

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE

(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 12
Governance statement	13 - 16
Statement on regularity, propriety and compliance	17
Statement of trustees' responsibilities	18
Independent auditor's report on the financial statements	19 – 22
Independent reporting accountant's report on regularity	23 – 24
Statement of financial activities incorporating income and expenditure account	25
Balance sheet	26
Statement of cash flows	27
Notes to the financial statements	28 - 61

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021

Members

S Abbas Warraich	Resigned 23.3.21
S Ashton	
B Avery	Resigned 23.3.21
B Casemore	Appointed 29.9.21
A Hannaford	
C Hodson	Resigned 23.3.21
A Houston	
A Hussain	Resigned 23.3.21
L Masson	Resigned 18.2.21
T Maunder	
J Nichols	Resigned 23.3.21
G O'Keeffe	Resigned 23.3.21
R Rizvi	
C Turney	Resigned 23.3.21
N Warnock-Horn	Resigned 23.3.21

Trustees

S Ashton	(Chair)	Resigned 27.9.21
S Abbas Warraich	(Community Governor)	
R Ali	(Parent Governor)	
B Avery	(Community Governor)	
L Bignell	(Staff Governor)	
B Casemore	(Chair, Community Governor)	Appointed Chair 28.9.21
G Flashman	(Parent Governor)	Appointed 7.6.21
T Fossey		Appointed 20.10.21
R Gilyeat	(Staff Governor)	
M Goodier	(Staff Governor)	
A Hannaford	(Community Governor)	Resigned 3.10.20
D Hayes	(Community Governor)	
C Hodson	(Co-opted Governor)	
A Hussain	(Community Governor)	
T Maunder	(Foundation Governor)	
L Masson	(Parent Governor)	Resigned 18.2.21
S Mukerji	(Co-opted Governor)	
J Nichols	(Community Governor)	
G O'Keeffe	(Parent Governor, Vice Chair)	
R. Stevens	(Parent Governor)	Appointed 7.6.21
S Tan	(Staff Governor)	
C Turney	(Parent Governor)	
N Warnock-Horn	(Community Governor)	
P Wayne	(Headmaster and Accounting Officer)	

Company Secretary

C Cobb

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021

Senior Management Team

P Wayne	(Headmaster)	
A Wallace	(Deputy Headmaster)	Resigned 31.8.21
D Booth	(Assistant Head)	Retired 31.8.21
J Eve	(Assistant Head)	
M Forster	(Assistant Head)	Resigned 31.8.21
H Munday	(Assistant Head)	
J Scourfield	(Head of Boarding)	
A Jones	(Finance Director)	Appointed 1.3.21
D Vorhies	(Chief Operating Officer)	Resigned 5.2.21

Company Name

Royal Grammar School High Wycombe

Principal and Registered Office

Royal Grammar School, Amersham Road, High Wycombe, Buckinghamshire, HP13 6QT

Company Registered Number

07492198 (England & Wales)

Independent Auditor

MHA MacIntyre Hudson, Building 4, Foundation Park, Roxborough Way, Maidenhead, SL6 3UD

Bankers

HSBC Bank Plc, 1 Corn Market, High Wycombe, Buckinghamshire, HP11 2AY

Solicitors

Veale Wasbrough Vizards LLP, Barnards Inn, 86 Fetter Lane, London EC4A 1AD

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

The Trust operates an academy for pupils aged 11 to 19 primarily serving a catchment area in and around High Wycombe, Buckinghamshire, stretching from Stokenchurch to Gerrard's Cross. It has a pupil capacity of 1,396 and exceeded capacity in the school census on 1 October 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Governors act as Trustees of the Royal Grammar School High Wycombe and are also the Directors of the charitable company for the purposes of company law. The Charitable Company is known as the Royal Grammar School High Wycombe.

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £109.13

Method of Recruitment and Appointment or Election of Trustees

The Trustees of the Academy Trust as at 31 August 2021 either came to the end of, or will serve, their remaining term of office. The term of their office is 4 years. Trustees may serve for a successive period of 4 years if re-elected. It is the board's practice to ask Trustees to stand for annual election after they have served for a total of 8 years.

- Members may appoint up to 10 Community Governors.
- Members may appoint Academic Staff Governors nominated and elected by the Academic Staff and Support Staff. Governors are nominated and elected by the Support Staff provided the total number of Academic Staff Governors (including the Headmaster) does not exceed one third of the total number of Governors.
- Wycombe Royal Grammar School Foundation may appoint up to 6 Foundation Governors approved by the Members.
- Parent Governors shall be elected by parents of registered pupils at the Academy.
- Members may appoint up to 3 Co-opted Governors.
- The Secretary of State may appoint such Additional Governors as he/she thinks fit.

The Headmaster, Mr Philip Wayne, is an ex-officio Governor.

Policies and Procedures Adopted for the Induction and Training of Trustees

The induction provided for new Trustees includes an Information Pack containing copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. They are given a tour of the Academy and the chance to meet with staff, including the Finance Director to discuss Academy finances, and students. As there are normally only two to three new Trustees per year, induction tends to be done informally and is tailored specifically to the individual although each new Trustee is allocated an experienced Trustee to act as mentor during their first 6 months. All Trustees are required to have DBS checks and undertake safeguarding training.

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Organisational Structure

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy's performance and making major decisions about the strategic direction of the Academy, capital expenditure and senior staff appointments.

The senior leadership team comprises the Headmaster, Deputy Headmaster, four Assistant Heads, Head of Boarding and the Finance Director. These managers control the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. As a group the senior leadership team is responsible for the authorisation of spending within agreed budgets, the appointment of staff and for the day to day operation of the Academy including the organisation of teaching staff, facilities and students.

Arrangements for setting pay and remuneration of key management personnel

The remuneration of the Senior Leadership Team is set by the Strategy Committee. This Committee comprises the Chair of Governors and Chairs of the Education, Finance & Audit and Human Resources Committees.

The only Trustees paid by the Academy are Staff Governors. Their remuneration is approved in line with the policies on Teacher and Support Staff Pay, as approved by Trustees. These policies are reviewed annually.

Trade union facility time

Relevant Union Officials

Number of employees who were relevant union Officials during the relevant period	Full-time equivalent employee number
3	2.4

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	2
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time	£498
Total pay bill	£148,617
Percentage of total pay bill spent on facility time	0.3%

Paid trade union activities

Time spent on paid trade union activities	100% of paid facility time hours
---	----------------------------------

Related Parties and other Connected Charities and Organisations

Wycombe Royal Grammar School Foundation, a registered charity, holds the majority of the land and buildings in trust for use by the Academy school. The objectives of this Foundation are to provide benefits for the Royal Grammar School, including the provision of boarding accommodation and to promote the education of present and former pupils of the school who are in need.

OBJECTIVES AND ACTIVITIES

Objects and Aims

In the last year the Headmaster, Governors and Senior Leadership Team have continued to develop the five-year strategic plan. This plan sets out the school's Mission and its Vision for the future.

"Together our Mission is to develop and to become worldly-wise, self-assured, high-achievers through an exceptional all-round education."

"Our Vision is to be seen as world-class through offering those most naturally able, irrespective of their background, the best all-round education offered by a UK state school."

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives, Strategies and Activities

The Academy is passionate about:

- Instilling a love of learning through intellectual curiosity and independent and creative thinking
- Reinforcing a strong set of life-long personal values based on respect, honesty and courtesy
- Encouraging each individual to take personal responsibility, to challenge themselves to explore opportunities and to fully realise their potential
- Taking pride in personal achievements based on endeavour and commitment
- Encouraging an awareness of the world outside and a sense of service to the local and wider community

The Academy's main objectives are to deliver:

- Well-rounded individuals who can articulate the difference between right and wrong
- An outstanding and inspirational academic education that allows each boy to achieve their full potential
- The widest possible range of extra-curricular activities through which boys establish important life skills and develop their social, sporting and cultural abilities
- A stimulating and rewarding environment that encourages and celebrates success
- The best modern facilities within which to learn and develop

In order to achieve these objectives, the Academy recognises it needs to:

- Attract, recruit, develop and retain excellent innovative staff who share our commitment and values and who will inculcate a lifelong love of learning in the boys
- Develop and provide inspirational lessons that engage pupils
- Aspire to a modern, digital teaching and learning environment, exploiting technological advances
- Become a centre of excellence for boarding, developing facilities to meet evolving needs
- Effectively manage financial resources in order to fund continuing development across the school
- Develop a programme of wider community support in conjunction with local, national and international partners

Public Benefit

The Trustees of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. The activities undertaken to further the Academy Trust's purpose for the Public Benefit include:

- Provision of an outstanding education supporting the wishes and aims of the local community.
- Use of the school premises by the community.
- Support to other schools, including those in Special Measures (as a National Support School).
- Charitable works locally, nationally and internationally.

STRATEGIC REPORT

The prevalence of the Covid-19 pandemic has continued to exert a major impact on the effective running of the Academy. This resulted in income loss in Boarding was £39K and lettings £40K.

The Headmaster had two main objectives during this period viz. to ensure the safe and secure running of the school and to restore the financial health of the academy and boarding.

The first lockdown, which commenced on 20 March, 2020, resulted in the closure of the school and the boarding house. Although the School reopened to some year groups, boarding remained closed. These factors, jointly and severally caused financial issues for the school in that it lost a term of boarding fees, lettings and Easter course income.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT (continued)

The subsequent erosion of reserves resulted in a very challenging start to September 2020, with a worrying financial outlook. The combined skill and experience of school leadership and governance with exceedingly tight financial management, but also cautious boldness to restore the income streams as quickly as possible has resulted in a positive outturn. The second lockdown, commencing on January 5, 2021 caused further financial hits, though they were more short term. Boarding was able to remain open for around 25 eligible students; a combination of fee paying and goodwill offerings from parents lessened the impact on the budget.

The School managed the testing processes adeptly. This caused challenges as it took large spaces out of use, required the redeployment of (generally speaking) non-teaching staff and required the hiring of short-term staff fortified by parental and other volunteers. Despite the work involved, it did engender a team spirit which has transferred well into other sudden imperatives requiring a 'taskforce' to deal with it.

The management of attendance, skilfully wrought, required additional resource to ensure that the 'track and trace' processes, the communications to parents about isolation and the management of different 'bubbles' was both timely and accurate. There was, furthermore, a need to keep pace with changing government guidance in order that the school was not only compliant, but also safe and secure.

From the announcement of the first lockdown the School switched immediately to 'online learning'. This had its challenges for several reasons. Firstly, the teaching staff had a varied profile of IT skills which meant that not all were, initially at least, confident. Secondly, students were not accustomed to this method of learning. Both of these were addressed by training and the issue of clear guidance and protocols. There was also an initial, national (but largely within the state sector) concerns about the safety of teachers when on line. This concern was largely dissolved by clear safeguarding practices, already within the school, but amended for on line learning. By the second lockdown, much training had taken place and the School was more fully prepared to deliver a quality online education. This was very stressful on staff; a day of online delivery is relentless with considerable extra time being needed for preparation of lessons and the assessment of students' work. Parents and students inevitably made comparisons between teachers; the completely teacher led, video lesson was nationally regarded as the 'gold standard' -this was not possible for all teachers if, for example, they were supervising their own children at home and we stipulated a range of options, which included an online 'presence' in all lessons whether video, audio, chat or pre-recorded video material. Overall, the school is proud of what it was able to provide and, in the parent survey at the end of term, the feedback was overwhelmingly positive indeed stating that the variety of approaches was appreciated.

GCSE & A' Level assessments were again put in the hands of schools. The senior team and subject leaders worked closely together to devise a fair, consistent and objective system to give students the opportunity to secure their futures. In addition to teaching, staff were subjected to a significantly additional marking load and the inevitable worries associated with the responsibility of the grade being attributed to an individual teacher. This was mitigated by a robust process of assessments, moderation with integrity at its core. The outcomes for students were stellar (qv Achievements and Performance) and have resulted in the vast majority of Year 11 students returning to the Sixth Form and Year 13 students having access to their universities of choice.

All national exams at both GCSE and A' level were cancelled for the second year. Exam grades were ultimately "Teacher Assessed Grades" in which the Academy predicted the likely grades for all students based on the very thorough and objective tracking and assessment data that is systematically collected in all subjects. As a consequence, the Academy was able to continue to provide an excellent education for its students, who achieved the exam grades they merited.

The financial impact on the Academy has again been significant. Potential non-grant income during the periods of national lock-down has been lost. It was not viable to hold the Easter revision courses, nor was it possible to derive any lettings income during the Autumn and Spring terms. In addition, there was a shortfall in income from Boarding fees for the Autumn term. The cumulative loss of these income streams has had a significant negative impact on the Academy necessitating stringent financial control in order to begin to rebuild its reserves.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT (continued)

There was a major negative impact on the well-being of many of the students and staff. Many members of our community have suffered levels of stress and anxiety. While the school reopened from the start of September 2020, we were forced to close again until the Spring term. Many fears and uncertainties remain. While the allocation of additional "catch-up" funding from central government was greatly appreciated it will be a major challenge to ensure that every boy is able to catch up to where they should be in order to achieve their potential. The well-being of all staff and students remains our highest priority.

Achievements and Performance

The assessed grades for 2021 were excellent. Year on year comparisons should be treated with caution as the methods of assessment have changed. Of all those who applied to Higher Education for entry in 2021 or deferred entry in 2022, 15 boys gained entrance to Oxford or Cambridge Universities (18 in 2020) and 1 to US "Ivy League" Universities (2 in 2020). 27 boys have gone on to study medicine or veterinary science (10 in 2020). Of the 2021 Year 13, 201/205 boys are moving on to tertiary education in 2021 or are intending to after a gap year in 2022. This includes Higher and Degree Level Apprenticeships. Of those who applied through UCAS, 83% achieved their first-choice institution.

The percentage of A* - B grades at A Level was 90.6%, (86.5% in 2020). 100 boys (~50% of the year-group) achieved all A* / A grades.

At GCSE 100% of the candidates gained five grades 9-4 (100% in 2020); 56% of all grades were 8 or 9. 38 boys (20% of the year-group) achieved seven or more grade 9s. 79.5% of all results achieved 9-7 grades (78.3% in 2020).

To ensure that standards are continually raised, the Academy operates a programme of observation of lessons, staff training and visits by former inspectors. The Academy also undertakes a comparison of results from entry to Key Stage 3 and GCSE and from GCSE to A level, to assess value added, and participates in national programmes looking at value added through the key stages.

Key Financial Performance Indicators

The primary "non-financial" indicator is the excellence of students' attainment in public examinations. This has been covered above. The Academy monitors 5 key financial indicators:

- Student numbers. This is the primary source of income. The minimum target is 1,350 students. For the academic year 2020-21 the number on the register was 1433.
- Total staff costs as a proportion of income from government. This is the primary area of expenditure. The target is to hold this at less than 90% of income, of which more than 75% should be teaching & boarding staff costs. For the academic year 2020-21 staff costs, net of boarding, were 84.8% of grant income, of which 65.4% related to teaching staff costs. The average number of (full time equivalent) employees over the year was 136, of whom 75 were teaching staff directly involved in teaching and learning.
- Teaching staff turnover. Retention of experienced staff is important in order to ensure continued excellent teaching. The target is greater than 85% retention rate. At the end of the academic year 9 full time equivalent teacher positions left the school, which implies 91% retention. No staff moved on during the summer term.
- Total expenditure in line with Budget, in order to achieve a balanced budget. For the academic year 2020-21 total educational expenditure at £7.659 Million was 0.16% higher than budget. This represents an "over-spend" of £12,235, primarily driven by the impact of the pandemic.
- Unrestricted reserves. Positive unrestricted reserves ensure that the Academy is able to meet its liabilities. The target is to hold reserves of at least £25,000. At the end of the previous academic year overall reserves were seriously depleted as a direct consequence of the pandemic. It has been a key focus to control expenditure in order to begin to rebuild reserves. At the end of August 2021 unrestricted reserves were £180,455.

These KPIs are regularly reviewed by the appropriate sub-committee of the Governing Body.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Going Concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

As outlined below the main source of funding for the Academy is provided by government grants and financial uncertainty exists regarding the extent to which increases in funding will be sufficient to meet cost increases from inflation. In addition, whilst the government has agreed to fund the increase in employers' contributions to the Teachers' Pension Scheme from 16.4% to 23.6% for 2019/20 and 2020/21, financial uncertainty exists as to whether this will continue for 2021/22 onwards. There is also uncertainty as to what extent increases in employer contributions to the Local Government Pension Scheme will be required in order to help address funding deficits. Further, confirmation is awaited on the extent to which government funding will be provided to meet teachers' pay awards. With regard to both pension funding costs and teachers' pay the Academy follows national and local precedents.

Finally, the Academy has set a budget for the year 2021/22 which generates a surplus. The Trustees are mindful of the uncertain operating environment over the coming months and are working with the Academy's management more closely than usual to monitor the situation. As at time of writing, the Trustees are confident that this target will be achieved.

FINANCIAL REVIEW

The Academy continues to operate against a very challenging financial background. The Covid pandemic has continued to have a significant negative financial impact during this year, albeit less significant than in the previous year and uncertainties remain for the future.

The main source of funding for the Academy is the General Annual Grant [GAG] which it receives from the Education and Skills Funding Agency. In 2020/21 grant income increased by 16.7% (£1,086 Million) compared to the previous year. CoVid support grants of £179K were received in 2020/21 to include CoVid Catch Up, CoVid Emergency Support, CoVid Mass Testing and from the CoVid Job Retention Scheme. This increase was very welcome and enabled the Academy to cover the expected above-inflation increases in salaries which represent over 85% of income. The Trustees set a balanced budget for the Academy, expecting to end the year with a small surplus.

The continuation of the pandemic had a major impact both by increasing expenditure in key areas, but more importantly in reducing income from other sources. The Autumn closure of the boarding house meant that there was a reduction in boarding income of around £39K. This would have been significantly worse without the generous support from the parents of boarders during that difficult period. The loss of income from other budgeted lettings of school premises reduced income by a further £40K. The overall financial impact of the pandemic has been £79K.

IMPACT OF COVID-19 VIRUS

The pandemic has impacted the Academy in 4 aspects – teaching & learning, loss of income, increased costs and student & staff well-being.

- The Academy was closed for half of the Autumn term although it made provision for vulnerable students, the sons of key workers and offered face to face sessions when the guidance allowed. All teaching was conducted "virtually" with all teachers creating lesson plans to be delivered on-line. This was very successful in ensuring continuity of education for all students. The cancellation of national exams at both GCSE and A' level meant that the staff had to create a thorough and objective means for providing "Teacher Assessed Grades" for all students in all subjects. This was a significant increase in work-load at a time when staff were under significant personal domestic stress.
- The Academy is dependent on additional income to support both the Boarding House and the broad range of extra-curricular opportunities offered. The closure of the school meant that there was reduced fee income for Boarding for the Autumn term. Lettings income was adversely affected in the Autumn term and Educational support programmes such as Easter revision courses were cancelled. This was offset to some extent by concerted efforts to promote lettings during the Summer holidays.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

IMPACT OF COVID-19 VIRUS (continued)

- There was a significant increase in costs in some areas, particularly in IT investment that was deemed essential in order to support on-line teaching and learning. There have also been increases in the cost of cleaning, the provision of on-site testing and in providing cover for self-isolating staff. Steps were taken to furlough a small number of support staff whose salaries are funded independently.
- The unquantifiable impact has been on the well-being of students and staff. Staff have been exceptional in supporting the continued education of students but there are vulnerable members and many are themselves parents who would be responsible for home-schooling their own children at the same time as providing on-line education for the Academy. While the majority of students engaged fully in their education, for some it was a challenge to maintain their motivation in the absence of the physical support of their peer group. Providing emotional and psychological support for affected students is a focus for the new term and we have seen a continuing high level of demand from our students for this support.

Reserves Policy

At 31 August 2021 the total funds comprised:

Unrestricted		180,455
Restricted:	Fixed asset funds	5,045,208
	Pension reserve	(4,795,000)
	Other	17,045
		<u>£447,708</u>

The Academy has set its policy for unrestricted reserves in conjunction with the Wycombe Royal Grammar School Foundation (see note about Connected Organisations, above) and this policy has been approved by both the Trustees of the Foundation and the Governors of the Academy. Unrestricted reserves are those that are freely available to spend on the Charity's purposes, at the discretion of the Governors.

Given this background, the policy of the Governors is to hold unrestricted reserves within the Academy that are no lower than £25,000. The Academy has managed to achieve this through a programme of stringent cost management.

The deficit on the pension reserve relates to the support staff pension scheme where, unlike the teachers' scheme, separate assets are held to fund future liabilities as discussed in note 27. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds.

Investment Policy

The Academy holds assets to fund the running of the school. Consequently, capital volatility cannot be tolerated, so it is the policy to invest only in cash deposits denominated in sterling. Cash balances are deposited with the Academy's bankers and in institutions within the Insignis Cash Solutions Third Party Cash Deposit Services. Deposits are spread by counterparty with maturities set to match planned income and expenditure and, other than balances held by the Academy's primary bankers for working capital purposes, no more than £85K of cash is deposited with any one institution in order to minimise risk. A minimum of £250,000 is kept available for immediate access.

Principal Risks and Uncertainties

The Academy Trust practices through its Board, namely the Governing Body and the constituted subcommittees, risk management principles. Accordingly, the Trustees have adopted a risk management strategy which sets out the processes and responsibilities for risk management in the Academy. These processes, through the maintenance of a Risk Register, ensure that *foreseeable* risks are appropriately identified, assessed, controlled and with mitigating actions monitored. However, the extraordinary events in the wake of the pandemic could not realistically have been foreseen, controlled or mitigated.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Principal Risks and Uncertainties (continued)

The Risk Register, which is maintained by the Senior Leadership Team, is reviewed by the Finance & Audit Committee every term. Any major risks highlighted through this process are brought to the attention of the Main Board and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior executive officers

The Trustees have identified four broad areas of risk – safety, financial, infrastructure and reputation.

- a. Rigorous procedures are in place to ensure the safety and security of students and staff. A Health and Safety Committee meets termly, with a designated Health and Safety Governor. Any issues identified are promptly addressed. Students are closely supervised at all times. Tight control is exercised over site visitors and a rigorous anti-bullying policy is enforced. An effective Child Protection policy is in place and is reviewed annually in order to safeguard all students.
- b. Financial risk is mitigated through the discipline of an annual plan, approved by Governors in the summer term for the following academic year, starting in September. This sets the expenditure limits for all departments. It also contains a small contingency fund for the Headmaster to manage minor fluctuations. The financial aim of the annual plan is to operate within a balanced budget. The Academy has a Scheme of Financial Delegation that defines the financial expenditure limits, systems and procedures to be followed by all levels of management. This scheme is reviewed annually by the Finance & Audit Committee. Further information is included under the system of internal controls on page 14. Financial progress is reported regularly to the Senior Leadership Team and is reviewed by the Finance & Audit Committee. The Academy's Responsible Officer reviews transactions on a regular basis to ensure that procedures are being followed rigorously.
- c. It is a major challenge to maintain and upgrade the older buildings and infrastructure including IT systems on the school site. This risk is obviated by managing a planned maintenance and upgrade programme. In the event that unforeseen significant maintenance is required the Academy is able to approach the Foundation for funding. Should unforeseen incidents occur the Governors have ensured that adequate insurance cover is in place. The Academy has produced a strategic development plan to upgrade the buildings and the facilities over the long term. This will be funded through bidding for various government and other grants, as well as through fundraising programmes involving parents and alumni.
- d. Demand for student places at the Academy is very high, based on its reputation for providing an outstanding and rounded education. This reputation could be undermined should academic standards fall or be perceived to be deteriorating. Student progress is closely monitored throughout their school career, not only at the time of exams and there is a major focus on academic performance within the strategic plan. Students are constantly mentored and coached to achieve their full potential. Having assessed the report in detail the Trustees are very confident that the recent Ofsted report will not affect the reputation of the school in a material way as the report was very positive and the areas for improvement are restricted to the development of curriculum which is already well in hand. The academic results continue to develop in a very strong trajectory benchmarking well against our peers. Reputation could also be impacted either through the loss of experienced senior staff or seriously inappropriate behaviour or incident involving senior staff. Either could potentially lead to a drop in academic standards, reputation and ultimately a reduction in parents selecting the Academy. Career paths are provided with training and development plans to underpin this. For key posts succession plans are in place. The school has a clear code of conduct for all staff that is documented in the Employee Handbook, which is updated regularly with changes advertised to staff.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

FUNDRAISING

The Academy raises funds to support specific areas of the school through voluntary parental donations. This activity is not carried out by professional fund raisers or commercial participators and does not involve approaching members of the public or vulnerable people. Participation is not bound by any voluntary scheme or standard and the activity is closely monitored by the school's management. There have been no complaints received by the Academy in respect of this fundraising activity.

PLANS FOR FUTURE PERIODS

The overall future aims and objectives have been outlined above in the section headed Objectives, Strategies and Activities. The main financial objectives for future periods are predicated on a return to a normal operating environment in the aftermath of the pandemic. We aim to:

- Operate a balanced budget year on year.
- Optimise the number of students on roll, particularly in the 6th Form. This will have a significant impact on income from 2021/2 onwards
- Maximise income, through seeking grant funding and developing trading activities in order to rebuild reserves
- Provide funding to upgrade, maintain and refurbish facilities for students

Key strategies are targeted at teaching and learning, improved outcomes for students, improved facilities and community engagement. They include, for example:

- Teaching and Learning:
 - Recruiting and retaining the best quality staff
 - Developing clear and consistent working practices
 - Embedding the school's "Ethos of Learning"
 - Professional development, including seeking and evaluating best practice examples from schools in both the state and independent sectors
 - Development of digital learning
- Improved Outcomes:
 - Reviewing the curriculum in-line with Ofsted's recommendations and constructing a new cost-effective and time-efficient timetable
 - Enhancing even further the co-curricular provision
 - A clear focus on Pastoral Care, ensuring safeguarding is at the heart of everything that the school does.
 - An emphasis on student and staff well-being
 - Improving examination results, university success and the employability of our students
- Improved Facilities:
 - Planning and undertaking a continuous refurbishment programme, including IT and related equipment infrastructure
 - Bidding for grant funding, including the ESFA Condition Improvement Fund
 - Fundraising
 - Provision of improved facilities for the sixth form
 - The development of Boarding
 - Maintenance of staff accommodation
 - Access point refurbishment
 - Improving disabled facilities

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

PLANS FOR FUTURE PERIODS

- Community Engagement
 - Developing alumni relations
 - Building a culture of stakeholder consultation
 - Improving links with feeder schools
 - Encouraging parental input from all backgrounds
 - Helping to ensure parents understand and appreciate what the school offers

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The school does not hold cash or assets as a custodian for any third party.

AUDITOR

In so far as the Trustees are aware:

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

The Auditors, MHA MacIntyre Hudson, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

The Trustees' Report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 01 December 2021 and signed on the board's behalf by:

B Casemore
Chair of Governors

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that the Royal Grammar School High Wycombe has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Governing Body has delegated the day-to-day responsibility to the Headmaster, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between the Royal Grammar School High Wycombe and the Secretary of State for Education. The Headmaster is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The board of Governors has formally met 5 times during the year. Attendance during the year at meetings of the board of Governors was as follows:

Trustee			Meetings attended	Out of a possible
S Ashton	(Chair)	Resigned 27.9.21	5	5
S Abbas Warraich	(Community Governor)		4	5
R Ali	(Parent Governor)		4	5
B Avery	(Community Governor)		5	5
L Bignell	(Staff Governor)		4	5
B Casemore	(Community Governor)	Elected Chair 28.9.21	5	5
G Flashman	(Parent Governor)	Appointed 7.6.21	1	1
R Gilyeat	(Staff Governor)		3	5
M Goodier	(Staff Governor)		5	5
A Hannaford	(Community Governor)	Resigned 3.10.20	1	1
D Hayes	(Community Governor)		5	5
C Hodson	(Co-opted Governor)		4	5
A Hussain	(Community Governor)		4	5
T Maunder	(Foundation Governor)		5	5
L Masson	(Parent Governor)	Resigned 18.2.21	2	3
S Mukerji	(Co-opted Governor)		5	5
J Nichols	(Community Governor)		2	5
G O'Keeffe	(Parent Governor, Vice Chair)		5	5
R Stevens	(Parent Governor)	Appointed 7.6.21	1	1
S Tan	(Staff Governor)		3	5
C Turney	(Parent Governor)		4	5
N Warnock-Horn	(Community Governor)		5	5
P Wayne	(Headmaster and Accounting Officer)		5	5

During the course of the year an in-depth self-evaluation was conducted. The results were considered by the Board of Governors in June 2021. In the majority of areas under evaluation responses were very positive.

However, 5 focus areas for improvement were identified:

- Improved strategic planning supported by more targeted and relevant KPIs
- Improved engagement with parents, staff, boys and the wider community
- Greater focus in the performance management of staff
- Regular Governor visits (when possible safely again)
- Encouraging more robust challenge by all governors

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

GOVERNANCE (continued)

Specific action plans will be developed in support of each of these areas at the start of the new academic year and progress against these plans will be reviewed regularly by the Governing Body.

In addition to annual safeguarding updates each Trustee is encouraged to undertake 3 training modules p.a. specific to their individual needs and interests.

The Finance Committee is a sub-committee of the main governing body. Its purpose is to oversee the annual budget preparation and in-year monitoring of financial performance. During the year its remit was expanded to incorporate the internal audit function to monitor the risk and control environment of the Academy on behalf of the Main Board. The title of the committee has been changed to the Finance & Audit Committee to reflect this.

D Vorhies, as Chief Operating Officer, attended 2 meetings before their resignation. Subsequently A Jones, as Finance Director has attended 2 meetings. During the year J Newman, a Chartered Certified Accountant and Responsible Officer attended 2 meetings.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
N Warnock-Horn (Chair)	4	4
B Casemore	4	4
R Gilyeat	2	4
C Hodson	4	4
A Hannaford (Resigned 3.10.20)	1	1
S Mukerji	3	4
P Wayne (Headmaster and Accounting Officer)	4	4

The Board have considered and reviewed the quality and relevance of data presented to them during the year. They have considered its relevance against the Academy development plan and long-term objectives as well as tested its ability to explain and demonstrate the characteristics and measures of school performance. In addition to academic progress and attainment throughout the key stages, data measures have included attendance, behaviour and exclusions as well as the differentiation of these measures against targeted groups and characteristics such as Pupil Premium, ethnicity, and EAL. The Board are satisfied that the data presented has been compiled with due rigour and is duly comprehensive in informing the Trustees of the progress made against the Academy's objectives and targets.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headmaster has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcome achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Governors where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money by continuing to develop procurement processes and through the use of specialist support where appropriate. Examples include:

- Appointment of new catering contractor, improving both cost and quality
- Significant energy cost saving by replacing the boiler systems in School House and the Sports Block
- Upgrading of accounting systems at lower cost, improving the quality and timeliness of reported management information

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk at a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to:

- identify and prioritise the risks to the achievement of the Academy Trust's policies, aims and objectives
- evaluate the likelihood of those risks being realised and the impact should they be realised
- to manage them efficiently, effectively and economically.

The system of internal control has been in place in the Royal Grammar School Academy Trust for the period ended 31 August 2021 and up to the date of approval of the Annual Report and Financial Statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 31 August 2021 and up to the date of approval of the Annual Report and Financial Statements. This process is regularly reviewed by the Governing Body.

THE RISK AND CONTROL FRAMEWORK

The Academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and monthly financial reports which are reviewed and agreed by the board of Trustees;
- regular reviews by the Finance & Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines. The key document is the Financial Scheme of Delegated Authority which defines expenditure limits for all levels of management and the processes or procedures to be followed in seeking authorisation
- delegation of authority and segregation of duties;
- identification and management of risks through the discipline of a formal Risk Register. Identified risks are delegated to the most appropriate committee to monitor on a termly basis. The overall register is consolidated and maintained by the Finance & Audit Committee. Any changes are reported to the Governing Board each term.

Day to day management responsibility of financial matters rests with the Finance Director, supported by the Finance Manager.

The board of Trustees has considered the need for a specific internal audit function and decided not to appoint an internal auditor. However, the board of Trustees has appointed Mr J Newman, who is a Chartered Certified Accountant, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The RO's checks are carried out in 6 monthly cycles.

The report covering the period September 2020 to February 2021 was delivered to the Finance & Audit Committee in June 2021. The scope of the checks included: Payroll; Payroll Reconciliations; Purchasing; Bank Account control; Petty Cash procedures; Fixed Assets register; Transaction Reports; Budgets & Monitoring; Register of Interests.

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

THE RISK AND CONTROL FRAMEWORK (continued)

No material issues were identified but improvements to the purchase ordering and payroll systems have been recommended, in particular to reduce paperwork.

The report covering the period March 2021 to August 2021 was delivered to the Finance & Audit Committee in November 2021. The scope of the checks included: Payroll; Credit Cards procedures; Income (Trips, Lettings, Boarding Fees, ESFA income); Transaction Reports; Budgets & Monitoring; Register of Interests. No material issues were identified.

The Responsible Officer has delivered the planned schedule of work and has reported findings on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities at Finance & Audit Committee meetings. No material control issues have been identified requiring remedial action.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Headmaster has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer
- the work of the external auditor;
- the financial management and governance self-assessment process
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance & Audit Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Trustees on 01 December 2021 and signed on its behalf by:

B Casemore
Chair of Governors

P B Wayne
Accounting Officer

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2020

As Accounting Officer of the Royal Grammar School Academy Trust I have considered my responsibility to notify the Academy Trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust Governing Body are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Governing Body and ESFA.

P B Wayne
Accounting officer

01 December 2021

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 1 December 2021 and signed on its behalf by:

B Casemore
Chair of Governors

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ROYAL GRAMMAR SCHOOL HIGH WYCOMBE

Opinion

We have audited the financial statements of Royal Grammar School High Wycombe (the 'Academy Trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ROYAL GRAMMAR SCHOOL HIGH WYCOMBE (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the Strategic Report and the Directors Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report including the Strategic Report has 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 Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ROYAL GRAMMAR SCHOOL HIGH WYCOMBE (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy Trust 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 Academy Trust'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 Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

- Enquiry of management around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ROYAL GRAMMAR SCHOOL HIGH WYCOMBE (CONTINUED)

Use of our report

This report is made solely to the Academy Trust'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 Academy Trust's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

BIANCA SILVA BA ACA DChA (Senior Statutory Auditor)

For and on behalf of

MHA MacIntyre Hudson (Statutory Auditor)

Maidenhead, United Kingdom

Date: 17 December 2024

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ROYAL GRAMMAR SCHOOL HIGH WYCOMBE AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 22 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Royal Grammar School High Wycombe during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Royal Grammar School High Wycombe and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Royal Grammar School High Wycombe and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Royal Grammar School High Wycombe and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Royal Grammar School High Wycombe's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Royal Grammar School High Wycombe's funding agreement with the Secretary of State for Education dated 1 February 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ROYAL GRAMMAR SCHOOL HIGH WYCOMBE AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- reviewing the minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing a sample of payroll payments to staff;
- testing a sample of payments to suppliers and other third parties;
- testing a sample of grants received and other income streams;
- consideration of governance issues and
- evaluating the internal control procedures and reporting lines, and testing as appropriate; and
- making appropriate enquiries

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant
MHA MacIntyre Hudson (Statutory Auditor)
Maidenhead, United Kingdom

Date: 17 December 2021

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	72,253	62,612	211,970	346,835	982,907
Charitable activities	4	376,533	7,641,407	-	8,017,940	7,465,504
Boarding	32	874,669	-	-	874,669	677,683
Other trading activities	5	167,523	-	-	167,523	233,899
Investments	6	-	-	-	-	2,033
Total income		1,490,978	7,704,019	211,970	9,406,967	9,362,026
Expenditure on:						
Raising funds		18,448	-	-	18,448	50,948
Charitable activities		347,322	8,309,177	219,468	8,875,967	8,704,135
Boarding		816,495	-	-	816,495	817,553
Total expenditure	7	1,182,265	8,309,177	219,468	9,710,910	9,572,636
Net income/(expenditure)		308,713	(605,158)	(7,498)	(303,943)	(210,610)
Transfers between funds	19	(149,435)	141,516	7,919	-	-
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	27	-	(60,000)	-	(60,000)	(657,000)
Net movement in funds		159,278	(523,642)	421	(363,943)	(867,610)
Reconciliation of funds:						
Total funds brought forward		21,177	(4,254,313)	5,044,787	811,651	1,679,261
Net movement in funds		159,278	(523,642)	421	(363,943)	(867,610)
Total funds carried forward		180,455	(4,777,955)	5,045,208	447,708	811,651

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

The notes on pages 28 to 61 form part of these financial statements.

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07492198

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	14		4,958,392		4,787,367
Investments	15		-		2
			<u>4,958,392</u>		<u>4,787,369</u>
Current assets					
Debtors	16	979,663		1,224,219	
Cash at bank and in hand		883,637		323,450	
		<u>1,863,300</u>		<u>1,547,669</u>	
Creditors: amounts falling due within one year	17	(1,290,605)		(1,014,561)	
Net current assets			<u>572,695</u>		<u>533,108</u>
Total assets less current liabilities			<u>5,531,087</u>		<u>5,320,477</u>
Creditors: amounts falling due after more than one year	18	(288,379)		(205,826)	
Defined benefit pension scheme liability	27	(4,795,000)		(4,303,000)	
Total net assets			<u><u>447,708</u></u>		<u><u>811,651</u></u>
Funds of the Academy Trust					
Restricted funds:					
Fixed asset funds	19	5,045,208		5,044,787	
Restricted income funds	19	17,045		48,687	
Pension reserve	19	(4,795,000)		(4,303,000)	
Total restricted funds	19		<u>267,253</u>		<u>790,474</u>
Unrestricted income funds	19		<u>180,455</u>		<u>21,177</u>
Total funds			<u><u>447,708</u></u>		<u><u>811,651</u></u>

The financial statements on pages 25 to 61 were approved by the Trustees, and authorised for issue on 01 December 2021 and are signed on their behalf, by:

B Casemore
Chair of Governors

The notes on pages 28 to 61 form part of these financial statements.

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	689,074	(403,023)
Cash flows from investing activities	23	(178,523)	186,263
Cash flows from financing activities	22	49,636	(12,685)
Change in cash and cash equivalents in the year		560,187	(229,445)
Cash and cash equivalents at the beginning of the year		323,450	552,895
Cash and cash equivalents at the end of the year	24, 25	883,637	323,450

The notes on pages 28 to 61 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the 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) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Royal Grammar School High Wycombe meets the definition of a public benefit entity under FRS 102.

Royal Grammar School High Wycombe is a company limited by guarantee incorporated in England and Wales. The address of the registered office, principal place of operations and registered number are detailed on page 1. The nature of the Academy Trust's operations and principal activity are detailed in the Trustees' Report.

The Financial Statements are prepared in British Pound Sterling (£), the functional and presentational currency, rounded to the nearest £1.

1.2 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Trustees.

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 fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Investment income, gains and losses are allocated to the appropriate fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.3 Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are not deferred over the life of the asset on which they are expended.

- **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy Trust has provided the goods or services.

- **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

Expenditure on raising funds includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activity events and non-charitable trading.

- **Charitable activities**

Expenditure on charitable activities are costs incurred on the Academy Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.6 Investments

The Academy's shareholding in the wholly owned subsidiary, RGS (Activities) Limited, is included in the Balance Sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

1.7 Operating leases

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.8 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.9 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Account and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Account.

Depreciation is provided on all tangible fixed assets other than leasehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property improvements	- 2% - 7% per annum on cost
Fixtures and fittings	- 10% - 33% per annum on cost
Computer equipment	- 33% per annum on cost

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. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are recognised at the amount prepaid.

1.11 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.12 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 Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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 within interest payable and similar charges.

1.13 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.14 Pensions

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.15 Agency arrangements

The Academy Trust acts as an agent for the Staff Common Room Fund. Income from staff and expenditure on the staff common room are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the funds. The funds received and paid and any balances held are disclosed in note 31.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. 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.

Critical accounting estimates and assumptions:

The Academy Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The judgements that have had a significant effect on amounts recognised in the financial statements are those concerning the choice of depreciation policies and asset lives.

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Donations	72,253	62,612	50,905	185,770
Capital grants	-	-	161,065	161,065
	<u>72,253</u>	<u>62,612</u>	<u>211,970</u>	<u>346,835</u>

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Donations	12,000	342,980	270,560	625,540
Capital Grants	-	-	357,367	357,367
	<u>12,000</u>	<u>342,980</u>	<u>627,927</u>	<u>982,907</u>

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the Academy's educational operations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	6,953,485	6,953,485
Other DfE/ESFA grants			
Pupil premium	-	43,408	43,408
Teachers pay	-	97,620	97,620
Teachers pension	-	275,849	275,849
Others	-	47,290	47,290
	-	7,417,652	7,417,652
Other Government grants			
Other local authority income	-	45,893	45,893
	-	45,893	45,893
Other income from the Academy Trust's educational operations	376,533	-	376,533
COVID-19 additional funding (DfE/ESFA)			
Catch-up premium	-	81,600	81,600
Other DfE/ESFA COVID-19 funding	-	47,270	47,270
	-	128,870	128,870
COVID-19 additional funding (non-DfE/ESFA)			
Coronavirus Job Retention Scheme grant	-	7,752	7,752
Other COVID-19 funding	-	41,240	41,240
	-	48,992	48,992
	376,533	7,641,407	8,017,940

The academy received £81,600 of funding for catch-up premium and costs incurred in respect of this funding totalled £76,864, with the remaining £4,736 to be spent in 2021/22.

The academy furloughed its lettings and rowing staff under the government's CJRS. The funding received of £7,752 relates to staff costs in respect of 6 staff which are included in note 11 below as appropriate.

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the Academy's educational operations (continued)

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	6,375,274	6,375,274
Other DfE/ESFA grants			
Pupil premium	-	52,338	52,338
Teachers pay	-	94,545	94,545
Teachers pension	-	267,159	267,159
Others	-	46,734	46,734
	-	6,836,050	6,836,050
Other Government grants			
Other local authority income	-	32,412	32,412
	-	32,412	32,412
Other income from the Academy Trust's educational operations	559,635	7,037	566,672
COVID-19 additional funding (DfE/ESFA)			
Other DfE/ESFA COVID-19 funding	-	17,768	17,768
	-	17,768	17,768
COVID-19 additional funding (non-DfE/ESFA)			
Coronavirus Job Retention Scheme grant	-	12,602	12,602
	-	12,602	12,602
	559,635	6,905,869	7,465,504

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £
Lettings	103,768	103,768
School shop income	40,776	40,776
Other income	22,979	22,979
	167,523	167,523

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. Income from other trading activities (continued)

	Unrestricted funds 2020 £	Total funds 2020 £
Lettings	81,067	81,067
School shop income	87,249	87,249
Easter revision	3,016	3,016
Other income	62,567	62,567
	<u>233,899</u>	<u>233,899</u>

6. Investment income

		Total funds 2021 £
Investment income		<u>-</u>

	Unrestricted funds 2020 £	Total funds 2020 £
Investment income	<u>2,033</u>	<u>2,033</u>

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Expenditure

	Staff Costs 2021 £	Other 2021 £	Total 2021 £
Expenditure on fundraising trading activities:			
Direct costs	-	18,448	18,448
Academy's educational operations:			
Direct costs	5,002,750	935,786	5,938,536
Support costs	1,933,204	1,004,227	2,937,431
Boarding costs	371,254	445,241	816,495
	<u>7,307,208</u>	<u>2,403,702</u>	<u>9,710,910</u>

Costs associated with the provision of boarding facilities include directly attributable costs, allocated staff costs and an allocation of general overheads.

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	50,948	50,948
Academy's educational operations:				
Direct costs	5,330,247	117,741	1,198,387	6,646,375
Support costs	815,637	550,458	691,665	2,057,760
Boarding costs	365,451	298,592	153,510	817,553
	<u>6,876,786</u>	<u>1,265,383</u>	<u>1,430,467</u>	<u>9,572,636</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Academy's educational operations	<u>5,938,536</u>	<u>2,937,431</u>	<u>8,875,967</u>

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Academy's educational operations	6,646,375	2,057,760	8,704,135

Analysis of direct costs

	Total funds 2021 £	Total funds 2020 £
Teaching and educational support staff wages and salaries	5,002,750	5,330,247
Depreciation	219,468	198,671
Technology costs	141,225	121,980
Educational supplies	111,436	181,842
Examination fees	148,483	123,803
Educational consultancy	7,529	97,262
Staff costs and expenses	44,764	53,881
Other direct costs	262,881	538,689
	5,938,536	6,646,375

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Pension finance cost	66,000	60,000
Support staff wages and salaries	1,924,053	1,172,360
Technology costs	104,232	76,615
Premises costs	606,969	497,993
Legal costs	-	5,888
Other support costs	202,198	216,118
Governance costs	33,979	28,786
	<u>2,937,431</u>	<u>2,057,760</u>

9. Analysis of specific expenses

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000 Amount £	Reason
Gifts made by the trust	75	-	

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	270,185	271,466
Depreciation of tangible fixed assets	219,468	198,671
Fees paid to auditors for:		
- audit	10,000	10,000
- other services	11,920	6,621
	<u>291,573</u>	<u>486,758</u>

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	5,227,810	5,014,230
Social security costs	526,512	500,540
Pension costs	1,520,785	1,333,934
	<u>7,275,107</u>	<u>6,848,704</u>
Staff governance costs	9,151	8,728
Staff restructuring costs	22,950	19,354
	<u>7,307,208</u>	<u>6,876,786</u>

Staff restructuring costs comprise:

	2021 £	2020 £
Severance payments	22,950	19,354
	<u>22,950</u>	<u>19,354</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £12,750 consisting of one payment (2020 - £19,354 to one individual).

c. Staff numbers

The average number of persons employed by the Academy Trust during the year was as follows:

	2021 No.	2020 No.
Teachers	91	86
Administration and support	77	77
Management	2	2
	<u>170</u>	<u>165</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Staff (continued)

d. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	4	5
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	1	1
In the band £110,001 - £120,000	1	1

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £866,876 (2020 - £802,616).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

12. Related Party Transactions - Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2021 £	2020 £
P Wayne, Head Teacher	Remuneration	110,000 - 115,000	105,000 - 110,000
	Pension contributions	25,000 - 30,000	25,000 - 30,000
R Gilyeat, Staff Governor	Remuneration	40,000 - 45,000	40,000 - 45,000
	Pension contributions	10,000 - 15,000	5,000 - 10,000
S Tan, Staff Governor	Remuneration	45,000 - 50,000	45,000 - 50,000
	Pension contributions	10,000 - 15,000	10,000 - 15,000
M Goodier, Staff Governor	Remuneration	40,000 - 45,000	40,000 - 45,000
	Pension contributions	10,000 - 15,000	10,000 - 15,000
L Bignell, Staff Governor	Remuneration	15,000 - 20,000	20,000 - 25,000
	Pension contributions	0 - 5,000	0 - 5,000

During the year ended 31 August 2021, expenses of £150 were reimbursed to 1 Trustee (2020 - £NIL to no Trustee).

Remuneration disclosures for staff Trustees are shown to resignation date and from appointment date in the year.

Remuneration disclosures for staff Trustees who resigned before 1 September 2020 have not been disclosed in these financial statements.

13. Trustees' and Officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2021 was £99 (2020 - £94).

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14. Tangible fixed assets

	Long-term leasehold property improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2020	5,160,413	563,885	510,495	6,234,793
Additions	313,701	18,490	58,302	390,493
At 31 August 2021	5,474,114	582,375	568,797	6,625,286
Depreciation				
At 1 September 2020	621,086	420,287	406,053	1,447,426
Charge for the year	115,700	42,333	61,435	219,468
At 31 August 2021	736,786	462,620	467,488	1,666,894
Net book value				
At 31 August 2021	4,737,328	119,755	101,309	4,958,392
At 31 August 2020	4,539,327	143,598	104,442	4,787,367

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

15. Fixed asset investments

	Investments in subsidiary companies £
At 1 September 2020	2
Disposals	(2)
Net book value	
At 31 August 2020	<u>2</u>

The company was dissolved in the year.

16. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	263,456	231,016
Other debtors	3,971	22,203
Prepayments and accrued income	666,252	928,051
VAT recoverable	45,984	42,949
	<u>979,663</u>	<u>1,224,219</u>

17. Creditors: Amounts falling due within one year

	2021 £	2020 £
Salix and CIF loans	20,230	12,685
Trade creditors	351,512	162,735
Other taxation and social security	260,511	130,704
Boarding fees in advance	14,660	-
Other creditors	116,446	48,857
Accruals and deferred income	527,246	659,580
	<u>1,290,605</u>	<u>1,014,561</u>

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
Deferred income at 1 September 2020	581,743	627,379
Resources deferred during the year	478,986	581,743
Amounts released from previous periods	(581,743)	(627,379)
	<u>478,986</u>	<u>581,743</u>

Deferred income relates to boarding fees and trip monies received in advance for the next academic year.

Included within creditors due within one year is a SALIX loan for £12,685 due to ESFA, and repayable over 8 years from March 2019, a second SALIX loan for £6,565 due to ESFA and repayable over 8 years from September 2021 and a Condition Improvement Fund loan for £980 due to ESFA and repayable over 10 years from September 2021 with an interest rate of 2.07% . No interest is charged on the SALIX loans.

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

	2021 £	2020 £
Salix and CIF loans	111,859	69,768
Boarding fees in advance	45,764	-
Boarding deposits	130,756	136,058
	<u>288,379</u>	<u>205,826</u>

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

	2021 £	2020 £
Payable or repayable by instalments	30,938	19,027
	<u>30,938</u>	<u>19,027</u>

Included within creditors due after more than one year is a SALIX loan for £57,083 (2020 - £69,768) due to ESFA, and repayable over 8 years from March 2019, a second SALIX loan for £45,955 (2020 - £nil) due to ESFA and repayable over 8 years from September 2021 and a Condition Improvement Fund loan for £8,821 due to ESFA and repayable over 10 years from September 2021 with an interest rate of 2.07%. No interest is charged on the SALIX loans.

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds						
Boarding	3,000	874,669	(816,495)	-	-	61,174
General funds						
General unrestricted funds	18,177	616,309	(365,770)	(149,435)	-	119,281
Total Unrestricted funds	21,177	1,490,978	(1,182,265)	(149,435)	-	180,455
Restricted general funds						
General Annual Grant (GAG)	-	6,953,485	(7,102,546)	149,061	-	-
Other local authority grants	-	45,893	(45,893)	-	-	-
Pupil premium	21,822	43,408	(65,230)	-	-	-
Other DfE/ESFA revenue	39,550	420,759	(427,770)	-	-	32,539
Other restricted funds	-	62,612	(62,612)	-	-	-
Salix loans	(12,685)	-	-	(6,565)	-	(19,250)
CIF loan	-	-	-	(980)	-	(980)
Catch-up premium	-	81,600	(76,864)	-	-	4,736
Other DfE/ESFA COVID-19 funding	-	47,270	(47,270)	-	-	-
Coronavirus Job Retention Scheme	-	7,752	(7,752)	-	-	-
Other COVID-19 funding	-	41,240	(41,240)	-	-	-
Pension reserve	(4,303,000)	-	(432,000)	-	(60,000)	(4,795,000)
	(4,254,313)	7,704,019	(8,309,177)	141,516	(60,000)	(4,777,955)

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

Restricted fixed asset funds

Fixed asset funds	4,787,367	-	(219,468)	390,493	-	4,958,392
Developed formula capital	-	31,970	-	(31,970)	-	-
Capital improvement fund	327,188	129,095	-	(282,606)	-	173,677
Donations	-	50,905	-	(25,905)	-	25,000
Salix loans	(69,768)	-	-	(33,270)	-	(103,038)
CIF loan	-	-	-	(8,823)	-	(8,823)
	<u>5,044,787</u>	<u>211,970</u>	<u>(219,468)</u>	<u>7,919</u>	<u>-</u>	<u>5,045,208</u>
Total Restricted funds	<u>790,474</u>	<u>7,915,989</u>	<u>(8,528,645)</u>	<u>149,435</u>	<u>(60,000)</u>	<u>267,253</u>
Total funds	<u>811,651</u>	<u>9,406,967</u>	<u>(9,710,910)</u>	<u>-</u>	<u>(60,000)</u>	<u>447,708</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

The specific purposes for which the funds are to be applied are as follows:

The Academy Trustees have designated an unrestricted fund which represents the surplus on boarding over related fixed asset additions from boarding.

All unrestricted funds are held for the purpose of education in line with the Academy's objectives.

The General Annual Grant (GAG) represents the core funding for the educational activities of the Academy that has been provided to the Academy via the Education and Skills Funding Agency and the Department for Education.

The transfer between the Restricted General Annual Grant fund and unrestricted funds is to eliminate the deficit on GAG expenditure, and the transfer from unrestricted funds to fixed assets represents amounts spent on assets out of non grant income.

The pension reserve fund has been created to separately identify the pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.

The Restricted Fixed Asset fund represents the net book value of capitalised fixed assets, unspent capital grants and the balance of a Salix loan due in more than one year used to purchase capital items.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

Comparative information in respect of the preceding year is as follows:

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
Designated funds						
Boarding	157,348	677,683	(817,553)	(14,478)	-	3,000
General funds						
General unrestricted funds	329,891	807,567	(621,617)	(497,664)	-	18,177
Total unrestricted	<u>487,239</u>	<u>1,485,250</u>	<u>(1,439,170)</u>	<u>(512,142)</u>	<u>-</u>	<u>21,177</u>
Restricted funds						
General Annual Grant (GAG)	-	6,375,274	(6,755,509)	380,235	-	-
Other local authority grants	-	32,412	(32,412)	-	-	-
Pupil premium	15,073	52,338	(45,589)	-	-	21,822
Other DfE/ESFA revenue	39,010	408,438	(407,898)	-	-	39,550
Other restricted funds	-	350,017	(350,017)	-	-	-
Salix loans	(95,138)	-	-	82,453	-	(12,685)
Exceptional government funding	-	30,370	(30,370)	-	-	-
Pension reserve	(3,333,000)	-	(313,000)	-	(657,000)	(4,303,000)
	<u>(3,374,055)</u>	<u>7,248,849</u>	<u>(7,934,795)</u>	<u>462,688</u>	<u>(657,000)</u>	<u>(4,254,313)</u>
Restricted fixed asset funds						
Fixed asset funds	4,542,341	-	(198,671)	443,697	-	4,787,367
Developed formula capital	4,842	30,179	-	(35,021)	-	-
Capital improvement fund	18,894	327,188	-	(18,894)	-	327,188
Donations	-	270,560	-	(270,560)	-	-
Salix loans	-	-	-	(69,768)	-	(69,768)
	<u>4,566,077</u>	<u>627,927</u>	<u>(198,671)</u>	<u>49,454</u>	<u>-</u>	<u>5,044,787</u>
Total Restricted	<u>1,192,022</u>	<u>7,876,776</u>	<u>(8,133,466)</u>	<u>512,142</u>	<u>(657,000)</u>	<u>790,474</u>
Total funds	<u>1,679,261</u>	<u>9,362,026</u>	<u>(9,572,636)</u>	<u>-</u>	<u>(657,000)</u>	<u>811,651</u>

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Analysis of net assets between funds

Current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	4,958,392	4,958,392
Current assets	180,455	1,484,168	198,677	1,863,300
Creditors due within one year	-	(1,290,605)	-	(1,290,605)
Creditors due in more than one year	-	(176,518)	(111,861)	(288,379)
Pension scheme liability	-	(4,795,000)	-	(4,795,000)
Total	180,455	(4,777,955)	5,045,208	447,708

Prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	4,787,367	4,787,367
Fixed asset investments	-	2	-	2
Current assets	21,177	1,199,304	327,188	1,547,669
Creditors due within one year	-	(1,014,561)	-	(1,014,561)
Creditors due in more than one year	-	(136,058)	(69,768)	(205,826)
Pension scheme liability	-	(4,303,000)	-	(4,303,000)
Total	21,177	(4,254,313)	5,044,787	811,651

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

21. Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(303,943)	(210,610)
Adjustments for:		
Depreciation	219,268	198,671
Capital grants from DfE and other capital income	(211,970)	(627,927)
Interest receivable	-	(2,033)
Decrease/(increase) in debtors	244,556	(91,313)
Increase in creditors	309,163	17,189
Pension adjustments	432,000	313,000
Net cash provided by/(used in) operating activities	689,074	(403,023)

22. Cash flows from financing activities

	2021 £	2020 £
Cash inflows from Salix and CIF loans	62,321	-
Repayments of Salix loan	(12,685)	(12,685)
Net cash provided by/(used in) financing activities	49,636	(12,685)

23. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	-	2,033
Purchase of tangible fixed assets	(390,493)	(443,697)
Capital grants from DfE Group	161,065	357,367
Capital funding received from sponsors and others	50,905	270,560
Net cash (used in)/provided by investing activities	(178,523)	186,263

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

24. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	883,637	323,450
Total cash and cash equivalents	883,637	323,450

25. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	323,450	560,187	883,637
Debt due within 1 year	(12,685)	(7,545)	(20,230)
Debt due after 1 year	(69,768)	(42,091)	(111,859)
Boarding fees in advance	-	(60,424)	(60,424)
	240,997	450,127	691,124

26. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	281,500

27. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Buckinghamshire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £132,412 were payable to the schemes at 31 August 2021 (2020 - £ -NIL) and are included within creditors.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

27. Pension commitments (continued)

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £858,747 (2020 - £812,028).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

27. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £383,000 (2020 - £348,000) of which employer's contributions totalled £299,000 (2020 - £272,000) and employees' contributions totalled £84,000 (2020 - £76,000). The agreed contribution rates for future years are 23.0 per cent for employers and between 5.5 and 12.5 per cent for employees.

As described in note 1.14 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.90	3.30
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	1.65	1.60
Inflation assumption (CPI)	2.90	2.30
Inflation (RPI)	3.20	3.10

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2021 Years	2020 Years
Retiring today		
Males	21.6	21.8
Females	25.0	25.1
Retiring in 20 years		
Males	22.9	23.2
Females	26.4	26.6

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

27. Pension commitments (continued)

Sensitivity analysis - present value of total obligation

	2021 £000	2020 £000
Discount rate +0.1%	10,142	8,812
Discount rate -0.1%	10,602	8,788
Mortality assumption - 1 year increase	10,821	9,156
Mortality assumption - 1 year decrease	9,936	8,458
CPI rate +0.1%	10,586	8,984
CPI rate -0.1%	10,157	8,620

Share of scheme assets

The Academy Trust's share of the assets in the scheme was:

	2021 £	2020 £
Equities	3,028,000	2,466,000
Gilts	522,000	474,000
Corporate bonds	781,000	705,000
Property	324,000	281,000
Cash and other liquid assets	75,000	118,000
Alternative assets and other	844,000	453,000
Total market value of assets	5,574,000	4,497,000

The actual return on scheme assets was £847,000 (2020 - £118,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2021 £	2020 £
Current service cost	(661,000)	(522,000)
Interest cost	(66,000)	(60,000)
Administrative expenses	(4,000)	(3,000)
Total amount recognised in the Statement of Financial Activities	(731,000)	(585,000)

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

27. Pension commitments (continued)

Changes in the present value of the defined benefit obligations were as follows:

	2021 £	2020 £
Opening defined benefit obligation	8,800,000	7,013,000
Current service cost	661,000	522,000
Interest cost	140,000	130,000
Employee contributions	84,000	76,000
Actuarial losses	833,000	1,150,000
Benefits paid	(149,000)	(91,000)
Closing defined benefit obligation	10,369,000	8,800,000

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2021 £	2020 £
Opening fair value of scheme assets	4,497,000	3,680,000
Interest income	74,000	70,000
Actuarial gains	773,000	493,000
Employee contributions	84,000	76,000
Benefits paid	(149,000)	(91,000)
Admin expenses	(4,000)	(3,000)
Employer contributions	299,000	272,000
Closing fair value of scheme assets	5,574,000	4,497,000

The amount shown in the Statement of Financial Activities is:

	2021 £	2020 £
Changes in financial assumptions	(833,000)	(705,000)
Return on assets excluding amounts included in net interest	773,000	48,000
Actuarial gains/(losses) on defined benefit pension schemes	(60,000)	(657,000)

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

27. Pension commitments (continued)

	2021 £	2020 £
The amount shown in the Balance Sheet is:		
Present value of defined benefit obligation	(10,369,000)	(8,800,000)
Fair value of scheme assets	5,574,000	4,497,000
Defined benefit pension scheme liability	(4,795,000)	(4,303,000)

28. Operating lease commitments

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	269,107	276,204
Later than 1 year and not later than 5 years	998,311	1,029,827
Later than 5 years	860,000	1,100,000
	2,127,418	2,406,031

29. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

30. Related Party Transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Wycombe Royal Grammar School Foundation, a registered charity, holds the majority of the land and buildings in trust for use by the Academy Trust. During the year, the Foundation charged £240,000 (2020: £240,000) for rent of the boarding accommodation and provided donations of £167,776 (2020: £398,104) to promote the education of present and former pupils. The Academy Trust owed £NIL at the year end to Wycombe Royal Grammar School Foundation (2020: Academy Trust owed £6,317 at the year end to Wycombe Royal Grammar School Foundation).

No other related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 12.

31. Agency arrangements

The Academy Trust distributes Staff Common Room income and expenditure. In the accounting period ending 31 August 2021, the Academy Trust received £2,813 (2020 - £NIL) and disbursed £1,856 (2020 - £NIL) from the fund. An amount of £1,463 (2020 - £506) is included in other creditors.

ROYAL GRAMMAR SCHOOL HIGH WYCOMBE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

32. Academy boarding trading account

	2021	2021	2020	2020
	£	£	£	£
Income				
Direct income				
Fee income	868,883		652,423	
Coronavirus Job Retention Scheme grant	5,786		25,260	
Total income		874,669		677,683
Other expenditure				
Boarding staff costs	371,254		365,451	
Buildings maintenance	2,830		8,881	
Rent and rates	244,999		244,772	
Utilities	13,589		44,939	
Catering costs	166,690		129,922	
Other costs	17,133		23,588	
Total other expenditure	816,495		817,553	
Total expenditure		816,495		817,553
Capital expenditure		-		(14,478)
Surplus/(deficit) from all sources		58,174		(154,348)
Boarding balances at 1 September 2020		3,000		157,348
Boarding balances at 31 August 2021		61,174		3,000

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above.

The academy furloughed its boarding staff under the government's CJRS. The funding received of £5,786 relates to staff costs in respect of 7 staff.

