfolios to Brewin Dolphin Limited but appraise their performance at regular

# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

## **Trustees' report (continued)**

**Year ended 31 July 2020**

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intervals; the Governors' policy is to maintain income to fund bursaries, while preserving the market value of the investments. During the year the Governors undertook a detailed review of the performance of Brewin Dolphin and decided to run a tender exercise for the management of the investment portfolio. After a rigorous selection process it was decided to appoint CCLA as the new managers of the investment portfolios. The process of transferring the investments from Brewin Dolphin was not completed until after the year end.

The total returns (capital growth with income received), for the year to 31 July 2020 were -8.3% (2019: 1.1%) on the Peter Taylor Fund, -11.4% (2019: -3.0%) on the J R Howarth Bequest Fund and 2.5% (2019: 9.4%) on the Storrow Scott Trust.

These compare with a total return for the Brewin Dolphin's Risk Category 6 of -2.9%.

### **Reserves policy and performance**

The governors continue to take steps to review their reserves policy. Their intention is to continue to develop the School facilities whilst at the same time containing increases in tuition fees to a reasonable level.

Note 19 to the financial statements shows the assets and liabilities attributable to the various funds by type, describes the various funds and summarises the movements on each fund.

Unrestricted funds in total amounted to £35.1 million. Of this, designated bursary funds totalling £3.7 million have been set aside; the purpose of which is to provide fee assistance for pupils from lower income families who would not otherwise be able to attend the School. The fund is available for use to supplement the funds generated for bursaries by the activities of the bursary campaign as and when the school's cash availability allows. This year none of this fund has been used to support bursary students as fundraising activities have been sufficient to cover bursary requirements not directly funded by the Educational Trust.

Also within unrestricted funds are fixed assets totalling £47.1 million. Free reserves (i.e. those not tied up in fixed assets or designated by Governors) are in deficit at the year end by £15.8 million (2019: deficit of £14.4 million) due to loans of £18.9 million (2019: £14.3 million) which were taken out to fund building projects. Excluding the loans, available reserves amount to £3.1 million which the Governors consider to be adequate to meet the ongoing needs of the school at this time.

The Governors are satisfied with the reserves position of the School.

### **Principal funding**

The School's day to day charitable activities are self-funding.

# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

## **Trustees' report (continued)**

**Year ended 31 July 2020**

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### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The School was founded and endowed at the beginning of the sixteenth century by Thomas Horsley who was, more than once, the Lord Mayor of Newcastle upon Tyne. By virtue of a Charter granted in 1600 by Queen Elizabeth it became "The Free Grammar School of Queen Elizabeth in Newcastle upon Tyne". It subsequently assumed the title "The Newcastle upon Tyne Royal Grammar School". Prior to the 2006/07 year, the School was regulated by a 1909 Scheme made by the Board of Education under the Charitable Trust Acts 1853 to 1894 and a 1975 Scheme made by the Charity Commissioners with subsequent amendments. The membership of the Governing Body was subsequently amended by resolutions of the Governors dated 1 January 1997, 15 June 2012 and 28 February 2020.

On 1 August 2006, the assets, liabilities and undertaking of the School were transferred to a charitable company (company number 5664801) and its associated Property Trust pursuant to a Charity Commission scheme sealed on 12 July 2006. At the same time the Company was appointed sole corporate trustee of the Property Trust (The Newcastle Upon Tyne Royal Grammar School Property Trust) within which the permanent endowment is held.

By a linking direction made by the Charity Commission on 12 July 2006 the Company and Property Trust are linked for registration and accounting purposes. The Company's charity registration number is 1114424 and the Property Trust's charity registration number is 1114424 1.

#### **Method of appointment or election of Governors**

The Governing Body consists of up to twenty Co-opted Governors serving for a term of up to three years. They can be re-elected and a Governor may be reappointed for a maximum of three consecutive terms of office. The Governors are Trustees of the Charitable Body.

The Co-opted Governors are co-opted by the existing Governors.

#### **Pay policy for senior staff**

The Nominations and Remuneration Committee review the pay of the Headmaster, Deputy Head and Bursar on an annual basis. The pay of senior staff is guided by the current pay scales and for the few staff who are beyond the highest point due consideration is taken of benchmarked information for schools of a similar size and location.

#### **Organisational structure and decision making**

Governors meet six times a year, at least once every term, to review the activities of the school and its subsidiary. Financial control is exercised over the activities of the School by means of an agreed Annual Budget.

More detailed issues are dealt with in advance of Governors' meetings by the Finance and General Purposes Committee. Governors who served on the Finance and General Purposes Committee during the period were:

Mr A Lamb (Chairman)  
Mr P A Campbell  
Mrs J Drummond  
Mr I Evbuomwan  
Mr H Fell  
Mrs T Hartley  
Mrs C Murphy  
Mr I Simpson

The Nominations and Remuneration Committee is responsible for identifying and nominating for the approval of the Governing body candidates to fill Governing body vacancies as and when they arise; to manage the process

# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

## **Trustees' report (continued)**

**Year ended 31 July 2020**

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for the appointment of the Chair and Vice-Chair and consider the remuneration of the Head, Deputy Head, Head of the Junior School and Bursar annually.

Governors who served on the Nominations and Remuneration Committee during the period were:

Mr H Fell (Chairman)  
Mr P Campbell  
Mrs J Drummond  
Professor S Hambleton  
Mr I Simpson

The day to day running of the School is vested in the Headmaster and Bursar:

The Headmaster: Mr G Stanford

The Bursar & Clerk to Governors: Dr M J Pitkethly

### **Engagement with staff**

The Governors are very conscious of the need to engage fully with staff, to inform and consult on matters of importance to staff. During the year there have been a number of significant issues to staff including the Teachers' Pension Scheme, the Covid-19 pandemic and the financial position of the school. With regards to the pandemic, a working party of governors was formed and has met regularly with relevant members of the Senior Leadership Team.

The school has an Information and Consultation Committee that meets regularly at which staff may raise issues of concern and where feedback from Governors meetings is provided. There are also designated Governors who have oversight of, and liaise closely with staff on a range of specific matters including: safeguarding, SEND, health and safety, development of bursary provision and finance, regularly attending meetings both in school and remotely. In addition there have been a number specific meetings with staff and Governors and communications from Governors to staff on the issues above which have provided a direct line of communication between Governors and staff that have been very productive. Governors are also invited to and regularly attend events such as concerts, plays and the carol service, which provide opportunities to meet staff more informally.

### **Related party relationships**

The School shares some trustees with the RGS Educational Trust, a charity, the main purpose of which is to provide income towards bursaries for some pupils of the school. The School maintains a bank account on behalf of the Trust in respect of donations towards the Trust's campaign appeal and the School meets the Trust's campaign appeal costs.

### **Risk management**

The Governors examine the major risks that the School faces each year, in the course of reviewing their strategic planning for the development of the School. The charitable company has developed systems to monitor and control these risks in order to mitigate any impact which they may have on the School in the future.



# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 July 2020

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### Greenhouse gas emissions, energy consumption and energy efficiency action

#### *UK Greenhouse gas emissions and energy use data for the period 1 August 2019 to 31 July 2020*

|                                                      |           |
|------------------------------------------------------|-----------|
| Energy Consumption used to calculate emissions (kWh) | 4,314,067 |
|------------------------------------------------------|-----------|

#### **Scope 1 emissions in metric tonnes CO<sub>2</sub>e**

|                 |        |
|-----------------|--------|
| Gas consumption | 540.20 |
| Transport fuel  | 14.43  |
| Total Scope 1   | 554.63 |

#### **Scope 2 emissions in metric tonnes CO<sub>2</sub>e**

|                       |        |
|-----------------------|--------|
| Purchased electricity | 305.15 |
|-----------------------|--------|

#### **Scope 3 emissions in metric tonnes CO<sub>2</sub>e**

|                                            |      |
|--------------------------------------------|------|
| Business travel in employee owned vehicles | 1.38 |
|--------------------------------------------|------|

|                                                               |               |
|---------------------------------------------------------------|---------------|
| <b>Total gross emissions in metric tonnes CO<sub>2</sub>e</b> | <b>861.16</b> |
|---------------------------------------------------------------|---------------|

|                                                         |             |
|---------------------------------------------------------|-------------|
| <b>Intensity ratio tonnes CO<sub>2</sub>e per pupil</b> | <b>0.66</b> |
|---------------------------------------------------------|-------------|

#### **Quantification and reporting methodology**

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2020 UK Government Conversion Factors for Company Reporting.

#### **Intensity measurement**

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per pupil, the recommended ratio for this sector.

#### **Measures taken to improve energy efficiency**

We have installed smart meters across the site to monitor electricity consumption.

# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

## **Trustees' report (continued) Year ended 31 July 2020**

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### **Plans for future periods**

At the end of each academic year the School reviews the progress it has made on its five-year School Development Plan and then sets targets for the next five-year period ahead. This is done in consultation with all stakeholders. For the next period (2021-2024), the following key areas for regular review are as follows:

- Facilities, including IT
- Financial and Regulatory Management
- Governance
- Leadership
- Pastoral Care and Emotional Wellbeing
- Teaching and Learning in particular remote learning

They are, of course, central to the effective running of the school and will be continuously reviewed. These all fall within specific areas of management oversight for members of the Senior Leadership Team (both Senior and Junior) and will be appraised and reviewed within SLT meetings.

A fundamental part of the process for the School Development Plan is to consider a longer timeframe and how we will strive to fully realise our Vision. To this end, a range of key areas continue to emerge from consultations and these form the main focus points for additional specific developments:

1. Vision, ethos and values - ensuring a coherent sense of purpose including championing equality and diversity.
2. Teaching and learning - to recognise the position of the RGS as a high performing academic institution and driving the evolution of digital learning.
3. Pastoral care and wellbeing - supporting the welfare and happiness of children as they learn and in the short term/medium term it includes helping pupils and staff come to terms with the impact of Covid-19.
4. Co-curricular provision – to build upon it being central to the pupil experience at the RGS and develop a more coherent strategy and management of co-curricular activities
5. Continuity of pupil experience – with a focus on appropriate support at transition points, from recruiting pupils to the school at different entry points, moving up through key stages and to the next stage beyond the RGS.
6. Staff recruitment, retention and development - continuing professional development, the evolution of the staff appraisal system and leadership training at all levels.
7. Development, marketing and communications – to improve the areas of parental engagement, fundraising and bursaries, and engagement with the ONA in a more integrated manner.
8. Wider community impact – to continue to development of outreach activities including: partnership activity, voluntary service, charity activity and environmental impact.
9. Finance and operations – to ensure the school continues with a sound financial position following Covid-19, overseeing the evolution of the HR function and the continuing the ongoing development of facilities.

# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

## **Trustees' report (continued)**

**Year ended 31 July 2020**

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### **Statement of Governors' responsibilities**

The Governors (who are also directors of The Newcastle upon Tyne Royal 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 group will continue in operation.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Disclosure of information to auditor**

Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charitable company and the group's auditors are unaware, and
- each Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any information needed by the charitable company and the group's auditor in connection with preparing their report and to establish that the charitable company and the group's auditor are aware of that information.

This report was approved by the Governors on 27 November 2020 and signed on their behalf by:



Mrs J Drummond, Chair



## **Independent Auditor's Report to the Members of The Newcastle upon Tyne Royal Grammar School**

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### **Opinion**

We have audited the financial statements of The Newcastle upon Tyne Royal Grammar School (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2020 which comprise the consolidated statement of financial activities, the consolidated income and expenditure account, the consolidated balance sheet, the company balance sheet, the consolidated 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 Group's and of the parent charitable company's affairs as at 31 July 2020 and of the Group's 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 Group 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



## **Independent Auditor's Report to the Members of The Newcastle upon Tyne Royal Grammar School (continued)**

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### **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **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 trustees' report including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' 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 Trustees' 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:

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



## **Independent Auditor's Report to the Members of The Newcastle upon Tyne Royal Grammar School (continued)**

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### **Responsibilities of trustees**

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

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

### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.

A handwritten signature in black ink, appearing to read 'Anne Hallowell'.

**Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)**  
**for and on behalf of UNW LLP, Statutory Auditor**  
Chartered Accountants  
Newcastle upon Tyne

27 November 2020

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Consolidated Statement of financial activities Year ended 31 July 2020

|                                                            | Note | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Endowment<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|------------------------------------------------------------|------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| <b>Income from:</b>                                        |      |                                    |                                  |                                 |                             |                             |
| Donations and legacies                                     | 3    | 1,054,075                          | 665,578                          | -                               | 1,719,653                   | 837,756                     |
| Charitable activities                                      | 4    | 16,986,875                         | -                                | -                               | 16,986,875                  | 17,054,826                  |
| Other trading activities                                   | 5    | 109,615                            | -                                | -                               | 109,615                     | 165,499                     |
| Investments                                                | 6    | 13,785                             | 46,117                           | -                               | 59,902                      | 65,085                      |
| Other income                                               |      | 39,609                             | -                                | -                               | 39,609                      | 22,060                      |
| <b>Total income</b>                                        |      | <b>18,203,959</b>                  | <b>711,695</b>                   | <b>-</b>                        | <b>18,915,654</b>           | <b>18,145,226</b>           |
| <b>Expenditure on:</b>                                     |      |                                    |                                  |                                 |                             |                             |
| Raising funds                                              | 7    | 125,588                            | -                                | -                               | 125,588                     | 145,204                     |
| Charitable activities                                      | 8    | 17,784,019                         | 665,148                          | -                               | 18,449,167                  | 17,478,866                  |
| <b>Total expenditure</b>                                   |      | <b>17,909,607</b>                  | <b>665,148</b>                   | <b>-</b>                        | <b>18,574,755</b>           | <b>17,624,070</b>           |
| Net (losses)/gains on investments                          |      | -                                  | -                                | (115,105)                       | (115,105)                   | 40,328                      |
| <b>Net income / (expenditure)</b>                          |      | <b>294,352</b>                     | <b>46,547</b>                    | <b>(115,105)</b>                | <b>225,794</b>              | <b>561,484</b>              |
| <b>Net movement in funds before other recognised gains</b> |      | <b>294,352</b>                     | <b>46,547</b>                    | <b>(115,105)</b>                | <b>225,794</b>              | <b>561,484</b>              |
| <b>Other recognised gains:</b>                             |      |                                    |                                  |                                 |                             |                             |
| Gains on revaluation of fixed assets                       |      | 1,740,775                          | -                                | -                               | 1,740,775                   | -                           |
| <b>Net movement in funds</b>                               |      | <b>2,035,127</b>                   | <b>46,547</b>                    | <b>(115,105)</b>                | <b>1,966,569</b>            | <b>561,484</b>              |
| <b>Reconciliation of funds:</b>                            |      |                                    |                                  |                                 |                             |                             |
| Total funds brought forward                                |      | 33,032,613                         | 63,988                           | 1,329,620                       | 34,426,221                  | 33,864,737                  |
| Net movement in funds                                      |      | 2,035,127                          | 46,547                           | (115,105)                       | 1,966,569                   | 561,484                     |
| <b>Total funds carried forward</b>                         |      | <b>35,067,740</b>                  | <b>110,535</b>                   | <b>1,214,515</b>                | <b>36,392,790</b>           | <b>34,426,221</b>           |

The notes on pages 28 to 60 form part of these financial statements.

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Summary income and expenditure account Year ended 31 July 2020

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|                                             | Total funds<br>2020<br>£ | Total funds<br>2019<br>£ |
|---------------------------------------------|--------------------------|--------------------------|
| Income                                      | 18,915,654               | 18,145,226               |
| Gains on revaluation of fixed assets        | 1,740,775                | -                        |
| <b>Gross income in the reporting period</b> | <b>20,656,429</b>        | <b>18,145,226</b>        |
| Less: Total expenditure                     | (18,574,755)             | (17,624,070)             |
| <b>Net income for the reporting period</b>  | <b>2,081,674</b>         | <b>521,156</b>           |

The notes on pages 28 to 60 form part of these financial statements.



# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Consolidated balance sheet At 31 July 2020

|                                                         | Note | 2020<br>£                | 2019<br>£                |
|---------------------------------------------------------|------|--------------------------|--------------------------|
| <b>Fixed assets</b>                                     |      |                          |                          |
| Tangible assets                                         | 12   | 47,143,906               | 43,470,334               |
| Investment property                                     | 13   | 365,000                  | 440,000                  |
| Investments                                             | 14   | 849,515                  | 889,620                  |
|                                                         |      | <u>48,358,421</u>        | <u>44,799,954</u>        |
| <b>Current assets</b>                                   |      |                          |                          |
| Stocks                                                  | 15   | 24,533                   | 13,114                   |
| Debtors                                                 | 16   | 248,413                  | 341,004                  |
| Cash at bank and in hand                                |      | 9,024,424                | 6,460,247                |
|                                                         |      | <u>9,297,370</u>         | <u>6,814,365</u>         |
| Creditors: amounts falling due within one year          | 17   | (7,247,112)              | (3,327,045)              |
| <b>Net current assets</b>                               |      | <u>2,050,258</u>         | <u>3,487,320</u>         |
| <b>Total assets less current liabilities</b>            |      | <u>50,408,679</u>        | <u>48,287,274</u>        |
| Creditors: amounts falling due after more than one year | 18   | (14,015,889)             | (13,861,053)             |
| <b>Total net assets</b>                                 |      | <u><u>36,392,790</u></u> | <u><u>34,426,221</u></u> |
| <b>Charity funds</b>                                    |      |                          |                          |
| Endowment funds                                         | 19   | 1,214,515                | 1,329,620                |
| Restricted funds                                        | 19   | 110,535                  | 63,988                   |
| Unrestricted funds                                      |      |                          |                          |
| Designated funds                                        | 19   | 3,725,332                | 4,000,000                |
| Revaluation reserve                                     | 19   | 12,941,804               | 11,201,029               |
| General funds                                           | 19   | 18,400,604               | 17,831,584               |
| Total unrestricted funds                                | 19   | <u>35,067,740</u>        | <u>33,032,613</u>        |
| <b>Total funds</b>                                      |      | <u><u>36,392,790</u></u> | <u><u>34,426,221</u></u> |

# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

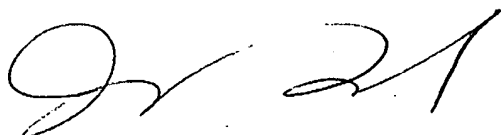
## **Consolidated balance sheet (continued)**

**At 31 July 2020**

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

The financial statements were approved and authorised for issue by the trustees on 27 November 2020 and signed on their behalf by:

A handwritten signature in black ink, appearing to be 'J Drummond', written in a cursive style.

**Mrs J Drummond**

The notes on pages 28 to 60 form part of these financial statements.

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Company balance sheet At 31 July 2020

|                                                         | Note | 2020<br>£                | 2019<br>£                |
|---------------------------------------------------------|------|--------------------------|--------------------------|
| <b>Fixed assets</b>                                     |      |                          |                          |
| Tangible assets                                         | 12   | 47,137,441               | 43,470,334               |
| Investments                                             | 14   | 849,516                  | 889,621                  |
| Investment property                                     | 13   | 365,000                  | 440,000                  |
|                                                         |      | <u>48,351,957</u>        | <u>44,799,955</u>        |
| <b>Current assets</b>                                   |      |                          |                          |
| Stocks                                                  | 15   | 21,243                   | 9,928                    |
| Debtors                                                 | 16   | 256,985                  | 358,061                  |
| Cash at bank and in hand                                |      | 9,014,246                | 6,433,889                |
|                                                         |      | <u>9,292,474</u>         | <u>6,801,878</u>         |
| Creditors: amounts falling due within one year          | 17   | (7,245,811)              | (3,325,793)              |
| <b>Net current assets</b>                               |      | <u>2,046,663</u>         | <u>3,476,085</u>         |
| <b>Total assets less current liabilities</b>            |      | <u>50,398,620</u>        | <u>48,276,040</u>        |
| Creditors: amounts falling due after more than one year | 18   | (14,015,889)             | (13,861,053)             |
| <b>Total net assets</b>                                 |      | <u><u>36,382,731</u></u> | <u><u>34,414,987</u></u> |
| <b>Charity funds</b>                                    |      |                          |                          |
| Endowment funds                                         | 19   | 1,214,515                | 1,329,620                |
| Restricted funds                                        | 19   | 110,535                  | 63,988                   |
| Unrestricted funds                                      |      |                          |                          |
| Designated funds                                        | 19   | 4,000,000                | 4,000,000                |
| Revaluation reserve                                     | 19   | 12,941,804               | 11,201,029               |
| General funds                                           | 19   | 18,115,877               | 17,820,350               |
| Total unrestricted funds                                | 19   | <u>35,057,681</u>        | <u>33,021,379</u>        |
| <b>Total funds</b>                                      |      | <u><u>36,382,731</u></u> | <u><u>34,414,987</u></u> |

# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

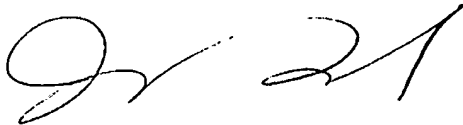
## **Company balance sheet (continued)**

**At 31 July 2020**

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

The financial statements were approved and authorised for issue by the trustees on 27 November 2020 and signed on their behalf by:



**Mrs J Drummond**

Company registered number: 05664801

The notes on pages 28 to 60 form part of these financial statements.

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Consolidated statement of cash flows Year ended 31 July 2020

|                                                         | Note | 2020<br>£          | 2019<br>£          |
|---------------------------------------------------------|------|--------------------|--------------------|
| <b>Cash flows from operating activities</b>             |      |                    |                    |
| Net cash used in operating activities                   | 21   | <b>1,875,903</b>   | 2,955,559          |
| <b>Cash flows from investing activities</b>             |      |                    |                    |
| Dividends, interests and rents from investments         |      | <b>59,902</b>      | 65,085             |
| Proceeds from the sale of tangible fixed assets         |      | -                  | 223,823            |
| Purchase of tangible fixed assets                       |      | <b>(3,432,186)</b> | (6,461,742)        |
| Proceeds from sale of investments                       |      | <b>511,322</b>     | 190,669            |
| Purchase of investments                                 |      | <b>(511,322)</b>   | (190,669)          |
| <b>Net cash used in investing activities</b>            |      | <b>(3,372,284)</b> | <b>(6,172,834)</b> |
| <b>Cash flows from financing activities</b>             |      |                    |                    |
| Repayments of borrowing                                 |      | <b>(420,000)</b>   | (9,193,003)        |
| Interest paid                                           |      | <b>(519,442)</b>   | (399,144)          |
| New bank borrowings                                     |      | <b>5,000,000</b>   | 15,000,000         |
| <b>Net cash provided by financing activities</b>        |      | <b>4,060,558</b>   | <b>5,407,853</b>   |
| <b>Change in cash and cash equivalents in the year</b>  |      | <b>2,564,177</b>   | <b>2,190,578</b>   |
| Cash and cash equivalents at the beginning of the year  |      | <b>6,460,247</b>   | 4,269,669          |
| <b>Cash and cash equivalents at the end of the year</b> | 22   | <b>9,024,424</b>   | 6,460,247          |

The notes on pages 28 to 60 form part of these financial statements

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 July 2020

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### 1. General information

The Newcastle upon Tyne Royal Grammar School is a charitable company incorporated and domiciled in England and Wales. The address of the registered office and principal place of business is Eskdale Terrace, Newcastle upon Tyne, NE2 4DX.

The principal activity of the charitable company is the education of children and young persons in the North of England.

### 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.

The Newcastle upon Tyne Royal 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 presented in pounds sterling which is the functional currency of the company and are rounded to the nearest £1.

#### 2.2 Company status

The company is a company limited by guarantee. The members of the company are the governors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

#### 2.3 Basis of consolidation

The financial statements consolidate the accounts of The Newcastle upon Tyne Royal Grammar School and its wholly owned subsidiary RGS Trading Limited, on a line by line basis. RGS Trading Limited covenants taxable profits to The Newcastle upon Tyne Royal Grammar School.

The accounts of The Newcastle upon Tyne Royal Grammar School include the results of the School's Property Trust, charity reference number 1114424-1, the Newcastle upon Tyne Royal Grammar School Prize Funds Charity and the Storrow Scott Charitable Will Trust reference 1114424-2 which are linked to the School for reporting purposes.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

The income and expenditure account for the year dealt with in the accounts of the company was £226,969 (2019 - £539,259).

# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

## **Notes to the financial statements**

**Year ended 31 July 2020**

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### **2. Accounting policies (continued)**

#### **2.4 Going concern**

Although the Covid-19 pandemic impacted the operations of the school in the latter part of the year, necessitating a temporary move to online teaching, pupil numbers going forward are ahead of those originally forecast. The group recorded a net surplus of income over expenditure in 2020 and has net assets at the year end of £36.5 million with a positive cash position. Working capital is funded through long term loan finance secured on the school buildings, and during the pandemic both loan repayments and covenant requirements were waived. The school is not reliant on short term loans or overdraft facilities, although as a precaution it utilised an existing short term loan facility to mitigate against any immediate fall in income in May. This loan has been repaid, although the facility remains available for 5 years. Forecasts have been prepared based upon current pupil numbers, and consideration been given to the risks of falling pupil numbers or the likelihood of default on fees as the economic situation worsens, and the potential impact of further enforced school closures on fee income. In all cases the trustees are satisfied that the school has sufficient resources to withstand any predicted fall in revenue, and would be able to reduce costs in line with a fall in pupil numbers were this to be required.

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The trustees have a reasonable expectation that the charitable group has adequate resources to continue to meet its liabilities as they fall due for the foreseeable future. Consequently, they continue to believe the going concern basis of accounting is appropriate in preparing these financial statements.

# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

## **Notes to the financial statements**

**Year ended 31 July 2020**

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### **2. Accounting policies (continued)**

#### **2.5 Income**

All income is recognised when the School has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount of income receivable can be measured reliably.

##### ***Fees and similar income***

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 and other remissions granted by the School from its unrestricted funds, but before deducting grants of bursaries.

##### ***Voluntary income and fund accounting***

Voluntary income is received by way of grants and donations and is included in full in the statement of financial activities when receivable.

The School receives a grant from the Hospital of St Mary the Virgin charity and recognises all grants receivable from that charity including amounts not yet paid by the year end but which under the terms of that charity's trust deed it must pay over in due course to the School.

Grants and donations received for the general purposes of the charitable company are included as unrestricted funds. Grants and donations for activities restricted by the wishes of the donor are taken to restricted funds if these wishes are legally binding on the Governors. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments - permanent or not, according to the nature of the restriction. Government grants awarded under the Coronavirus Job Retention Scheme are recognised when receivable.

##### ***Investment income***

Investment income is accounted for in the period in which the charity is entitled to receipt. Incoming resources from endowment funds are restricted.

##### ***Interest receivable***

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



# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

## **Notes to the financial statements Year ended 31 July 2020**

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### **2. Accounting policies (continued)**

#### **2.6 Expenditure**

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements. They are apportioned against the activities of the charity in line with the estimated usage of those costs.

Grants and bursaries are included as expenditure in the period for which the award is given.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

#### **2.7 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

#### **2.8 Investment properties**

Investment properties are included in the balance sheet at their open market value. Revaluation gains are recognised in the income and expenditure account.

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 July 2020

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### 2. Accounting policies (continued)

#### 2.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £3,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

All freehold land and buildings are included in the financial statements based on the latest independent valuation of their value to the School plus the cost of subsequent major additions. Replacements and minor improvements to the fabric of the School are written off in the statement of financial activities as they are incurred.

Expenditure incurred during design and construction phases is capitalised and included in assets under construction. The assets are transferred to freehold land and buildings on the earlier of the completion of the project or occupancy by the School.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value.

Depreciation is provided on the following bases:

|                              |                              |
|------------------------------|------------------------------|
| Freehold property            | - 50 years                   |
| Leasehold land and buildings | - over the life of the lease |
| All weather pitch            | - 20 years                   |
| Motor vehicles               | - 4 years                    |
| Fixtures and fittings        | - 3 - 10 years               |
| Trading subsidiary equipment | - 4 years                    |

#### **Revaluation of fixed assets**

The charitable company has adopted the revaluation model to revalue items of property whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the statement of financial activities.

#### 2.10 Investments

Listed investments are stated at their fair value at the balance sheet date. Any gain or loss on revaluation is taken to the statement of financial activities.

In the company balance sheet, investments in subsidiary undertakings are measured at cost less accumulated impairment losses.

#### 2.11 Stocks and work in progress

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

# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

## **Notes to the financial statements Year ended 31 July 2020**

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### **2. Accounting policies (continued)**

#### **2.12 Debtors**

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

#### **2.13 Cash at bank and in hand**

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

#### **2.14 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 company 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.

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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 consolidated statement of financial activities as a finance cost.

#### **2.15 Financial instruments**

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade, intercompany and other accounts receivable and payable, cash and bank balances and loans with related parties.

All such instruments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, in which case the transaction is measured at the present value of the future receipts discounted at a market rate of interest. All financial instruments are subsequently carried at amortised cost using the effective interest method.

#### **2.16 Operating leases**

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

## **Notes to the financial statements**

**Year ended 31 July 2020**

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### **2. Accounting policies (continued)**

#### **2.17 Pension costs**

The School operates two main schemes:

The School participates in the Teachers' Pension Scheme, which is a defined benefit scheme for teaching staff only. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The School also operates a defined contribution scheme for non-teaching staff. The assets of the scheme are held separately from those of the School in an independently administered fund. The charge to the statement of financial activities is the amount payable in the period.

#### **2.18 Fund accounting**

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

Designated funds comprise unrestricted funds that have been set aside by the trustees 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 Group 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.

Endowment funds are funds which are held for the permanent benefit of the charity. There is no power to convert capital into income.

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 July 2020

### 2. Accounting policies (continued)

#### 2.19 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### *Significant judgments in applying the entity's accounting policies*

In preparing these financial statements, the trustees do not consider there to have been any other significant judgments that were required in the process of applying the company's accounting policies.

##### *Key sources of estimation and uncertainty*

Estimates included within these financial statements include the valuation of land and buildings owed by the school, depreciation rates, accruals for employment costs (holiday pay), and asset impairments (for example provisions against stock and debtors). None of the estimates made in the preparation of these financial statements are considered to carry significant estimation uncertainty, nor to bear a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

### 3. Income from donations and legacies

|                                            | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|--------------------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Hospital of St Mary the Virgin             | 192,480                            | -                                | 192,480                     |
| The Royal Grammar School Educational Trust | -                                  | 665,148                          | 665,148                     |
| Other income for bursaries                 | -                                  | 430                              | 430                         |
| Government grants                          | 861,595                            | -                                | 861,595                     |
|                                            | <u>1,054,075</u>                   | <u>665,578</u>                   | <u>1,719,653</u>            |

|                                            | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ |
|--------------------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Hospital of St Mary the Virgin             | 238,500                            | -                                | 238,500                     |
| The Royal Grammar School Educational Trust | -                                  | 597,106                          | 597,106                     |
| Other income for bursaries                 | -                                  | 2,150                            | 2,150                       |
|                                            | <u>238,500</u>                     | <u>599,256</u>                   | <u>837,756</u>              |

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 July 2020

### 4. Income from charitable activities

|                              | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Provision of school services | 16,986,875                         | 16,986,875                  | 17,054,826                  |
| <b>School fees</b>           |                                    |                             |                             |
|                              |                                    | 2020<br>£                   | 2019<br>£                   |
| Gross fees                   |                                    | 16,841,972                  | 16,719,094                  |
| Less: Grants and allowances  |                                    | (408,379)                   | (376,904)                   |
| Catering income              |                                    | 553,282                     | 712,636                     |
|                              |                                    | 16,986,875                  | 17,054,826                  |

### 5. Income from other trading activities

#### Fundraising income

|                            | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|----------------------------|------------------------------------|-----------------------------|-----------------------------|
| Facilities lettings income | 70,845                             | 70,845                      | 100,623                     |

#### Income from non charitable trading activities

|                    | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|--------------------|------------------------------------|-----------------------------|-----------------------------|
| Subsidiary trading | 38,770                             | 38,770                      | 64,876                      |

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 July 2020

### 6. Investment income

|                            | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|----------------------------|------------------------------------|----------------------------------|-----------------------------|
| Property rental income     | -                                  | 34,350                           | 34,350                      |
| Dividend income            | -                                  | 5,181                            | 5,181                       |
| Prize fund dividend income | -                                  | 3,560                            | 3,560                       |
| Bank interest              | 13,785                             | 3,026                            | 16,811                      |
|                            | <u>13,785</u>                      | <u>46,117</u>                    | <u>59,902</u>               |

|                            | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ |
|----------------------------|------------------------------------|----------------------------------|-----------------------------|
| Property rental income     | -                                  | 39,184                           | 39,184                      |
| Dividend income            | -                                  | 3,935                            | 3,935                       |
| Prize fund dividend income | -                                  | 3,346                            | 3,346                       |
| Bank interest              | 10,409                             | 8,211                            | 18,620                      |
|                            | <u>10,409</u>                      | <u>54,676</u>                    | <u>65,085</u>               |

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 July 2020

### 7. Cost of raising funds

|                             | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|-----------------------------|------------------------------------|-----------------------------|
| Fundraising costs           | 9,196                              | 9,196                       |
| Marketing costs             | 53,205                             | 53,205                      |
| Costs of letting facilities | 23,241                             | 23,241                      |
| Subsidiary trading costs    | 39,945                             | 39,945                      |
|                             | <u>125,587</u>                     | <u>125,587</u>              |

|                             | Unrestricted<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ |
|-----------------------------|------------------------------------|-----------------------------|
| Fundraising costs           | 19,449                             | 19,449                      |
| Marketing costs             | 67,022                             | 67,022                      |
| Costs of letting facilities | 1,996                              | 1,996                       |
| Subsidiary trading costs    | 56,737                             | 56,737                      |
|                             | <u>145,204</u>                     | <u>145,204</u>              |



# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 July 2020

### 8. Analysis of expenditure on charitable activities

#### Summary by fund type

|                              | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Provision of school services | 17,091,042                         | -                                | 17,091,042                  |
| Bursaries provided           | 692,977                            | 665,148                          | 1,358,125                   |
|                              | <u>17,784,019</u>                  | <u>665,148</u>                   | <u>18,449,167</u>           |

|                              | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ |
|------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Provision of school services | 16,424,756                         | -                                | 16,424,756                  |
| Bursaries provided           | 440,234                            | 613,876                          | 1,054,110                   |
|                              | <u>16,864,990</u>                  | <u>613,876</u>                   | <u>17,478,866</u>           |

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 July 2020

### 9. Analysis of expenditure by activities

|                              | Activities<br>undertaken<br>directly<br>2020<br>£ | Grant<br>funding of<br>activities<br>2020<br>£ | Support<br>costs<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|------------------------------|---------------------------------------------------|------------------------------------------------|-------------------------------|-----------------------------|
| Provision of school services | 15,170,358                                        | 37,567                                         | 1,883,118                     | <b>17,091,043</b>           |
| Bursaries provided           | 896,699                                           | 284,259                                        | 177,167                       | <b>1,358,125</b>            |
|                              | <u>16,067,057</u>                                 | <u>321,826</u>                                 | <u>2,060,285</u>              | <u><b>18,449,167</b></u>    |

|                              | Activities<br>undertaken<br>directly<br>2019<br>£ | Grant<br>funding of<br>activities<br>2019<br>£ | Support<br>costs<br>2019<br>£ | Total<br>funds<br>2019<br>£ |
|------------------------------|---------------------------------------------------|------------------------------------------------|-------------------------------|-----------------------------|
| Provision of school services | 14,829,303                                        | 37,517                                         | 1,557,936                     | 16,424,756                  |
| Bursaries provided           | 836,911                                           | 57,409                                         | 159,790                       | 1,054,110                   |
|                              | <u>15,666,214</u>                                 | <u>94,926</u>                                  | <u>1,717,726</u>              | <u>17,478,866</u>           |

Grant funding relates to a grant paid from the School's linked charity, The Storrow Scott Trust, to the Royal Grammar School Educational Trust of £37,567, and by the School to the same charity of £284,259.

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 July 2020

### 9. Analysis of expenditure by activities (continued)

#### Analysis of direct costs

|                                                                                | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|--------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Depreciation                                                                   | 1,499,389                   | 1,223,352                   |
| Teachers' salaries                                                             | 9,143,521                   | 8,569,329                   |
| Teaching resources                                                             | 579,381                     | 746,893                     |
| Other educational costs                                                        | 184,269                     | 219,087                     |
| Other teaching staff costs                                                     | 239,650                     | 148,740                     |
| Premises costs - salary                                                        | 727,571                     | 653,592                     |
| Premises costs - maintenance                                                   | 472,337                     | 588,589                     |
| Premises costs - occupancy                                                     | 654,889                     | 770,678                     |
| Premises costs - insurance                                                     | 123,823                     | 129,981                     |
| Catering costs - staff salaries                                                | 252,792                     | 245,933                     |
| Catering costs - food                                                          | 276,958                     | 400,384                     |
| Catering costs - kitchen overheads                                             | 73,287                      | 99,074                      |
| Academic support expenditure - educational support salaries                    | 689,721                     | 750,005                     |
| Academic support expenditure - PE and sport                                    | 211,758                     | 232,329                     |
| Academic support expenditure - clubs, school magazines and miscellaneous costs | 30,357                      | 41,833                      |
| Bursaries provided                                                             | 896,699                     | 836,911                     |
| Prizes and awards                                                              | 10,656                      | 9,504                       |
|                                                                                | <b>16,067,057</b>           | <b>15,666,214</b>           |

#### Analysis of support costs

|                      | Provision of<br>school<br>services<br>2020<br>£ | Fundraising<br>costs<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|----------------------|-------------------------------------------------|-----------------------------------|-----------------------------|
| Administration costs | 906,003                                         | 177,167                           | 1,083,170                   |
| Financial costs      | 875,929                                         | -                                 | 875,929                     |
| Other central costs  | 79,767                                          | -                                 | 79,767                      |
| Governance           | 21,419                                          | -                                 | 21,419                      |
|                      | <b>1,883,118</b>                                | <b>177,167</b>                    | <b>2,060,285</b>            |

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 July 2020

### 9. Analysis of expenditure by activities (continued)

#### Analysis of support costs (continued)

|                      | Provision of<br>school<br>services<br>2019<br>£ | Fundraising<br>costs<br>2019<br>£ | Total<br>funds<br>2019<br>£ |
|----------------------|-------------------------------------------------|-----------------------------------|-----------------------------|
| Administration costs | 945,248                                         | 159,790                           | 1,105,038                   |
| Financial costs      | 483,686                                         | -                                 | 483,686                     |
| Other central costs  | 104,729                                         | -                                 | 104,729                     |
| Governance           | 24,273                                          | -                                 | 24,273                      |
|                      | <u>1,557,936</u>                                | <u>159,790</u>                    | <u>1,717,726</u>            |

### 10. Auditor's remuneration

|                                                                                                 | 2020<br>£    | 2019<br>£     |
|-------------------------------------------------------------------------------------------------|--------------|---------------|
| Fees payable to the company's auditor for the audit of the charitable company's annual accounts | 7,500        | 7,500         |
| Fees payable to the company's auditor in respect of:                                            |              |               |
| The auditing of accounts of associates of the company                                           | 4,500        | 4,500         |
| All assurance services not included above                                                       | 1,750        | 1,750         |
| All non-audit services not included above                                                       | 1,250        | 1,250         |
|                                                                                                 | <u>7,500</u> | <u>15,000</u> |

### 11. Pupils and employees details

|                       | 2020<br>£         | 2019<br>£         |
|-----------------------|-------------------|-------------------|
| <b>Staff costs</b>    |                   |                   |
| Wages and salaries    | 8,926,335         | 8,730,182         |
| Social security costs | 938,551           | 899,665           |
| Pension contributions | 1,708,497         | 1,225,327         |
|                       | <u>11,573,383</u> | <u>10,855,174</u> |

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 July 2020

|                                                                                                     | 2020<br>No. | 2019<br>No. |
|-----------------------------------------------------------------------------------------------------|-------------|-------------|
| <b>The number of employees receiving remuneration of more than £60,000 per annum is as follows:</b> |             |             |
| £60,001 - £70,000                                                                                   | 11          | 9           |
| £70,001 - £80,000                                                                                   | 3           | 5           |
| £80,001 - £90,000                                                                                   | 3           | -           |
| £90,001 - £100,000                                                                                  | -           | 1           |
| £100,001 - £110,000                                                                                 | 1           | 1           |
| £120,001 - £130,000                                                                                 | 1           | -           |
| £130,001 - £140,000                                                                                 | -           | 1           |
|                                                                                                     | <b>19</b>   | <b>17</b>   |

Key management personnel has been determined to be the governors and the 9 (2019: 9) members of the senior management team. The total remuneration of the senior management team excluding employers' national insurance costs was £932,867 (2019: £901,900).

During the year, no governors received any remuneration (2019: £nil). Expenses of £1,062 were reimbursed to 2 governors (2019: £533).

|                             | Headcount<br>2020<br>No. | Headcount<br>2019<br>No. | FTE<br>2020<br>No. | FTE<br>2019<br>No. |
|-----------------------------|--------------------------|--------------------------|--------------------|--------------------|
| <b>Staff numbers</b>        |                          |                          |                    |                    |
| Senior school teachers      | 118                      | 118                      | 111                | 111                |
| Junior school teachers      | 22                       | 18                       | 20                 | 17                 |
| Academic support            | 38                       | 39                       | 28                 | 29                 |
| Property management         | 33                       | 33                       | 26                 | 24                 |
| Clerical and administrative | 24                       | 26                       | 21                 | 23                 |
| Catering                    | 20                       | 19                       | 14                 | 12                 |
|                             | <b>255</b>               | <b>253</b>               | <b>220</b>         | <b>216</b>         |

# **The Newcastle upon Tyne Royal Grammar School**

(A company limited by guarantee)

## **Notes to the financial statements Year ended 31 July 2020**

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### **Pupil numbers at 31 July 2020**

|                      | <b>2020<br/>No.</b> | <b>2019<br/>No.</b> |
|----------------------|---------------------|---------------------|
| <b>Senior School</b> |                     |                     |
| Full fees            | <b>981</b>          | 981                 |
| Receiving bursaries  | <b>71</b>           | 66                  |
|                      | <b><u>1,052</u></b> | <b><u>1,047</u></b> |
|                      | <b>2020<br/>No.</b> | <b>2019<br/>No.</b> |
| <b>Junior School</b> |                     |                     |
| Full fees            | <b>256</b>          | 260                 |
| Receiving bursaries  | <b>6</b>            | 6                   |
|                      | <b><u>262</u></b>   | <b><u>266</u></b>   |

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 July 2020

### 12. Tangible fixed assets

#### Group

|                              | Land and<br>buildings<br>£ | Motor<br>vehicles<br>£ | Fixtures<br>and<br>fittings<br>£ | Trading<br>subsidiary<br>equipment<br>£ | Assets<br>under<br>construction<br>£ | Total<br>£        |
|------------------------------|----------------------------|------------------------|----------------------------------|-----------------------------------------|--------------------------------------|-------------------|
| <b>Cost or valuation</b>     |                            |                        |                                  |                                         |                                      |                   |
| At 1 August 2019             | 40,015,160                 | 121,290                | 2,869,717                        | 3,447                                   | 7,190,450                            | 50,200,064        |
| Additions                    | -                          | -                      | 295,668                          | 8,620                                   | 3,127,898                            | 3,432,186         |
| Transfers between<br>classes | 9,902,246                  | -                      | 416,102                          | -                                       | (10,318,348)                         | -                 |
| Revaluations                 | 1,740,775                  | -                      | -                                | -                                       | -                                    | 1,740,775         |
| At 31 July 2020              | <u>51,658,181</u>          | <u>121,290</u>         | <u>3,581,487</u>                 | <u>12,067</u>                           | <u>-</u>                             | <u>55,373,025</u> |
| <b>Depreciation</b>          |                            |                        |                                  |                                         |                                      |                   |
| At 1 August 2019             | 4,478,048                  | 77,576                 | 2,170,659                        | 3,447                                   | -                                    | 6,729,730         |
| Charge for the year          | 904,796                    | 20,530                 | 571,908                          | 2,155                                   | -                                    | 1,499,389         |
| At 31 July 2020              | <u>5,382,844</u>           | <u>98,106</u>          | <u>2,742,567</u>                 | <u>5,602</u>                            | <u>-</u>                             | <u>8,229,119</u>  |
| <b>Net book value</b>        |                            |                        |                                  |                                         |                                      |                   |
| At 31 July 2020              | <u>46,275,337</u>          | <u>23,184</u>          | <u>838,920</u>                   | <u>6,465</u>                            | <u>-</u>                             | <u>47,143,906</u> |
| At 31 July 2019              | <u>35,537,112</u>          | <u>43,714</u>          | <u>699,058</u>                   | <u>-</u>                                | <u>7,190,450</u>                     | <u>43,470,334</u> |

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 July 2020

### 12. Tangible fixed assets (continued)

#### Company

|                           | Land and<br>buildings<br>£ | Motor<br>vehicles<br>£ | Fixtures and<br>fittings<br>£ | Assets<br>under<br>construction<br>£ | Total<br>£ |
|---------------------------|----------------------------|------------------------|-------------------------------|--------------------------------------|------------|
| <b>Cost or valuation</b>  |                            |                        |                               |                                      |            |
| At 1 August 2019          | 40,015,160                 | 121,290                | 2,869,717                     | 7,190,450                            | 50,196,617 |
| Additions                 | -                          | -                      | 295,668                       | 3,127,898                            | 3,423,566  |
| Transfers between classes | 9,902,246                  | -                      | 416,102                       | (10,318,348)                         | -          |
| Revaluations              | 1,740,775                  | -                      | -                             | -                                    | 1,740,775  |
| At 31 July 2020           | 51,658,181                 | 121,290                | 3,581,487                     | -                                    | 55,360,958 |
| <b>Depreciation</b>       |                            |                        |                               |                                      |            |
| At 1 August 2019          | 4,478,048                  | 77,576                 | 2,170,659                     | -                                    | 6,726,283  |
| Charge for the year       | 904,796                    | 20,530                 | 571,908                       | -                                    | 1,497,234  |
| At 31 July 2020           | 5,382,844                  | 98,106                 | 2,742,567                     | -                                    | 8,223,517  |
| <b>Net book value</b>     |                            |                        |                               |                                      |            |
| At 31 July 2020           | 46,275,337                 | 23,184                 | 838,920                       | -                                    | 47,137,441 |
| At 31 July 2019           | 35,537,112                 | 43,714                 | 699,058                       | 7,190,450                            | 43,470,334 |

Included in land and buildings is freehold land at valuation of £6,700,000 (2019: £6,700,000), cost unknown, which is not depreciated.

The freehold land and buildings were revalued by Lambert Smith Hampton, external Chartered Surveyors, as at 25 June 2020 on a depreciated replacement cost basis of £46,250,000. Subsequent additions are included at cost.

At 31 July 2020, included within the net book value of land and buildings is £46,254,424 (2019: £35,514,837) relating to freehold land and buildings and £20,913 (2019: £22,275) relating to long term leasehold land and buildings.



# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 July 2020

### 13. Investment property

#### Group

|                  | Freehold<br>investment<br>property<br>£ |
|------------------|-----------------------------------------|
| <b>Valuation</b> |                                         |
| At 1 August 2019 | 440,000                                 |
| Impairment       | (75,000)                                |
| At 31 July 2020  | <u>365,000</u>                          |

#### Company

|                  | Freehold<br>investment<br>property<br>£ |
|------------------|-----------------------------------------|
| <b>Valuation</b> |                                         |
| At 1 August 2019 | 440,000                                 |
| Impairment       | (75,000)                                |
| At 31 July 2020  | <u>365,000</u>                          |

The Storrow Scott Charitable Will Trust owns the freehold property situated at 3 St Mary's Place, Newcastle upon Tyne. The property is valued at open market value of £365,000 with a formal valuation performed in 2020 by Lambert Smith Hampton, external Chartered Surveyors.

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 July 2020

### 14. Fixed asset investments

| Group                    | Listed<br>investments<br>£ | Unlisted<br>investments<br>£ | Total<br>£     |
|--------------------------|----------------------------|------------------------------|----------------|
| <b>Cost or valuation</b> |                            |                              |                |
| At 1 August 2019         | 786,461                    | 103,158                      | 889,619        |
| Additions                | 28,530                     | 476,500                      | 505,030        |
| Disposals                | (522,096)                  | -                            | (522,096)      |
| Revaluations             | (17,700)                   | (5,338)                      | (23,038)       |
| <b>At 31 July 2020</b>   | <b>275,195</b>             | <b>574,320</b>               | <b>849,515</b> |
| <b>Net book value</b>    |                            |                              |                |
| <b>At 31 July 2020</b>   | <b>275,195</b>             | <b>574,320</b>               | <b>849,515</b> |
| At 31 July 2019          | 786,461                    | 103,158                      | 889,619        |

| Company                  | Investments<br>in<br>subsidiary<br>companies<br>£ | Listed<br>investments<br>£ | Unlisted<br>investments<br>£ | Total<br>£     |
|--------------------------|---------------------------------------------------|----------------------------|------------------------------|----------------|
| <b>Cost or valuation</b> |                                                   |                            |                              |                |
| At 1 August 2019         | 1                                                 | 786,461                    | 103,158                      | 889,620        |
| Additions                | -                                                 | 28,530                     | 476,500                      | 505,030        |
| Disposals                | -                                                 | (522,096)                  | -                            | (522,096)      |
| Revaluations             | -                                                 | (17,700)                   | (5,338)                      | (23,038)       |
| <b>At 31 July 2020</b>   | <b>1</b>                                          | <b>275,195</b>             | <b>574,320</b>               | <b>849,516</b> |
| <b>Net book value</b>    |                                                   |                            |                              |                |
| <b>At 31 July 2020</b>   | <b>1</b>                                          | <b>275,195</b>             | <b>574,320</b>               | <b>849,516</b> |
| At 31 July 2019          | 1                                                 | 786,461                    | 103,158                      | 889,620        |

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 July 2020

### 15. Stocks

|                          | Group<br>2020<br>£ | Group<br>2019<br>£ | Company<br>2020<br>£ | Company<br>2019<br>£ |
|--------------------------|--------------------|--------------------|----------------------|----------------------|
| Teaching and other stock | 7,613              | 4,096              | 7,613                | 4,096                |
| Kitchen                  | 13,630             | 5,832              | 13,630               | 5,832                |
| Goods for resale         | 3,290              | 3,186              | -                    | -                    |
|                          | <b>24,533</b>      | <b>13,114</b>      | <b>21,243</b>        | <b>9,928</b>         |

### 16. Debtors

|                                         | Group<br>2020<br>£ | Group<br>2019<br>£ | Company<br>2020<br>£ | Company<br>2019<br>£ |
|-----------------------------------------|--------------------|--------------------|----------------------|----------------------|
| <b>Due within one year</b>              |                    |                    |                      |                      |
| Trade debtors                           | 80,831             | 138,942            | 80,831               | 138,942              |
| Amounts owed by group undertakings      | -                  | -                  | 9,695                | 17,083               |
| Amounts owed by participating interests | -                  | 2,847              | -                    | 2,847                |
| Other debtors                           | 6,278              | 5,918              | 5,155                | 5,892                |
| Prepayments and accrued income          | 161,304            | 193,297            | 161,304              | 193,297              |
|                                         | <b>248,413</b>     | <b>341,004</b>     | <b>256,985</b>       | <b>358,061</b>       |

### 17. Creditors: Amounts falling due within one year

|                                    | Group<br>2020<br>£ | Group<br>2019<br>£ | Company<br>2020<br>£ | Company<br>2019<br>£ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Bank loans                         | 5,210,000          | 840,000            | 5,210,000            | 840,000              |
| Trade creditors                    | 146,142            | 850,242            | 146,142              | 850,242              |
| School field trip creditors        | 107,600            | 151,564            | 107,600              | 151,564              |
| Pension creditor                   | 224,739            | 178,890            | 224,739              | 178,890              |
| Other taxation and social security | 236,446            | 230,353            | 236,446              | 230,353              |
| Other creditors                    | 443,713            | 104,670            | 443,713              | 104,670              |
| Accruals and deferred income       | 711,446            | 823,198            | 710,145              | 821,946              |
| Fees in advance                    | 119,226            | 80,528             | 119,226              | 80,528               |
| Deposits repayable within one year | 47,800             | 67,600             | 47,800               | 67,600               |
|                                    | <b>7,247,112</b>   | <b>3,327,045</b>   | <b>7,245,811</b>     | <b>3,325,793</b>     |

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 July 2020

### 18. Creditors: Amounts falling due after more than one year

|                          | Group<br>2020<br>£ | Group<br>2019<br>£ | Company<br>2020<br>£ | Company<br>2019<br>£ |
|--------------------------|--------------------|--------------------|----------------------|----------------------|
| Bank loans               | 13,677,000         | 13,467,000         | 13,677,000           | 13,467,000           |
| Other creditors          | 191,200            | 193,800            | 191,200              | 193,800              |
| Fees received in advance | 147,689            | 200,253            | 147,689              | 200,253              |
|                          | <u>14,015,889</u>  | <u>13,861,053</u>  | <u>14,015,889</u>    | <u>13,861,053</u>    |

Included within the above are amounts falling due as follows:

|                                   | Group<br>2020<br>£ | Group<br>2019<br>£ | Company<br>2020<br>£ | Company<br>2019<br>£ |
|-----------------------------------|--------------------|--------------------|----------------------|----------------------|
| <b>Between one and two years</b>  |                    |                    |                      |                      |
| Bank loans                        | <u>840,000</u>     | <u>840,000</u>     | <u>840,000</u>       | <u>840,000</u>       |
| <b>Between two and five years</b> |                    |                    |                      |                      |
| Bank loans                        | <u>2,520,000</u>   | <u>2,520,000</u>   | <u>2,520,000</u>     | <u>2,520,000</u>     |
| <b>Over five years</b>            |                    |                    |                      |                      |
| Bank loans                        | <u>10,317,000</u>  | <u>10,107,000</u>  | <u>10,317,000</u>    | <u>10,107,000</u>    |

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

|                                     | Group<br>2020<br>£ | Group<br>2019<br>£ | Company<br>2020<br>£ | Company<br>2019<br>£ |
|-------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Payable or repayable by instalments | <u>10,317,000</u>  | <u>10,107,000</u>  | <u>10,317,000</u>    | <u>10,107,000</u>    |
|                                     | <u>10,317,000</u>  | <u>10,107,000</u>  | <u>10,317,000</u>    | <u>10,107,000</u>    |

The bank loans and overdrafts are secured by a first legal charge over the freehold land and buildings of the School and a debenture. At 31 July 2020, bank loans, including amounts falling due within 1 year, comprise the following loans:

- £11.5 million term loan, secured on the school freehold land and buildings, repayable by instalments over a 15 year term and bearing interest at market rates;
- £3.5 million facility, secured on the school freehold land and buildings and repayable by instalments over 15 years and bearing interest at market rates;
- £5 million revolving credit facility, secured on the school freehold land and buildings and bearing interest at market rates. £3.7 million was repaid in September 2020 with the remaining £1.3 million due in December 2020.

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 July 2020

### 19. Statement of funds

#### Statement of funds - current year

|                                 | Balance at 1<br>August 2019<br>£ | Income<br>£       | Expenditure<br>£    | Gains/<br>(Losses)<br>£ | Balance at<br>31 July 2020<br>£ |
|---------------------------------|----------------------------------|-------------------|---------------------|-------------------------|---------------------------------|
| <b>Designated funds</b>         |                                  |                   |                     |                         |                                 |
| Bursary Fund                    | 4,000,000                        | -                 | (274,668)           | -                       | 3,725,332                       |
| Revaluation reserve             | 11,201,029                       | -                 | -                   | 1,740,775               | 12,941,804                      |
| <b>General funds</b>            |                                  |                   |                     |                         |                                 |
| School general fund             | 17,820,350                       | 18,165,189        | (17,594,994)        | -                       | 18,390,545                      |
| RGS Trading                     | 11,234                           | 38,770            | (39,945)            | -                       | 10,059                          |
|                                 | <u>17,831,584</u>                | <u>18,203,959</u> | <u>(17,634,939)</u> | <u>-</u>                | <u>18,400,604</u>               |
| <b>Total Unrestricted funds</b> | <u>33,032,613</u>                | <u>18,203,959</u> | <u>(17,909,607)</u> | <u>1,740,775</u>        | <u>35,067,740</u>               |
| <b>Endowment funds</b>          |                                  |                   |                     |                         |                                 |
| Prize Funds Charity             | 103,158                          | -                 | -                   | 3,687                   | 106,845                         |
| J R Howarth Bursary Fund        | 152,623                          | -                 | -                   | (19,749)                | 132,874                         |
| Peter Taylor Bursary Fund       | 94,570                           | -                 | -                   | (11,671)                | 82,899                          |
| The Storrow Scott Trust         | 979,269                          | -                 | -                   | (87,372)                | 891,897                         |
|                                 | <u>1,329,620</u>                 | <u>-</u>          | <u>-</u>            | <u>(115,105)</u>        | <u>1,214,515</u>                |
| <b>Restricted funds</b>         |                                  |                   |                     |                         |                                 |
| J R Howarth Bursary Fund        | (599)                            | 2,399             | -                   | -                       | 1,800                           |
| Peter Taylor Bursary Fund       | 12,647                           | 2,781             | -                   | -                       | 15,428                          |
| School Bursary Fund             | 48,063                           | 665,578           | (624,021)           | -                       | 89,620                          |
| Cricket Fund                    | 432                              | -                 | -                   | -                       | 432                             |
| The Storrow Scott Trust         | 3,445                            | 37,377            | (37,567)            | -                       | 3,255                           |
| Prize Fund                      | -                                | 3,560             | (3,560)             | -                       | -                               |
|                                 | <u>63,988</u>                    | <u>711,695</u>    | <u>(665,148)</u>    | <u>-</u>                | <u>110,535</u>                  |
| <b>Total of funds</b>           | <u>34,426,221</u>                | <u>18,915,654</u> | <u>(18,574,755)</u> | <u>1,625,670</u>        | <u>36,392,790</u>               |

# The Newcastle upon Tyne Royal Grammar School

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 July 2020

### 19. Statement of funds (continued)

#### Statement of funds - prior year

|                                 | Balance at<br>1 August<br>2018<br>£ | Income<br>£       | Expenditure<br>£    | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 July 2019<br>£ |
|---------------------------------|-------------------------------------|-------------------|---------------------|--------------------------|-------------------------|---------------------------------|
| <b>Designated funds</b>         |                                     |                   |                     |                          |                         |                                 |
| Bursary Fund                    | 4,000,000                           | -                 | (57,409)            | 57,409                   | -                       | 4,000,000                       |
| Revaluation reserve             | 11,201,029                          | -                 | -                   | -                        | -                       | 11,201,029                      |
|                                 | <u>15,201,029</u>                   | <u>-</u>          | <u>(57,409)</u>     | <u>57,409</u>            | <u>-</u>                | <u>15,201,029</u>               |
| <b>General funds</b>            |                                     |                   |                     |                          |                         |                                 |
| School general fund             | 17,338,030                          | 17,426,418        | (16,896,048)        | (48,050)                 | -                       | 17,820,350                      |
| RGS Trading                     | 3,095                               | 64,876            | (56,737)            | -                        | -                       | 11,234                          |
|                                 | <u>17,341,125</u>                   | <u>17,491,294</u> | <u>(16,952,785)</u> | <u>(48,050)</u>          | <u>-</u>                | <u>17,831,584</u>               |
| <b>Total Unrestricted funds</b> | <u>32,542,154</u>                   | <u>17,491,294</u> | <u>(17,010,194)</u> | <u>9,359</u>             | <u>-</u>                | <u>33,032,613</u>               |
| <b>Endowment funds</b>          |                                     |                   |                     |                          |                         |                                 |
| Prize Funds Charity             | 94,752                              | -                 | -                   | -                        | 8,406                   | 103,158                         |
| J R Howarth Bursary Fund        | 172,538                             | -                 | -                   | (9,359)                  | (10,556)                | 152,623                         |
| Peter Taylor Bursary Fund       | 96,434                              | -                 | -                   | -                        | (1,864)                 | 94,570                          |
| The Storrow Scott Trust         | 934,927                             | -                 | -                   | -                        | 44,342                  | 979,269                         |
|                                 | <u>1,298,651</u>                    | <u>-</u>          | <u>-</u>            | <u>(9,359)</u>           | <u>40,328</u>           | <u>1,329,620</u>                |
| <b>Restricted funds</b>         |                                     |                   |                     |                          |                         |                                 |
| J R Howarth Bursary Fund        | 7,412                               | 5,153             | (13,164)            | -                        | -                       | (599)                           |

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Year ended 31 July 2020

### 19. Statement of funds (continued)

#### Statement of funds - prior year (continued)

|                              | Balance at<br>1 August<br>2018<br>£ | Income<br>£              | Expenditure<br>£           | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 July 2019<br>£ |
|------------------------------|-------------------------------------|--------------------------|----------------------------|--------------------------|-------------------------|---------------------------------|
| Peter Taylor<br>Bursary Fund | 9,589                               | 3,058                    | -                          | -                        | -                       | 12,647                          |
| School Bursary<br>Fund       | 8,656                               | 599,256                  | (559,849)                  | -                        | -                       | 48,063                          |
| Cricket Fund                 | 432                                 | -                        | -                          | -                        | -                       | 432                             |
| The Storrow<br>Scott Trust   | (2,157)                             | 43,119                   | (37,517)                   | -                        | -                       | 3,445                           |
| Prize Fund                   | -                                   | 3,346                    | (3,346)                    | -                        | -                       | -                               |
|                              | <u>23,932</u>                       | <u>653,932</u>           | <u>(613,876)</u>           | <u>-</u>                 | <u>-</u>                | <u>63,988</u>                   |
| <b>Total of funds</b>        | <u><u>33,864,737</u></u>            | <u><u>18,145,226</u></u> | <u><u>(17,624,070)</u></u> | <u><u>-</u></u>          | <u><u>40,328</u></u>    | <u><u>34,426,221</u></u>        |

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## Notes to the financial statements

Year ended 31 July 2020

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Donations are credited to the appropriate fund and the impact of market valuation and investment transactions are also included.

### **Unrestricted designated funds - Bursary fund**

The bursary fund is to be used to provide fee assistance for pupils from lower income families who would not otherwise be able to attend the school.

### **Unrestricted general funds**

Unrestricted general funds may be used for any of the charitable objects of the charitable company. The transfer from the revaluation reserve to the school general fund is in respect of the additional depreciation charged against revalued assets, compared to the charge that would arise had the assets not been revalued.

## **ENDOWMENT FUNDS**

Endowment funds are all permanent.

***J R Howarth Bursary Fund*** - The original bequest of £121,132 from James Ronald Howarth was provided to give assistance to able boys attending the Royal Grammar School, for scholarships and bursaries. If, at any time, the Royal Grammar School loses its independence, as defined by the Governors of the school, the whole sum shall be paid to the Rector and Fellows of Exeter College, Oxford, to be used at their discretion for the benefit of the college.

***The Peter Taylor Bursary Fund*** - In 1998, the family of the late Lord Taylor of Gosforth set up a bursary fund to assist with the tuition fees of pupils entering the 6th form of the RGS, who, for financial reasons, might not otherwise be able to attend the school.

***The Prize Funds Charity*** - This is a separate charitable trust formed in 2008. It comprises many small donations made for various reasons to provide a variety of school prizes. The funds have been managed by COIF Charities Investment Fund. The fund is under control of the school.

***The Storrow Scott Trust*** - This is described below within the information on linked charities.

## **RESTRICTED FUNDS**

Income from endowment funds is credited to restricted funds to be applied for the purposes specified by the fund.

Restricted funds also include:

- Funds provided by the Royal Grammar School Educational Trust and other donors for the provision of school bursaries;
- A donation to be expended on the cricket equipment and facilities.

## **LINKED CHARITIES**

The charitable company is the trustee of, or is required to manage, the following two charities which have been linked by the Charity Commission for administration and reporting purposes:

### **The Newcastle upon Tyne Royal Grammar School Property Trust**

The Newcastle upon Tyne Royal Grammar School Property Trust is the charity under which the school operated prior to the incorporation of the school under a charity commission scheme in 2006. The object of the charity is to advance education by the provision of a school in or near the city of Newcastle upon Tyne and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

Under the 2006 Scheme of the Property Trust retains the school's permanent endowments. Land and



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**Year ended 31 July 2020**

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buildings must be managed by the charitable company in accordance with the objects of this charity and various prize funds held by the charity must be managed by the charitable company in accordance with their trusts.

### **The Storrow Scott Charitable Will Trust**

The Storrow Scott Charitable Will Trust represents the capital and unapplied income of The Storrow Scott Charitable Will Trust which was established by the Will of W J S Scott who died on 10 May 1989. The school became the sole Trustee of the Trust under a Charity Commission Order dated 18 August 2014 at the request of the retiring Trustees. The Charity Commission has linked The Storrow Scott Charitable Will Trust to the school for administration and reporting purposes. Accordingly, the Charitable Will Trust's capital is reported as an endowment fund of the school and the income is restricted income of the school to be applied as stated below.

Under the terms of the Will of W J S Scott ("the Will") the Trust Fund as defined in the Will was held for the benefit of Northumberland County Cricket Club in the event of various conditions being satisfied.

By a Deed of Variation dated 1 October 2007 and confirmed by the Charity Commission with effect from 29 October 2007 the Central Register of Charities was amended to reflect the terms of the Deed of Variation. Following the 2014 Charity Commission Order the Will and Deed of Variation now determine the Objects of The Storrow Scott Charitable Will Trust Endowment and Restricted Funds.

### ***The Endowment Fund***

The principal object of The Storrow Scott Charitable Will Trust Endowment Fund is for the fund to be used either to enlarge the existing cricket ground at Osborne Avenue, Jesmond, Newcastle upon Tyne by acquiring part of the adjoining cemetery land or to create an entirely new playing field on the adjoining cemetery land and for cricket and if possible hockey to be placed there on grass.

The capital of The Endowment Fund is now to be held at the discretion of the Trustees subject to various conditions being satisfied for the benefit of one of a number of possible beneficiaries each of which must be a charity as defined by the Charities Act 2006. The beneficiaries include The Newcastle upon Tyne Royal Grammar School, The National Playing Fields Association and the Northumberland Playing Fields Association.

However if residential, commercial or other buildings are built on the adjoining cemetery land making it impossible for the condition of the Trust Deed to be satisfied and for the principal object of the Charity to be achieved the capital of the Endowment Fund is to be held for the benefit of the Northumberland Playing Fields Association, failing them the National Playing Fields Association, failing them then for such a similar Charity or Charities as the Trustees in its discretion shall select in the hope that it will be used for the development and promotion of hockey in Northumberland.

### ***The Restricted Fund***

Until such time as the conditions are satisfied the income from the Endowment Fund is restricted to be payable to such registered charities as the Trustee shall in its absolute discretion from time to time determine with preference being given to those based in the North of England. Such income is received into the Storrow Scott Charitable Will Trust Restricted Fund in order that it will be separately identified from the school's other funds. In the Deed of Retirement and indemnity it was acknowledged that the school may indirectly benefit from the application of the income of the Endowment to be applied to The Royal Grammar School Educational Trust for the benefit of the Newcastle upon Tyne Royal Grammar School bursary fund (payments to benefit such bursary fund being a preference expressed by the retiring trustees, Mr Scott having been a pupil at the school).

# The Newcastle upon Tyne Royal Grammar School

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Year ended 31 July 2020

### 20. Analysis of net assets between funds

#### Analysis of net assets between funds - current period

|                                     | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Endowment<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|-------------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Tangible fixed assets               | 47,143,906                         | -                                | -                               | 47,143,906                  |
| Fixed asset investments             | -                                  | -                                | 849,515                         | 849,515                     |
| Investment property                 | -                                  | -                                | 365,000                         | 365,000                     |
| Current assets                      | 9,186,834                          | 110,535                          | -                               | 9,297,369                   |
| Creditors due within one year       | (7,247,111)                        | -                                | -                               | (7,247,111)                 |
| Creditors due in more than one year | (14,015,889)                       | -                                | -                               | (14,015,889)                |
| <b>Total</b>                        | <b>35,067,740</b>                  | <b>110,535</b>                   | <b>1,214,515</b>                | <b>36,392,790</b>           |

#### Analysis of net assets between funds - prior period

|                                     | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Endowment<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ |
|-------------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Tangible fixed assets               | 43,470,334                         | -                                | -                               | 43,470,334                  |
| Fixed asset investments             | -                                  | -                                | 889,620                         | 889,620                     |
| Investment property                 | -                                  | -                                | 440,000                         | 440,000                     |
| Current assets                      | 6,750,377                          | 63,988                           | -                               | 6,814,365                   |
| Creditors due within one year       | (3,327,045)                        | -                                | -                               | (3,327,045)                 |
| Creditors due in more than one year | (13,861,053)                       | -                                | -                               | (13,861,053)                |
| <b>Total</b>                        | <b>33,032,613</b>                  | <b>63,988</b>                    | <b>1,329,620</b>                | <b>34,426,221</b>           |

# The Newcastle upon Tyne Royal Grammar School

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## Notes to the financial statements Year ended 31 July 2020

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

|                                                                      | Group<br>2020<br>£ | Group<br>2019<br>£ |
|----------------------------------------------------------------------|--------------------|--------------------|
| Net income for the period (as per Statement of Financial Activities) | 225,794            | 561,484            |
| <b>Adjustments for:</b>                                              |                    |                    |
| Depreciation charges                                                 | 1,499,389          | 1,229,705          |
| Interest paid                                                        | 519,442            | 399,144            |
| Losses/(gains) on investments                                        | 115,105            | (40,328)           |
| Dividends, interests and rents from investments                      | (59,902)           | (65,085)           |
| Profit on the sale of fixed assets                                   | -                  | (2,500)            |
| Increase in stocks                                                   | (11,419)           | (1,420)            |
| Decrease in debtors                                                  | 92,591             | 240,363            |
| (Decrease) / increase in creditors                                   | (505,097)          | 634,196            |
| <b>Net cash provided by operating activities</b>                     | <b>1,875,903</b>   | <b>2,955,559</b>   |

### 22. Analysis of cash and cash equivalents

|                                        | Group<br>2020<br>£ | Group<br>2019<br>£ |
|----------------------------------------|--------------------|--------------------|
| Cash in hand                           | 9,024,424          | 6,460,247          |
| <b>Total cash and cash equivalents</b> | <b>9,024,424</b>   | <b>6,460,247</b>   |

### 23. Analysis of changes in net debt

|                          | At 1 August<br>2019<br>£ | Cash flows<br>£    | Other non-<br>cash<br>changes<br>£ | At 31 July<br>2020<br>£ |
|--------------------------|--------------------------|--------------------|------------------------------------|-------------------------|
| Cash at bank and in hand | 6,460,247                | 2,564,177          | -                                  | 9,024,424               |
| Debt due within 1 year   | (840,000)                | (4,580,000)        | 210,000                            | (5,210,000)             |
| Debt due after 1 year    | (13,467,000)             | -                  | (210,000)                          | (13,677,000)            |
|                          | <b>(7,846,753)</b>       | <b>(2,015,823)</b> | <b>-</b>                           | <b>(9,862,576)</b>      |

# The Newcastle upon Tyne Royal Grammar School

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## Notes to the financial statements

Year ended 31 July 2020

### 24. Capital commitments

|                                                                      | Group<br>2020<br>£ | Group<br>2019<br>£ | Company<br>2020<br>£ | Company<br>2019<br>£ |
|----------------------------------------------------------------------|--------------------|--------------------|----------------------|----------------------|
| <b>Contracted for but not provided in these financial statements</b> |                    |                    |                      |                      |
| Construction of tangible fixed assets                                | -                  | 4,125,191          | -                    | 4,125,191            |

### 25. Pension commitments

The school's employees belong to two principal pension schemes, The Teachers' Pension Scheme for teaching staff and a fully insured money purchase scheme for support staff known as the RGS Support Staff Pension Plan.

The pension costs included in these financial statements comprise £1,521,833 (2019: £1,046,515) in respect of the teachers' Pension Scheme and £186,664 (2019: £178,812) in respect of the RGS Support Staff Pension Plan. Pensions payable to the pension schemes included within creditors at the year end (including employees' contributions) is £224,739 (2019: £178,890).

#### Teachers' Pension Scheme

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

# The Newcastle upon Tyne Royal Grammar School

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## Notes to the financial statements Year ended 31 July 2020

### 25. Pension commitments (continued)

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

#### The RGS Support Staff Pension

The RGS Support Staff Pension Plan is a fully insured money purchase scheme for all permanent RGS staff who are not entitled to join the TPS. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 26. Operating lease commitments

At 31 July 2020 the Group and the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

|                                              | <b>Group<br/>2020<br/>£</b> | <b>Group<br/>2019<br/>£</b> | <b>Company<br/>2020<br/>£</b> | <b>Company<br/>2019<br/>£</b> |
|----------------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Not later than 1 year                        | <b>55,854</b>               | 17,292                      | <b>55,854</b>                 | 17,292                        |
| Later than 1 year and not later than 5 years | <b>96,323</b>               | 66,660                      | <b>96,323</b>                 | 66,660                        |
| Later than 5 years                           | <b>275,595</b>              | 252,467                     | <b>275,595</b>                | 252,467                       |
|                                              | <b>427,772</b>              | 336,419                     | <b>427,772</b>                | 336,419                       |

### 27. Custodian funds

At the year end the charity held cash balances of £293,173 on behalf of the RGS Educational Trust charity. For further details regarding the relationship between both charities see note 28.

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## Notes to the financial statements

Year ended 31 July 2020

### 28. Related party transactions

Some Governors are also trustees of the RGS Educational Trust, a charity, the main purpose of which is to provide income towards bursaries for some pupils of the school. The school maintains a bank account on behalf of the Trust in respect of donations towards the Trust's campaign appeal and the school has met the Trust's campaign costs totalling £116,405 (2019: £109,692). The contribution towards bursaries by the Trust this year amounted to £665,575 (2019: £587,886). The school made a donation to the Trust during the year of £284,259 (2019: £57,409), to be invested to provide future bursaries.

The Storrow Scott Charitable Will Trust, a charity controlled by the School, applies its income to the RGS Educational Trust. Grants paid or payable from the charity to the Educational Trust in the year amount to £37,567 (2019: £37,517).

As at the balance sheet date £3,300 (2019: £nil) is included within debtors in respect of accountancy and audit fees and prizes paid by the school on behalf of the Trust.

### 29. Principal subsidiaries

The following was a subsidiary undertaking of the company:

| Name                | Company number | Class of shares | Holding | Included in consolidation |
|---------------------|----------------|-----------------|---------|---------------------------|
| RGS Trading Limited | 04063794       | Ordinary        | 100%    | Yes                       |

The financial results of the subsidiary for the year were:

| Name                | Income<br>£ | Expenditure<br>£ | Profit/(Loss)<br>/ Surplus/<br>(Deficit) for<br>the year<br>£ | Net assets<br>£ |
|---------------------|-------------|------------------|---------------------------------------------------------------|-----------------|
| RGS Trading Limited | 38,770      | (39,945)         | (1,175)                                                       | 10,061          |