



Reigate Grammar School

A Registered Company Limited by Guarantee

Consolidated Financial Statements

for the year ended 31 August 2021

together with Governors' and Auditor's reports

Registered Company Number: 3954365

Registered Charity Number: 1081898

Report of the Governors for the year ended 31 August 2021

The Governors, who are also directors, present their annual report on the affairs of the Group, together with the financial statements and auditors' report for the year ended 31 August 2021, and confirm that the financial statements comply with the requirements of the Companies Act 2006 and the Charities SORP (FRS102).

Reference & Administrative Information

The School was incorporated as a company limited by guarantee in 2000 and has been granted exemption under S60 Companies Act 2006 from the requirement to use 'Limited' as part of its name. The liability of its members is limited to £1 each. The School is also a registered charity.

The three principal operating arms of the School are Reigate Grammar School ('RGS'), and its two junior schools, Reigate St Mary's Preparatory & Choir School ('RSM' or 'Reigate St Mary's') and Chinthurst School (Chinthurst) together known as 'the School'. There is also a subsidiary charity, the Reigate Grammar School Trust ('RGS Trust'), and two subsidiary trading companies, Reigate Grammar School Trading Limited and Reigate Grammar School International Limited. During the year, there was one dormant subsidiary, Chinthurst School Educational Trust, which was fully dissolved in August 2021.

Chinthurst School Educational Trust, an independent preparatory school in Tadworth, Surrey, merged with RGS in early 2017. Chinthurst School Educational Trust was initially maintained as a separate legal entity, with RGS as its sole member until the trading activities of Chinthurst School (Chinthurst) were formally transferred to RGS on 2 September 2019. From the 2020/2021 academic year onwards, the School has three principal operations: RGS, RSM and Chinthurst.

Governors

Mr James Dean *^o∞† (Chairman, resigned 6 December 2021)
Mr Mark Elsey *∞ (Vice Chairman, Chairman from 6 December 2021)
Dr Shrilla Banerjee ^o (appointed 10 March 2021)
Mr Marc Benton * ∞
Mrs Mary Braughler-Edmunds ^o
Mr Colin Cobain * ∞
Mr David Cole ^o
Mr Brian Day † ∞ *
Mr Christopher Dixon †
Mr Luke Herbert ^o∞
Mrs Maxine Hulme ^o †
Mrs Lisa Page ^o
Mr Nicholas Weber *
Mr Edward Wheeler † (appointed 29 April 2021)

- ^o Member of the Education & Welfare Committee
- * Member of the Finance & Foundation Committee
- † Member of the Estates & Premises Committee
- ∞ Member of the Governance & Risk Management Committee

Headmaster - Senior	Mr Shaun A Fenton MA Med OBE
Headmaster – Reigate St Mary's	Mr Marcus B Culverwell MA
Headteacher – Chinthurst School	Miss Cathy Trundle BA QTS
Bursar & Company Secretary	Mr Stephen P Douty BA FCMA
Address and Registered Office	Reigate Grammar School Reigate Road Reigate Surrey RH2 0QS

Bankers	Barclays Bank Plc Level 12, 1 Churchill Place London E14 5HP
Auditors	Haysmacintyre LLP Statutory Auditors 10 Queen Street Place London EC4R 1AG
Solicitors	Goodyear Blackie Herrington LLP Oak House Tanshire Park Shackleford Road Elstead Surrey GU8 6LB Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH

Structure, Governance & Management

Governing Document

The School is governed by its Articles of Association last amended on 8 September 2015.

Governing Body

The Governors aim to achieve a wide spread of knowledge and experience amongst its Board members in order to fulfil its statutory obligations and determine the aims and overall conduct of the School. When vacancies on the Board arise, nominations are received and decisions on whom to select for appointment are made at a general meeting of the Board. This procedure is reviewed by the Governance & Risk Management Committee of the Board, prior to decisions being taken at full Board meetings. It is the Governors' policy that all Governors will be appointed to serve on at least one Committee of the Governing Board. All Governors serve for an initial 3-year term after which they become eligible for re-election for up to two further 3-year terms. All Governors retire automatically at the end of their third 3-year term, with limited exceptions.

Governor Training

New Governors are inducted into the operations of the School, and of the Group as a registered charity, including Board Policies and Procedures, via an initial information pack provided by the Bursar, as well as by attendance at Board Meetings and during term-time, at Governors' Days and Parent / Teacher meetings. Workshops for all Governors are held on an annual basis, usually on a day that coincides with a full Board of Governors Meeting. They are also encouraged to attend external courses run by AGBIS and other relevant professional organisations.

Organisational Management

The Governors meet as a Board at least three times a year to determine the general policy of the School, as well as reviewing its overall management and control, for which they are legally responsible. Implementation of the Board's policies are carried out by several committees of which the principal ones are the Education & Welfare Committee, the Finance & Foundation Committee, the Estates & Premises Committee and the Governance & Risk Management Committee, all of which meet at least once a term. These Committees are currently chaired by Luke Herbert (Education & Welfare), Colin Cobain (Finance & Foundation), Brian Day (Estates & Premises) and Maxine Hulme (Governance & Risk Management). The Chair of the now dormant Chinthurst School Educational Trust was Marc Benton until it was dissolved in August 2021. During this academic year, due to the Covid-19 pandemic, Board and Board committee meetings have been held either in person or via Teams/Zoom.

The day-to-day running of the three schools (Reigate Grammar School, Reigate St Mary's Preparatory & Choir School and Chinthurst School) is undertaken by the Headteachers of each school and the Bursar. These four individuals are the key management personnel. The Board sets remuneration, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success.

Objects, Aims, Objectives & Principal Activities

The main object remains the provision of day school education, in or near Reigate, to both boys and girls.

Aims and Intended Impact

Within the main object, the aims of the School are:

- To continue the traditions of the School in providing an excellent all-round education to talented students aged between two and eighteen from a wide range of social backgrounds.
- To stimulate intellectual curiosity in all areas of learning and to enable students to fulfil their academic potential.
- To provide a disciplined and caring environment that will encourage boys and girls to develop into morally and socially responsible young people.
- To provide all students with the essential skills and experiences that will equip them for the world outside School.
- To ensure that the development of these intellectual, physical, creative and social abilities is conducted in a happy and mutually respectful environment.

Ethos

The School is a charity that seeks to provide the best possible education to our students and thereby to provide public benefit. Our fees are set at a level to ensure the financial viability of the School and at a level that is consistent with the above aims.

Our School is committed to safeguarding and promoting the welfare of our students and we expect all staff and volunteers to share this commitment. The School's child protection policies may be accessed in full on our websites.

Admission to the School

The School welcomes students from all backgrounds. To admit a prospective student, we must feel reasonably sure that we will be able to educate and develop the prospective student to the best of his or her potential and in line with the general standards achieved by the student's peers. Entrance interviews and, where appropriate, academic assessments are undertaken to satisfy parents and ourselves that potential students can cope with the pace of learning and will benefit from the education we provide.

Prospective students are judged solely by the above criteria, which are published in more detail on the School's websites. The School is open to all students who meet these criteria regardless of economic status, gender, ethnicity, race, religion or disability.

Our School prides itself on being an inclusive institution that embraces equal opportunities for all. We are committed to providing an environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, gender, sexual orientation or disability. We make reasonable adjustments to meet the needs of staff or students who are or become disabled.

Grant-making policy

This academic year the net cost of scholarships, bursaries, sibling and staff discounts made to the School's students was £4,017,325 (2020: £4,109,934), which is 14.1% of gross income (2020: 15.6%). Details of the value of awards are also set out in Note I to the accounts.

a) Bursaries

The Governors are determined to ensure that they provide education to students from a wide range of backgrounds. To achieve this aim, funds are provided each year to help families who cannot afford the full fees. This provides assistance to those who meet our general entry requirements and awards are made solely on the basis of parental means. All bursaries are means-tested, including Harrison scholarships, Gershon scholarships and I675 scholarships. Funds for the Harrison, the Gershon and I675 scholarships are all obtained from external philanthropic donations.

In assessing parents' means, we take a number of factors into consideration including family income, investments and savings, and family circumstances, for example, dependant relatives and the number of siblings. The provision of funds from external sources as a contribution towards funding our awards helps the School in its objective of ensuring a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

The value of a Bursary ranges from 10% to 100% remission of fees. In cases of extreme hardship, we sometimes also offer help with extras such as school transport, lunches and uniform. Information about our Bursary scheme is included in the prospectus and on the School's websites. We also advertise our awards regularly in the local press and via a leaflet, which is distributed widely in the local area.

Harrison Scholarships (Reigate Grammar School only)

The School is delighted to be able to work with a local charity, The Peter Harrison Foundation, which for many years has provided a level of additional financial assistance to students of the School over and above that provided directly by the School itself. Families who live in the borough of Reigate and Banstead who are applying for a place at Reigate Grammar School and who already qualify for a Bursary may also receive fee assistance from the Peter Harrison Foundation (Charity No. 1076579). Approximately four students each year receive such assistance and are known as Harrison Scholars. Further details of the scheme can be found at www.peterharrisonfoundation.org.

1675 Scholarships (Reigate Grammar School only)

From donations provided largely by alumni and others with an interest in the School's wellbeing, the 1675 Bursary Fund supports the provision of 1675 Scholarships. During the academic year, eight new 1675 Scholarships were awarded (2020: six), including two Gershon scholars, bringing the total number of 1675 Scholars currently in school to 42. Details of the 1675 Bursary Fund can be found in Note 16 on pages 39 to 42, and the role of the RGS Foundation is described on page 17.

Temporary Bursaries

These provide short-term assistance only and are offered to relieve hardship where a student's education and future prospects would otherwise be at risk, for example, in the case of the redundancy of a parent.

b) Scholarship policy (Reigate Grammar School only)

The purpose of our scholarship awards is to recognise either high academic potential, or the ability to excel in Sport, Music or the ability to excel in our extra-curricular activities. Scholarships are awarded with a remission of up to 30% of fees per annum, but where further assistance is required, awards may be supplemented by a means-tested Bursary. We advertise the availability of scholarships regularly in the local press and directly to local schools. Further details of our scholarships are available on our website.

c) Choral Scholarships

During the year ended 31 August 2021 the Godfrey Searle Choir, a semi-professional choir of boys and girls, which draws its boys and girls exclusively from the School, provided scholarships with a fixed remission of fees ranging between £1,000 and £2,800 per annum in return for singing at services in St. Mary's Parish Church and elsewhere. Children normally enter the choir at the age of eight whilst at Reigate St. Mary's, but can continue through to the Grammar School until the age of 13. The choir makes a major contribution to the musical life of the School.

d) Sibling discounts

To underline the value we place on continuity for families, we offer sibling discounts where parents have more than one child at the School: a 5% discount is allowed in respect of the second child, and a 10% discount for the third and any subsequent children.

e) Staff discount

In order to enable us to attract and retain the very best quality staff, we offer a discount scheme for members of staff who educate their children at our School (subject to the normal entry requirements).

Objectives for the Year

The principal objective for the year has been maintaining and improving the educational provision across the School. This includes not only the academic standards as measured by public examinations, but also the extra-curricular life of the School. From March 2020 onwards, the key priority has been to continue to provide a high-quality education to students throughout the Covid-19 pandemic, including during the national lockdowns and when pupils are self-isolating. This has included using a variety of online tools from online lessons on Teams to applications such as Firefly, Seesaw and Tapestry to facilitate learning and promote mental wellbeing to children of all ages in the school.

Other objectives have included:

- The maintenance of student numbers at the Grammar School above 1,000, Reigate St Mary's above 340 and Chinthurst School above 250;
- The provision of continuing support of our students already in receipt of fee assistance through Bursaries;
- To continue to develop and extend the School estate; and
- To retain and develop our teaching staff.

In setting our objectives and planning our activities our Governors continued to give careful consideration to the Charity Commission's general guidance on public benefit.

Strategies to achieve the year's objectives

Each year, the Governors agree the School Development Plan for the schools. These plans outline actions and targets for each of the strategic priority medium term development goals. Governors review progress for each of the medium-term development goals, which have a strategic priority at the appropriate committee meetings and at each full Board meeting. The impact of the Covid-19 pandemic on the school's immediate strategy on education, finances, health and safety and staffing has been covered by the various Committees and in full Board meetings, with additional meetings having been convened at short notice, as necessary.

The continuing improvement of academic standards at the Grammar School is achieved by further use of value-added data to track the progress of students against national standards, supported by an extensive performance management system to deliver high quality professional development to all teaching staff. The school also remains committed to its sporting and cultural programme and has ensured that students continue to receive the broadest possible range of opportunities.

At Reigate St. Mary's the system of staff performance reviews has continued to ensure both consistency and delivery of quality throughout the school. Heads of Department are required to draw up action plans for their areas of responsibility to meet the objectives of the School Development Plan. The enhancements previously made to the admissions process to ensure better targeting and follow up of all potentially interested parents have again proved to be very effective with student numbers remaining close to full capacity on 31 August 2021.

At Chinthurst School additional market research has been performed to ensure that the school focuses its resources in the right areas and also puts in place measures to strengthen the marketing and PR of the School, in order to continue to expand its pupil numbers, Chinthurst has recruited additional teachers and teaching support staff to ensure it retains quality teaching provision for its pupils.

Principal activities of the year

As stated above, the Charity's main object is the provision of day school education, in or near Reigate, to both boys and girls. Students up to the end of Year 6 (age 11) are educated at Reigate St. Mary's or at Chinthurst School and those in Years 7 to 13 at Reigate Grammar School. During periods when the school sites have been closed due to national restrictions, such as in January to March 2021, the school has switched to using online platforms to deliver education to its pupils.

The objectives listed above had all been met by the end of the year. Student numbers in Reigate Grammar School reached 1,074, with Reigate St Mary's and Chinthurst ending the year with pupil numbers of 394 and 249 respectively. Future applications to all three schools remain healthy. At RGS there are 1,085 pupils in the 2021/22 academic year, with RSM maintaining pupil numbers at 387 and Chinthurst increasing their pupil numbers to 267 by the Spring Term 2022.

The Governors' policy is to set tuition fees at a level that covers both ongoing operational costs and the need to reinvest, as appropriate, in new facilities. The termly fees for the Spring and Summer Terms of 2021 were £6,660 for Years 9 and above and £6,580 for years 7 and 8 per term at Reigate Grammar School, and a maximum of £5,260 per term at Reigate St. Mary's and at Chinthurst. Termly fees for the current academic year 2021/22 have been set at £6,875 for Years 9 and above and £6,775 for years 7 and 8 and a maximum of £5,420 for both Reigate St. Mary's and Chinthurst, an increase of between 3.0% and 3.25% over those for 2020/21.

Public benefit

The School demonstrates its public benefit in the following ways:

High quality education.

The School provides a public benefit through the provision of high-quality education. In 2020/21, over 90% of Year 6 students at RSM were awarded places at RGS, whilst 24 Chinthurst pupils accepted places at RGS (which is 63% of pupils), amongst other independent secondary schools. At RGS, 100% of A-level papers were graded A*, A or B. RGS emphasises its historical tradition as a Grammar School by continuing to offer subjects not always available in local state schools, for example Latin and Greek, separate sciences, and modern foreign languages. Large numbers of students study these subjects, and many go on to study them at university. The School also provides opportunities for students from other schools, both state and independent; these include a Forensic Science Evening, language plays, musical evenings, and an annual Model United Nations conference.

Bursaries.

The Governors' intention is that no student who fulfils the criteria for admission should be prevented from attending RGS for financial reasons. To enable this, RGS provides means-tested Bursaries, and Temporary Bursaries, which can be up to 100% of full fees. In the year ending August 2021, we were able to provide bursary funding worth £2,288,721 (2020: £2,346,568). A proportion of these bursaries are funded by the School's 1675 Bursary Fund which contributed £700,000 (2020: £500,000), an external charity, the Peter Harrison Foundation (Charity No. 1076579), which provided £122,015 (2020: £125,100) of funding for a number of additional places at RGS, as well as a Bursary Fund established by Sir Peter Gershon to support individuals who excel in STEM subjects. After the contribution of the RGS Trust to bursary funding of £3,000 in the year (2020: £3,000), the net cost of bursaries to the School was £1,463,706 (2020: £1,718,468). In cases of extreme hardship, the school also subsidises other expenses such as uniform, school meals, transport and school trips.

Partnerships and use of facilities.

Throughout last year there were several Outreach ventures by the Reigatian Community. At RGS, in the Autumn Term we ran two Master Classes for our local primary schools. The Maths Master Class ran in conjunction with the Royal Institute and was hosted by our teachers and sixth form pupils. Creative Coding was run by the Computing department with the help of its A Level pupils. Both were wonderfully received and enjoyed by our local community.

In September we saw our 'Electives' programme piloting outreach for the first time for the Third and Fourth form. Students have had the opportunity to go to help younger pupils with their reading at our local state primaries of St John's, Reigate Parish and St Joseph's. Pupils also made a weekly visit to Beaumont and Eversfield Care Homes where they played cards and scrabble with the elderly residents and performed music for them. Pupils also took part in the Elective to Stripey stork, a charity for vulnerable local families, where they helped with sorting items in their warehouse and with raising awareness.

Throughout the year we have also reached out to our RGS community to help with donating stationery to the charity 'Stripey Stork' for children of vulnerable families. Our RGS community also donated items for the Afghan refugees through Stripey Stork.

We have carried on our Partnership with local charity 'Loveworks', and pupils of the third form have been visiting the warehouse weekly, and raising awareness on the streets of Reigate. December saw the annual collection of food from all pupils for Loveworks, to help create hampers for the homeless and those on low incomes for Christmas. Throughout the year RGS has also hosted termly foodbank donation drops where parents and the local community can drive through the playground and donate food items.

At Christmas we also raised money for the Orpheus Big Give Campaign to help create a café for the residents of the Orpheus Centre, who are young adults with serious disabilities. The café will also be open to the public and allow the pupils much needed work experience. We managed to raise over £1,300 by pupils donating money for wearing their own clothes into school. A fundraising walk is also planned for the Summer Term.

In November pupils wore mufti in return for donations to Children in Need, and donated money to vote for their favourite teacher to dress up as Pudsey.

First and Second Form students baked cakes for the MacMillan Big Coffee Morning; at Christmas time all the pupils of the First Form wrote Xmas cards to the residents of the Live at Home Scheme. Some of our pupils have also helped with the Reigate Parish Primary school sports day, giving up their time to help coach and umpire. Our Music

department has also seen some of its members of staff visiting the Parish and St John's this year to give music lessons to their pupils.

House Charities have also continued to raise awareness and money for local charities, with Cranston making Renewed Hope their House Charity. Renewed Hope is a local charity that helps the homeless with company, advice, a hot meal and even a place to stay.

At RSM the Sports Hall is used widely by local community sports groups for cricket, badminton, Zumba, five-a-side football and by local youth groups for both the Baptist and Anglican churches, including Sunday morning church activities.

At Chinthurst, the Sports Hall is used by external clubs and swimming lessons are provided to local children in the school's on-site swimming pool, including children from a local state school.

The Arts.

The School provides a public benefit by promoting music, drama and art. Concerts and plays are held regularly, often outside the School and open to the public. Local primary and preparatory schools are often invited to performances at no cost, both for school productions and for performances given by outside groups. The Godfrey Searle Choir, a semi-professional choir of boys and girls, with some adult choristers, sings services regularly at churches in the local area as well as further afield, and RSM is a member of the Choir Schools' Association. The RGS Activities Week, which runs for a week at the end of each summer term, holds performances, exhibitions and workshops, which are open to the public. RSM has developed relationships with local care homes providing fund raising. RSM pupils also provide Harvest donations to the Women's Refuge and the Choirs sing for the elderly. They contribute to the Reigate Christmas Fair and produce art for residential care homes. At Chinthurst pupils raise funds for different charities, such as the local food bank and the Red Nose Day appeal. Chinthurst pupils have sung in the local shopping centre and supermarkets to raise money for charity.

Sports.

The School provides a public benefit by providing coaching in amateur sports including rugby, football, hockey, netball, cricket, athletics, tennis, badminton, squash, golf and swimming. Students are encouraged to develop to the best of their ability and many have gone on to county and international honours. Students frequently play for local clubs, especially the Old Reigatians Rugby and Hockey clubs, and Reigate Priory Hockey and Cricket clubs.

Outdoor Activities.

The School promotes a healthy lifestyle amongst its students, including taking part in outdoor activities. All students over the age of 14 are encouraged to join either the Duke of Edinburgh Award Scheme or the Combined Cadet Force, both of which teach leadership skills, self-reliance, teamwork, and community understanding. The Combined Cadet Force also contributes to the promotion of the efficiency of the Armed Forces.

Strategic Report

Review of Activities 2020-2021 - Reigate Grammar School

Examination Results

Reigate Grammar School's A Level results with 100% of all grades being A* to B, 90% of grades being either A or A* and a 100 per cent pass rate for the 20th year running demonstrates the continued success of the school. At GCSE over 47% of grades awarded were grade 9 with 80% of grades 8 or 9 while 97% of grades were 7 or better.

For the sixth year running, all Reigate Grammar School students applying to medical, dental and veterinary schools gained an offer and secured their place. This is testament to the students' hard work, the dedication of their teachers and the effectiveness of the school's programme which prepares students for medical school application.

Careers and UCAS

The Careers department held regular careers talks providing up-to-date information for students on a wide range of career options. Working online led to more wide-ranging talks and we now have a large bank of recorded presentations on our Careers Presentations Teams area. While Covid prevented a full RGS Careers Convention this year we ran an evening of presentations on employability, apprenticeships, gap schemes, school leaver schemes and study abroad; there

was a bespoke evening for medicine, veterinary and dentistry applicants, an engineering evening and a Careers in Art and Design Evening. The Higher Education Information evening with Mike Nicholson (Director of Undergraduate Admissions and Outreach at the University of Bath) took place online including breakout sessions on Oxbridge admissions and degree apprenticeships. Students enjoyed a recorded Q&A with former RGS university students; students were helped to prepare for university interviews at the interview evening; Fifth and Lower Sixth Form students took part in a careers profiling and interview exercise; and Fifth Formers attended a CV writing clinic. During lockdown students were encouraged to take part in online careers lessons each week making use of Unifrog, to which all RGS student have access. A weekly newsletter included feedback from students on their university courses and ideas for online courses, work experiences and reading that students could undertake at home. In addition, the Careers department offered feedback on student CVs and ran a webinar on finance careers with Young Professionals; over 50 students took part in online work experience with this same company.

Combined Cadet Force (CCF)

The CCF has gone from strength to strength this year. Many cadets have taken more responsibilities, planning and leading training and there is a clear switch in mentality with cadets responding positively to the new approach. Two RGS senior cadets were appointed to prestigious roles: First Sea Lord Cadet and Lord Lieutenant Cadet and when external visits resumed these cadets were invited to the House of Lords, a day on-board HMS Portland or an evening at the Admiralty Christmas Carols.

Other opportunities opened at school with cadets being appointed for senior positions. These new responsibilities include a Cadet Chief Instructor overseeing training and events, a Warrant Officer in the Navy Section, a Company Sergeant Major in the Army Section, and a Warrant Officer in the RAF. We were delighted to offer our Leadership and Method of Instruction Cadres, in which the cadets have shone in many ways.

We are looking forward to expanding the CCF, increasing the numbers and offering numerous opportunities. Younger members of the school have shown a real interest in the CCF and Second Form (Yr8) students have benefited from these new opportunities.

Drama

Although it was still a far from conventional year, the Drama department continued its record of excellent output – both internal, external, exam-based and this year, online. Several students, in this flagship department, achieved places in the company of the National Youth Theatre and National Youth Music Theatre. Students had work selected in national play writing competitions, and successfully applied to drama school. Students continue to perform in the West End in various productions such as Harry Potter and The Cursed Child.

The year started unconventionally, with the whole First Form performing in an online retelling of A Christmas Carol filmed by the Third Form and edited on new, streaming kits to capture creative work. The recorded work is now all captured on YouTube. Rehearsing in bubbles proved no barrier to creating superb ensemble and physical storytelling on camera. Chatroom by Enda Walsh allowed the finest naturalistic actors to perform a small scale, live-streamed, hard-hitting play about the dangers of online bullying. The Second Form then created a cross-curricular project with Personal Social Health and Economic Education (PSHEE), taking real-life stories of contemporary heroism and dramatising them in the style of a Greek chorus, using impressively mature physical theatre techniques. Thankfully, by the summer, junior students could rehearse outside, and a cast of thousands immersed the audience in the Headmaster's garden for a riotous re-interpretation of A Midsummer Night's Dream, celebrating diversity and gender. Meanwhile, we were hosting online video applications for our 'choreo' and 'monoslam' competitions. Primary school students, current RGS students and even parents submitted monologues and dances to be judged by alumni working as professional dancers, actors and agents.

Exam work continued to be praised by the exam board in spite of lockdown with extraordinary pieces of devised theatre about a satirical Berkoff piece about Trump's tenure; experiencing loneliness in the pandemic and a hard-hitting A Level verbatim piece about Operation Yew Tree. Students tackled Shakespeare, American drama and musical theatre – in a subject which strives to allow students a chance to express their truth through storytelling.

Duke of Edinburgh Award (DofE)

RGS DofE is an outstandingly successful and popular part of the school. We continue to achieve record numbers in all awards despite Covid-19 impacts. Throughout the pandemic we have a continued to provide a thriving training programme. Over 400 students from the Third to Sixth Forms are enrolled in DofE. Over 80% of those who enrol complete their award, which is an outstanding achievement. Only one expedition was cancelled due to Covid-19 and the other expeditions operated under flexible arrangements reflecting our determination to provide students with outdoor team experiences through the pandemic. RGS consistently appears as one of the most successful DofE school

units in the country. The quality and scope of DoFE provision at RGS continues to grow, thrive and develop as able and dedicated staff seek to work with our unit.

House System

The House system at RGS is embedded not just in a competitive sense, but in continuing to grow a sense of community from the oldest to the youngest students. This is evident in the enthusiastic support at all events and participation in weekly House assemblies. Whilst these take place virtually to maintain Covid-safe guidelines, the sense of community spirit remains a central strength to the RGS provision. House Singing (with both unison and harmony performances from each House) set the tone for the year to come as a harmonious delight filled the space. Other House activities such as House Chess, Art, Gun Run, Bake Off, Junior Debating and the Junior and Senior Quizzes were as hotly contested as ever. The House Sports Cup was contested with the usual gamut of sports, including well-supported Sixth Form Football, House Golf and Swimming whilst events continued to be held throughout the year in support of the joint House Charities. With the disruption of lockdown, the student House leaders found an incredible number of ways to keep that House spirit going. From trick shots to colour themed baking competitions, House activities centred on fun and participation – students managed to climb a Mount Everest's worth of flights of stairs in one day – to keep students, and staff, in no doubt as to how integral the House system continues to be in these times.

Model United Nations

Once again, in September, Reigate Grammar School kicked off the MUN calendar with an exciting start as our student leadership team hosted the annual ReimUN conference, now in its 25th year, with a first ever online MUN Conference. With an equal number of students from the independent and state sectors attending, we cemented our leading reputation for diversity at our conferences; free places were offered to students from less-advantaged backgrounds in an effort to promote opportunity for all. We were joined by Reigatian, James Gater, former naval officer and partner at Special Projects Partnership who acted as ReimUN's Secretary General in 1997. James has visited an impressive number of UN countries and very much sees his role in the inaugural society of MUN at RGS as truly formative.

Sadly, many external conferences were cancelled owing to Covid, but we were delighted to hear that Epsom College was hosting its own online conference having enjoyed ReimUN 24 so very much. By the summer term, the club was very much back up and running weekly with thought provoking debate on a myriad of international topics.

Music

The Music department is proud to have maintained a thriving musical community despite challenging times, demonstrating the creativity, resilience and resourcefulness of our committed staff and students. There were many exciting musical experiences scheduled for the summer term of 2020 including our debut performance at Southbank Centre's Queen Elizabeth Hall. Instead, we launched into a brave new digital world to discover new ways of keeping our musical community alive.

Academic music has thrived through the use of new online technologies and extra-curricular activity has been as busy and vibrant as ever, establishing a new routine of digital broadcasts and live-stream events.

On the anniversary of the first lockdown, we had celebrated 60 online events, showcasing a total of 304 performers in the creation of 872 minutes of music. Individuality has been expressed not only through the music we have heard but also in its setting: living rooms, dining rooms, gardens, classrooms, home offices, the Recital Room, bedrooms, basements – even bathrooms! It has been a music tour like no other! The resilience and resourcefulness of our students has been extraordinary and has kept the music flag flying.

During the pandemic, an extensive concert series was digitally curated and streamed on the RGS Music YouTube channel, enabling students to remain engaged in musical activity. Weekly song-casts were broadcast as students and staff shared favourite songs and performances which continued in the form of RGS Sounds: a weekly broadcast showcasing a short solo or ensemble performance. Much of the music calendar remained in place celebrating a Virtual Summer Concert, informal concerts, Vocal Showcase, Unplugged, Cabaret Night, Piano Showcase and Plugged. A brief window in November gave us an opportunity to perform live at Leatherhead Theatre with newly formed chamber ensembles. On our return to school, a busy weekly schedule of instrumental and vocal lessons and ensemble rehearsals resumed, with large ensembles being rehearsed in significantly smaller groups. The end of year spectacular – RGS Hartsfest – an outdoor music concert featuring each and every one of our ensembles is now a firm fixture for future years!

Sport

There have been many outstanding performances. In rugby the 1st XV won seven of eight Daily Mail Trophy fixtures placing them in the top 40 of schools nationally, while the U14s were undefeated on Saturdays and lost in the last 16 of the National Cup. Girls Rugby is continuing to grow and two age groups will compete in the National Sevens at Rosslyn Park. There are now excellent links with the girls' programme at Old Reigatians Rugby Club and we intend to drive the

growth of girl's rugby further still. Four boys are involved with the Harlequins Rugby DPP or EPG groups at U15 or above with one at U17 Academy level.

Our girls' hockey teams continue to play on the toughest circuit in the country and highly competitive Saturday blocks supported their National Cup progress across several year groups. Three year groups made it to the National Competition last 16 with the U13 team now at semi-final stage. Many pupils have been selected for representational honours at county level or above, with four being selected for regional or national standard training groups. The boys' programme is also well set and, at the time of writing the 1st XI has entered the next stage of the National Competition.

The RGS Netball programme has become extremely popular with more pupils participating than ever before. This is supported by success at the top level with our 1st VII reaching National last-16 and placing third regionally. The U15s were county champions in the strongest county in the country and in total three year groups made it to the last 16 nationally. Four pupils are now part of Super League franchises: a school record.

Our cricketers continued to work hard through the winter after much disruption last year. The girls' programme continues to be highly successful with the U15 girls achieving a third place finish in the National Competition and three girls have gone on to be selected for Surrey Stars out of a total nine in the entire group for our region.

Our swimmers have been in outstanding form. We have won regularly at county level and our U18 girls came 8th Nationally in the relay freestyle competition. 32 biathletes have made it to the national qualifiers and individual success has come at a national level for three of our pupils in Triathlon and Modern Pentathlon. The popularity of the swimming programme continues to grow and more than 100 pupils have represented the school in related disciplines in the winter term alone.

Our performance sport programme is developing further to offer football with a new UEFA A coach working with us three days a week as well as supporting the growth of girl's football in the school. Our Golf Academy has helped drive success and the year-round programme now allows pupils to improve through our partnerships with Reigate Heath Golf Club, Reigate Hill Golf Club and Patchesham training facility. The Tennis Academy is launching this year and a partnership with Redhill Tennis Club will allow us to support our best tennis players. In addition to this our Athlete Development programme is in full swing supporting the growth of all our high performing athletes.

Our enrichment sport programme has increased with the twin aims of driving participation and engagement in sport or physical activity. This includes the introduction of sailing, Zumba and squash in our games and extra-curricular programmes. There are now 17 options for Sixth Form games; Walk and Talk, a Sixth Form only group who walk the local Surrey hills, and Multi-Sport, a Year 9 and up option offering the chance to develop fitness and sample a range of sport more widely, are very popular and have helped to engage many more pupils in active lifestyles. In short, the future of RGS sport looks like it will hit the key targets of both outstanding student performance and outstanding opportunities for all our students.

Review of Activities 2020-2021 - Reigate St Mary's Preparatory and Choir School

The academic year was operated partly in lockdown and partly with social distancing restrictions in school, but despite the challenges arising the school continued to thrive and grow in numbers. This was, in part, due to families relocating to the area but also because the reputation of the school as a provider of excellent remote learning drew families to us. Therefore, academic outcomes remained strong with in excess of 90% of our year 6 leavers moving on to our senior school, Reigate Grammar School, with other leavers moving on to Dunottar, Manor House, St Bedes, Lingfield Notre Dame, Hazelwick and Cardinal Newman School, with a total of 22 scholarships.

As a result of COVID, the school continued to develop its online learning platform which became integrated into weekly lessons and homework, helping to move the school forward in its use of information technology and this has been beneficial for both staff and pupils.

The school continued to support local charities such as Loveworks, and continued to sponsor children overseas through charity Compassion. As many community worship events have not been able to take place during the pandemic, the Godfrey Searle choir did not meet for services nor for rehearsals, but did make some pleasing recordings which demonstrated that the quality of their singing still remained.

When the school was able to reopen during the summer term, Years 5 and 6 attended residential camps in Dorset, and outdoor learning was extended through the visit of the 'Beventuresome' trainers, working with year 4. Our forest school area was further developed and children from across the age ranges started using it, as opposed to just the younger children, and an end of term sports day was enjoyed once more, even though parents could not attend.

Having to take the school online was beneficial in other ways as well, with a plethora of videos for assemblies and lessons being created by staff and children which in themselves have become a bank of resources that can be drawn upon in the future. This also developed the video creating and editing skills of those in the school community. Parents evenings also went online and a new online parent evening platform has been well received by parents.

Towards the end of year agreement was reached upon certain areas for facility development including improvements in the Green Shoots and Kindergarten buildings and the construction of a temporary, but high quality, Year 5 and 6 classroom block. These works began at the end of the academic year and were opened to pupils in October 2021.

Review of Activities 2020-2021 - Chinthurst School

During the 2020/21 academic year, Chinthurst School once again achieved excellent results, with 38 Year 6 children all gaining places at the schools of their choice. Out of this cohort 24 accepted offers from RGS (this was 63% of the year group and a large increase on the previous year). Four children accepted offers to Epsom College (with 5 offers being made). One child accepted an offer to St Johns Leatherhead and received an academic scholarship (three offers were made). One child accepted an offer to Downsland School (with two offers being made). Two children accepted offers to Box Hill School, one received a Drama scholarship (three offers being made). One child accepted an offer to Dunottar School (three offers were made). One child accepted an offer to Cumnor House. One child accepted an offer to Kingswood House. Three children went to state schools.

During the year to 31 August 2021, Chinthurst continued to demonstrate strong performances in both girls and boys sports. Football, rugby, netball, cricket, hockey, swimming, athletics were some of the disciplines available to children. As government guidance allowed, in the Summer Term we were able to return to cricket fixtures, which the children thoroughly enjoyed. Throughout the national lockdown between January and March 2021 a full online curriculum was provided via Seesaw, with provision being made in school for the children of key workers. During this time the children were supported academically and pastorally and with teachers on hand throughout the day via the Seesaw App. In addition, children were also given their own Teams login to participate in live online lessons which were well-received among the parent body. Throughout this time the children continued with peripatetic Music and LAMDA lessons virtually, allowing many of them to continue to apply for exams. 55 pupils were entered for LAMDA drama exams. 48 of these children were awarded distinctions and 7 were awarded high merits with an 100% pass rate. There was and continues to be an active focus in the Music Department of working towards and entering exams, with grades taken on all instruments for ABRSM, Trinity (including Rock and Pop), LCM and MTU.

This year brought significant improvements to the school estate at Chinthurst. External contractors installed canopies in the nursery and reception play areas to facilitate outdoor learning in all weathers. The frontage of the swimming pool was redeveloped to provide a viewing platform, as well as a sail providing cover over part of the playground and new hard landscaping providing step free access to upper school buildings in order to improve accessibility. The toilets in the dining room were refurbished to include disabled facilities and toilets suitable for early years. A program of radiator replacement in the Lower School has begun. Lighting was installed in the car park and along external paths in school. Roof repairs were carried out on lower school, the sports office and changing rooms. Our in-house team created a sensory garden, as well as refurbishing a Lower School classroom and the girls' toilets in the sports block.

RGS International

RGS International Ltd (RGSi) was established as a 100% owned trading subsidiary of Reigate Grammar School in 2017 with a strategic vision to establish British-style schools around the world under licence to RGS. It looks to share its ethos, pupil welfare and pastoral model; teaching and learning philosophy, and curriculum design expertise.

RGSi has a schools agreement in China, with our first school in Nanjing being now open at both Kindergarten and primary school level, with plans being underway for other schools. Recent regulatory changes in China means that plans for further schools under this agreement are currently on hold. RGSi continues to work in other territories to diversify its geographical coverage and global reach, with a new partner signed up in Vietnam (signed in September 2021) and other potential projects in Saudi Arabia and Morocco.

Development of the School estate

Across the Reigate Grammar School group, once the schools returned from the Spring 2021, the School committed to several projects across the schools. We have undertaken a number of smaller refurbishment and repair projects over Summer 2021. At Reigate Grammar School this has included the refurbishment of the girls' toilet block and some improvements to the Pavilion at the Hartswood sports grounds, the refurbishment of the Food and Nutrition room and some major works on flat rooves on the main RGS site, as well as the refit of the dishwasher room. At Reigate St Mary's we started a project to install four additional classrooms, which will in turn allow other classrooms within the school

to become dedicated art, music and science facilities. At Chinthurst we refurbished a toilet block near the dining area (including a new disabled toilet facility) and installed two outdoor canopies, one for Kindergarten and one for Reception. We have also completed an Upper School frontage project, whereby the area near the Swimming Pool has new hard-landscaping and viewing platform into the pool, and we have re-tarmacked a large area between the Morris Building and the Main School building, including new ramps to assist with accessibility to both buildings.

Plans for the future

During the 2021/22 academic year, the schools continue to largely focus upon repair programmes for the school estates. At RGS we are intending to submit a planning application for a new Sports Hall in Spring 2022. Throughout the year we have been developing the conceptual design for a new Sports Centre to establish the best location and outline design in order to formulate our planning application. We envisage submitting this to Reigate and Banstead Borough Council early in 2022.

We have plans to improve the School estate at each of the three schools this academic year. During the 2021/22 academic year at RGS, we are planning to create a Student services centre at our Wellbeing Hub in Cornwallis, which will incorporate a new medical room. We are intending to re-roof one of the school houses, Leckhampstead West. We are also considering further enhancements to the RGS servery adjacent to the Peter Masefield Hall, which is our dining room. At Chinthurst School we have completed a major window replacement project in December 2021/ January 2022, whereby two thirds of the windows in the Morris Building have been replaced with new double-glazed windows. We are also planning a number of minor projects for the summer months. At Reigate St Mary's, we are planning to replace much of the play equipment in the Reception play area at Easter 2022.

During the past year, we have continued to learn substantial lessons from the periods of remote learning in the pandemic and to develop our IT. One-to-one devices are being considered at both RGS and Chinthurst, as we strive to further develop the use of technology in the classroom across the schools (these have already been introduced in the Upper School at Reigate St Mary's). The school will continue to invest in the IT infrastructure to support the delivery of this continued development of IT in the classroom.

All three schools are operating with high pupil numbers and to continue our success as a group of schools. Our target is to maintain exam results at the very high levels of recent years and to continue to help students on to the best next step beyond school. In the future that will continue to be Oxbridge and Russel Group universities although there is growing interest in degree apprenticeships.

Reserves Policy

The Governors adopt a prudent and cautious approach in managing the financial resources of the School. They maintain close control over expenditure and set fee income at a level which will:

- meet all revenue expenditure, as well as the cost of providing some bursaries;
- generate a surplus sufficient to provide an adequate level of interest cover on the School's financing costs;
- provide a level of cash flow that is appropriate for the financing of the School's capital expenditure programme;
- maintain, as far as possible, stability in student numbers; and
- recognise the deficit on the Surrey County Council defined benefit pension scheme, which amounted to £3,854,000 as at 31 August 2021 (2020: £3,875,000) and which is classified within the general funds of the group. This deficit represents a long-term obligation in respect of some of its employees but it does not represent an immediate call on the Group's resources so there is no resultant limitation on the application of the Group's general fund or of its restricted funds.

The RGS Charity has ten restricted funds totalling £4.2m, as follows (please refer to Note 16 for more details):

- The RGS Foundation was set up to hold monies from fundraising undertaken by the School. All monies received have been credited, on the instructions of the individual donors, either to the 1675 Bursary Fund (which has £3.3m at 31 August 2021), or to a General Fund (which has £88k at 31 August 2021);
- The school has been gifted a property in Monks Walk, Reigate, in the legacy of a former teacher, Mr Robin Bligh, which has been valued at £800,000. This is being held in a new restricted fund.
- There are eight smaller restricted funds, with their associated values as at 31 August 2021, with the most notable being: the 100 Club fund (for providing opportunities for school trips, £6k), the Stanley James Osmond Bequest (for the house system at RSM, £5k) and the Daniel Clarke fund (£3k).
- Chinthurst has one fund, the Illing Prize Fund, which is used towards annual prizes given by the School, which totalled £6k.

The RGS Trust has three restricted funds totalling £2.26m as follows (please refer to Note 16 for more details):

- The Paul Bewshea Fund (to provide financial assistance to students who have shown an interest in aviation or science as a career, £36k);
- The Foundation and Charity Funds (for prizes and awards, £13k); and

- The Godfrey Searle Property Fund (created by the donation of land and buildings by the Godfrey Searle Choir Trust in 2011, £2,212k).

The designated funds relate to a building development fund for the Balance Building and total £282,814 (2020: £282,814).

Unrestricted reserves (general reserves) total £19,460,109 (2020: £17,423,936).

As a consequence of this approach, all of the School's unrestricted reserves have been re-invested to improve the facilities of the School so it has no free reserves as defined by the Charity Commission. The Governors consider that the School's assets are sufficient to meet its obligations.

Financial Results

In these Financial Statements for the year ended 31 August 2021, 'the Charity' represents the results of RGS, RSM and Chinthurst. 'The Group' results include the Charity, Reigate Grammar School International, the RGS Trust and Reigate Grammar School Trading Limited for the twelve months ended 31 August 2021.

During the year the Group achieved net income before other recognised gains and losses of £2,789,987 (2020: £907,542). This year has been another challenging year for the school, as for many other schools and businesses around the UK. As a result of the third national lockdown from January to March 2021, all pupils across both the two prep schools (RSM and Chinthurst) and Reigate Grammar School moved to online learning. All pupils in year groups permitted back into school in March 2021 were back in school. The school offered parents a reduction for this time in lockdown which was allocated to the Summer Term 2021 tuition fees, which equated to 10% of fees for RGS and between 15% for the Upper School and 20% for the Lower School of the prep schools. The fee reductions resulted in a £988k reduction in fee income during 2020/21. This is explained in further detail in the 'Coronavirus' section below. This reduction was partly offset by the school's usage of the government's Coronavirus Job Retention Scheme, under which furlough savings on staffing of £182k were made during the year. The school also made savings across many cost areas and significantly reduced the planned program of capital works also to fund this reduction in tuition fees. The overall impact of these changes was that the net assets of the Group increased from £18,758,632 to £22,343,409 during the year.

Structure, Governance and Management

Governors' duties under Section 172 of the Companies Act 2006

Section 172(1) of the Companies Act 2006 requires that a director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and in doing so have regard to:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the company.

The Governors of the School have undertaken the following measures to maintain open working relationships and engage with employees at all three schools:

- Governors engage with senior staff from across the three schools in the Board Committees and Board of Governors meetings which occur regularly during each term. There is ongoing liaison between senior staff and governors on a range of matters ranging from educational, estates, financial, Safeguarding, recruitment to health and safety and the wellbeing of staff and pupils. Governors are also in active dialogue with senior staff regarding any issues or concerns as they arise, such as any parental complaints, Safeguarding or pastoral matters. There is also a designated HR Governor who oversees all HR matters;
- The progress of all staff, from performance to wellbeing, is monitored by the Education and Welfare Committee of the Board. Governors meet new staff who join during the year at an informal event held prior to the first Committee meeting of each academic year. With effect from the Autumn 2020, all governors are now available to contact on school email accounts, which has increased their accessibility to all staff across the three schools;
- Through the ongoing dialogue with the senior teams of the schools, Governors have been ensuring there has been ongoing information and communication with all staff. For example, this occurs at RGS with weekly staff bulletin and a whole teaching staff weekly meeting. Communications with all staff have been increased since the

start of the pandemic, as it is vital that staff are fully briefed on developments and how that impacts on their work; and

- Governors and senior staff encourage a culture of openness and discussion, which helps ensure employees are well briefed on developments impacting their employment.

The Governors ensure that they are up-to-date and engaged with parents, pupils, the school community and suppliers of the school through the following:

- Governors regularly attend school events, from concerts to art exhibitions to parents' evenings to ensure that they are abreast with school matters which impact upon staff, parents and pupils;
- Governors continue to monitor and foster the engagement between the schools and the community, which has been outlined in detail in the 'Public Benefit' section of this report on pages 6 and 7.
- Governors have recently been fully involved in our 'Inclusion and Diversity Review' as we continue to review Equality, Diversity and Inclusion of both pupils and staff within our schools.
- Governors have also input to developing areas of the curriculum, such as Relationship & Sex Education (RSE).
- Governors also review third party reports, such as the Independent Surrey Safeguarding Review (which took place in November 2021) and Health and Safety reviews from the consultants, Assurity.
- Governors have regard to the need to ensure good working relationships with the School's suppliers and suppliers are paid on or before invoices are due. Throughout the pandemic, there have been no changes to the School's payment practices, so relationships with suppliers are being maintained.

Risk Management and Internal Control

The School maintains a Major Risk Register which the Governance & Risk Management Committee reviews annually. The key risks identified, which are common to most independent schools, are the impact of the present economic climate on the ability of parents and prospective parents to afford fees, changes in the political climate and the challenges which would face the School if there was a major incident. The Governors will continue to monitor the financial, health and safety and other impacts of the pandemic on the schools during the 2021/22 year and beyond.

Every major risk in the register has a number of separate actions which are taken in order to mitigate them as far as is possible. For example, fee increases are kept to a minimum to ensure that they remain affordable for current and prospective parents and budgets are prepared with contingencies for unexpected events. The school updates its Fire Procedures regularly and performs routine risk assessments of all extra-curricular and co-curricular activities.

The Committee monitors the effectiveness of internal and other controls which have been instigated to mitigate these perceived risks. The Committee also reviews any major risks that may arise from time to time, as well as the systems and procedures established to manage them. The Governors are satisfied that all major risks have been mitigated as much as is possible.

Coronavirus

The school continued to provide a full education to pupils throughout the 2021/22 academic year in all three schools, despite the national lockdown early in 2021. Full fees were charged across all three schools for the first two terms of the 2020/21 academic year. Following a review of expenditure, furloughing some staff and reducing costs for the period April to August 2021, which have been reviewed by the Board of Governors, fees were reduced by £988k in the Summer Term 2021, which was 10% of tuition fees at RGS, 15% for the Upper Schools of RSM and Chinthurst and 20% for the Lower School and Early Years of RSM and Chinthurst.

Final Budgets for the academic year 2021/22 have also been fully revised in light of the COVID-19 pandemic and were approved by the Board of Governors in December 2021. Upon the approval of these financial statements in March 2022, pupil numbers remain consistently high across RGS, RSM and Chinthurst for the remainder of the 2021/2022 academic year and the projections for pupil numbers for the 2022/2023 academic year and beyond remain positive. We received a record number of applications for pupils to join RGS in September 2022 during the Autumn of 2021. A minimal number of notifications have been received across the three schools from parents to withdraw children from the schools at the end of the 2021/2022 academic year as a result of the current uncertain economic climate.

Through appropriate consideration of risks as part of its normal risk management processes and mitigating actions both already taken and available to be taken, the Governors consider it appropriate for the going concern basis to be adopted for these accounts.

Simplified Energy and Carbon Reporting - Annual Submission for the year ended 31st August 2021

The energy use is predominantly from school buildings with a small amount from transport which is mainly minibuses. This report has been prepared in accordance with the Environmental Reporting Guidelines January 2020. Data reported here is based on two applicable sources. Scope 1 - Direct emissions derived from road fuel use for transport and the combustion of gas within stationary plant and equipment. Scope 2 - Indirect emissions are derived from metered electricity supplies to the various buildings which comprise the estate.

UK Energy Use by Scope

SCOPE	TOTAL kWh USED	TOTAL kWh USED (restated)
	31 August 2021	31 August 2020
Scope 1 -Transport	53,445	55,575
Scope 1 -Grounds equipment	39,979	17,188*
Scope 1 -Temp marquee	46,193	-
Scope 1 - Gas	3,866,785	2,885,734
Scope 2 - Electricity	1,241,312	1,273,829
Total kWh Used	5,247,714	4,232,326

UK Emissions by Scope

SCOPE	TOTAL kgCO ₂ e	TOTAL kgCO ₂ e (restated)
	31 August 2021	31 August 2020
Scope 1 - Transport	12,573	14,007
Scope 1 -Grounds equipment	9,469	4,412*
Scope 1 -Temp marquee	11,862	-
Scope 1 - Gas	708,240	532,562
Scope 2 - Electricity	263,568	296,980
Total kgCO₂e	1,005,712	847,961

*These energy amounts have been restated having been omitted from the prior year reporting.

Emissions Intensity Ratio

It has been decided to use the total full-time population of the schools as the metric for comparison for SECR. This comprises the Full Time Equivalent staff of 396 (2020: 393.5) plus the average pupil numbers across the three schools for the school year 1715 (2020: 1614). The total population of the schools for the year 2020/21 was therefore 2111 (2020: 2,007.5), resulting in the 2020/21 EIR being 476.42 (2020: 420.19) kgCO₂e/person.

The school year 2020/21 has continued to be disrupted by the effects of the Covid 19 pandemic although to a significantly lesser degree than last year. The school was only closed completely for a period of some 7 weeks, and the summer period including the use of the pool was, if anything, somewhat busier than normal. Hence the comparison between these two figures is not linear. In fact, whilst the gas consumption this year returned to a more normal level, an absolute reduction of some 32,516 kWh of electricity was achieved despite the increased hours of operation. Kerosene heating oil was deployed within a temporary marquee to relieve pressure on catering space and to facilitate social distancing during the pandemic.

Emissions reductions during the year

Reigate Grammar School have an ongoing programme to reduce energy consumption, and hence CO₂ emissions, which has been running for some years now. This year's projects have included:

At RGS:

- The toilets at Hartswood being refurbished including LED lighting throughout and energy efficient mixer taps to reduce any wastage of hot water.

- The wash-up area within the dining hall was refurbished with a more energy and water efficient dishwasher installed, and LED lighting throughout.
- Insulation added to various flat roof areas in the Main Building.

At RSM:

- Commenced installation of new temporary classroom blocks including high thermal efficiency walls, windows floors and roof, conditioned by air source heat pump.
- The improvement of the lighting to LED continued including the Green Rooms.

At Chinthurst:

- The improvement of the lighting to LED continued.

Scope 3 emissions are beyond the mandated scope of this report as they deal with emissions arising from the activities of suppliers or customers of an organisation which are not directly controlled by the organisation itself. RGS has, however, been instrumental in encouraging its contracted supplier of coach transport for pupils to change their fleet to coaches whose emissions meet Euro 5 or 6 standards, which mandates a higher specification for vehicles of this type. As a major customer, RGS has been proud to encourage and support this change.

Emissions reductions in the year ahead

The uncertainty over Covid 19 and its course has given rise to concerns over safe and indeed possible access to site and this has curtailed larger efficiency projects in the short term.

However, the following actions are planned to go ahead at the time of writing this report.

- Completion of additional temporary classroom space at Reigate St Marys with energy efficient fabric and provision of heat via dedicated air source heat pumps;
- Replacement of the roof of one of the schoolhouses in Leckhampstead West to include new insulation to current requirements;
- Two thirds of the old single glazed windows in the Morris Building at Chinthurst to be replaced with thermally efficient uPVC double glazing which will reduce heat losses; and
- Installation of new LED security lights at Reigate St Mary's.

As with all years, older lighting types are replaced with modern LED fittings on failure.

Emissions Reductions Ambitions and General Policies.

- All new buildings are built to enhanced standards so heating and ventilation are predominantly natural.
- As boilers are replaced, they are replaced with more efficient ones.
- The school's energy comes from certified renewable energy sources.
- In any new building projects photovoltaic panels for the roofs are actively scoped to produce energy for the school.
- In any new building projects ground or air source heat pumps are actively scoped with a view to installation in preference to traditional heating sources.
- There are plans to consider the introduction of electric car charging stations in visitor car parking bays with a roll out to some of the staff parking bays.

Investment Policy and Performance

The school has an Investment Manager, Investec Wealth and Investment Limited (Investec), to manage funds on behalf of the RGS Foundation. A core strategic objective for the RGS Foundation and the 1675 Bursary Fund is to provide at least fifty sustainable places for 1675 Scholars by 2025 and to build an Investment Fund of at least £4m by this date. The RGS Foundation seeks to produce the best long-term financial return within an acceptable level of risk. We assume a 'medium' level of risk. The mandate to Investec as the Investment Manager is discretionary. As at 31 August 2021, the school had transferred £2.535m into this new Investec fund (2020: £1.85m) and an unrealised investment gain of £425,282 (2020: a loss of £30,859) is recognised in the year. The net gains on other investments across the group totalled £21,558 in the year to 31 August 2021 (2020: a gain of £2,383). Considering current conditions, the Governors are satisfied with the investment performance of both funds.

The RGS Foundation – 1675 Bursary Fund

The Foundation and Alumni Office has the twin purpose of maintaining contact with alumni through various events and reunions and the important task of obtaining donations for the Changing Lives campaign. With clusters of alumni now in contact in North America, Singapore, Hong Kong, the Middle East and Australia, as well as those in this country, these twin objectives have been very successfully achieved, resulting in support being provided during the 2020/2021 academic year for thirty-seven recipients of 1675 scholarship awards, with a value of £700,000 (2020: £500,000).

Fundraising standards

The Governors recognise the importance of meeting the highest standards of practice and care in relation to fundraising activities. The school has signed up to the fundraising code of practice and voluntarily registered with the Fundraising Preference Service. The school keeps benefactors informed about fundraising activities through regular newsletters and reports. All fundraising activity is carried out by the school's staff, who all have received training on fundraising standards. No complaints have been received. The school only raises funds from former pupils, parents, staff and those with a personal connection with the school and does not undertake fundraising campaigns to members of the public.

Statement of Governors' Responsibilities

The Governors (who are also directors of Reigate Grammar School for the purposes of Company Law) are responsible for preparing the Annual Report of the Governors, incorporating the Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the Group and of the incoming resources and application of resources of the Group. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 Charity and the Group will continue in business.

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

- There is no relevant audit information of which the Charity's auditors are unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors Haysmacintyre LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be submitted to the Governors.

In signing this Report, the Board are also approving the Strategic Report included within these Financial Statements in their capacity as company directors.

On behalf of the Board



Mark Elsey
Chairman of the Board of Governors

21 March 2022

Reigate Grammar School
Reigate
Surrey
RH2 0QS

Independent auditors' report to the members of Reigate Grammar School

Opinion

We have audited the financial statements of Reigate Grammar School for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2021 and of the group's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions 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 Report of the Governors (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Governors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors (which incorporates the strategic report and the directors' 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 by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors for the financial statements

As explained more fully in the Statement of Governors' Responsibilities set out on page 17, the Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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:

Based on our understanding of the group, the parent charitable company and the environment in which it operate, we identified that the principal risks of non-compliance with laws and regulations related to the independent school regulations, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP 2019)), and consider other factors such as payroll taxes and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to improper recognition of revenue and management bias in certain accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Inspecting the outcomes of any regulatory inspections;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with significant values; and
- Challenging assumptions and judgements made by management in their critical accounting estimates and challenge of the underlying assumptions.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Tracey Young (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

30/03/2022

Consolidated Statement of Financial Activities (incorporating income and expenditure account) for the year ended 31 August 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from:					
Charitable activities:					
School fees receivable	1	24,556,589	-	24,556,589	22,204,408
Registration fees		79,426	-	79,426	59,600
Trip income		240,990	-	240,990	551,675
Other educational income	2	235,627	3,658	239,285	227,975
Furlough income		181,522	-	181,522	806,279
Donations and legacies	3	-	1,793,847	1,793,847	1,048,864
Lettings		104,358	-	104,358	157,823
Investments		6,626	24,091	30,717	31,488
Trading income		309,623	-	309,623	233,923
Total Income		25,714,761	1,821,596	27,536,357	25,322,035
Expenditure on:					
Raising funds:					
Fundraising & Development		392,856	4,597	397,453	432,605
Charitable activities:					
Education		23,632,511	716,406	24,348,917	23,981,888
Total Expenditure	4	24,025,367	721,003	24,746,370	24,414,493
Net Income from operations before transfers and investment gains/(losses)		1,689,394	1,100,593	2,789,987	907,542
Unrealised investment (losses)/ gains	8	19,829	427,011	446,840	(28,475)
Gain on disposal of tangible fixed assets		950	-	950	-
Net Income		1,710,173	1,527,604	3,237,777	879,067
Pension scheme actuarial gain/(losses)	19	347,000	-	347,000	(1,432,000)
Net Movement in Funds for the year		2,057,173	1,527,604	3,584,777	(552,933)
Balance brought forward at 1 September 2020		13,832,744	4,925,888	18,758,632	19,311,565
Balance carried forward at 31 August 2021		£15,889,917	£6,453,492	£22,343,409	£18,758,632

There were no recognised gains and losses other than those shown in the above Statement of Financial Activities. The accompanying notes form an integral part of this Statement of Financial Activities. Detailed comparative figures are shown in note 24.

Balance Sheets as at 31 August 2021

Registered Company number: 03954365

	Notes	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
Fixed Assets					
Tangible	7	38,004,707	38,186,244	36,400,956	36,571,027
Investments	8	3,302,571	2,170,731	3,300,199	2,168,703
		<u>41,307,278</u>	<u>40,356,975</u>	<u>39,701,155</u>	<u>38,739,730</u>
Current Assets					
Debtors due within one year	9	1,179,855	1,135,945	1,457,114	1,412,399
Cash at bank and in hand		1,304,943	1,537,743	1,089,114	1,406,158
		<u>2,484,798</u>	<u>2,673,688</u>	<u>2,546,228</u>	<u>2,818,557</u>
Creditors: due within one year	10	(6,900,814)	(8,742,660)	(7,693,581)	(9,535,718)
Net Current Liabilities		<u>(4,416,016)</u>	<u>(6,068,972)</u>	<u>(5,147,353)</u>	<u>(6,717,161)</u>
Total Assets less Current Liabilities		<u>36,891,262</u>	<u>34,288,003</u>	<u>34,553,802</u>	<u>32,022,569</u>
Creditors: due after more than one year	11	(10,693,853)	(11,654,371)	(10,693,853)	(11,654,371)
Net Assets excluding Pension Scheme Liability		<u>26,197,409</u>	<u>22,633,632</u>	<u>23,859,949</u>	<u>20,368,198</u>
Pension Scheme Liability	19	(3,854,000)	(3,875,000)	(3,854,000)	(3,875,000)
Net Assets		<u>£22,343,409</u>	<u>£18,758,632</u>	<u>£20,005,949</u>	<u>£16,493,198</u>
Represented by:					
Unrestricted Funds:					
Designated Funds	15	283,808	283,808	283,808	283,808
General Reserve	15	19,460,109	17,423,936	19,384,113	17,411,940
Pension Scheme Reserve	15	(3,854,000)	(3,875,000)	(3,854,000)	(3,875,000)
Restricted Funds	16	<u>6,453,492</u>	<u>4,925,888</u>	<u>4,192,028</u>	<u>2,672,450</u>
		<u>£22,343,409</u>	<u>£18,758,632</u>	<u>£20,005,949</u>	<u>£16,493,198</u>

The Parent charitable company's net movement in funds for the year was a surplus of £3,512,750 (2020: a deficit of £63,289).

The financial statements were approved and authorised for issue by the Board and signed below on its behalf on 21 March 2022 by:


 Mark Elsey)
)
)
) **GOVERNORS**

 Colin Cobain)

The accompanying notes are an integral part of this balance sheet.

Consolidated Cash Flow Statement for the year ended 31 August 2021

	2021		2020	
	£	£	£	£
Net cash outflow from operations (note (i))				
Net cash provided by operating activities		5,393,835		3,970,184
Cash flows from investing activities:				
Payments for tangible fixed assets	(1,409,415)		(775,961)	
Proceeds from disposal of investments	950		-	
Payments to acquire investments	(685,000)		(300,000)	
Investment income and bank interest received	30,717		31,487	
Net cash used in investing activities		(2,062,748)		(1,044,473)
Cash flows from financing activities:				
Finance costs paid	(414,830)		(495,896)	
Repayment of bank loan	(3,149,057)		(1,408,432)	
Net cash used in financing activities		(3,563,887)		(1,904,328)
(Decrease)/ increase in cash in the year		(232,800)		1,021,383
Opening cash and cash equivalents		1,537,743		516,360
Closing cash and cash equivalents		£1,304,943		£1,537,743
Cash and cash equivalents comprise				
Cash at bank		1,304,943		1,537,743
		£1,304,943		£1,537,743

(i) Reconciliation of net income to net cash flow from operating activities

	2021		2020	
	£	£	£	£
Net income before investment gains	2,789,987		907,542	
Depreciation	1,590,952		1,768,794	
Investment income	(30,717)		(31,487)	
Interest payable	414,830		495,896	
Defined benefit pension scheme costs	804,000		776,000	
Defined benefit pension scheme contributions	(478,000)		(432,000)	
(Increase)/decrease in debtors	(44,350)		699,472	
Increase/(decrease) in creditors	261,596		(361,591)	
Increase/(decrease) in deferred income	85,537		147,558	
		£5,393,835		£3,970,184

(ii) Analysis of changes in net debt

	At 1 September 2020	Cash flows	Other movements	At 31 August 2021
	£	£	£	£
Cash in hand	1,537,743	(232,800)	-	1,304,943
Sub-total	1,537,743	(232,800)	-	1,304,943
Loans falling due within one year	(4,149,057)	3,149,057	(1,149,057)	(2,149,057)
Loans falling due after more than one year	(8,941,561)	-	1,149,057	(7,792,504)
Net debt	£(11,552,875)	£2,916,257	-	£(9,941,561)

Accounting Policies for the year ended 31 August 2021

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 (Second edition, effective 1 January 2020).

Critical accounting judgments and key sources of estimation uncertainty

In the application of the accounting policies, Governors are required to make judgments, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The key judgements affecting the application of accounting policies relate to:

1. The useful economic lives of tangible fixed assets
2. The fair value of the group's investment property
3. The assumptions underlying the valuation of the defined benefit pension scheme liability

(a) Accounting Convention

The accounts have been prepared under the historical cost convention as modified by the revaluation of investments.

(b) Basis of Consolidation

The activities of the School's two subsidiary charities (the Reigate Grammar School Trust and the Chinthurst School Educational Trust) and its non-charitable trading subsidiaries (Reigate Grammar School Trading Limited and Reigate Grammar School International Limited) have been included in the consolidated accounts on a line-by-line basis and are classified appropriately within restricted and unrestricted funds.

(c) Going concern

The accounts are approved during a period where there is much uncertainty as a result of the emergence and international spread of a coronavirus (COVID-19). The School's response has been to implement its contingency planning arrangements for such circumstances and will therefore be able to serve its pupils following the Government deciding to implement physical closure of UK schools. The ultimate impact of COVID-19 on the UK, the world, the economy and the School is yet to be seen. However, having reviewed the funding facilities available to the School together with the expected future cash flows, the governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

Upon the approval of these financial statements in March 2022, pupil numbers remain consistently high across all three schools (RGS, RSM and Chinthurst) for the remainder of the 2021/2022 academic year (and higher than when the pandemic began) and projections for the 2022/2023 academic year and beyond remain positive. A minimal number of notifications have been received across the three schools from parents to withdraw children from the schools at the end of the 2021/2022 academic year as a result of the current uncertain economic climate.

Accounting Policies for the year ended 31 August 2021 (continued)

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the school's financial statements:

(d) Revenue recognition

All income is recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Tuition fees, less any allowances, bursaries or scholarships awarded from unrestricted funds, are recognised in the period in which the service is provided.

Grants, investment income, including interest receivable, and other miscellaneous income are accounted for on a receivable basis.

Donations are accounted for on a received basis.

Other income, which includes fees from lettings and insurance commissions, is accounted for on a receivable basis.

Grant revenue claimed by the school under the government's Coronavirus Job Retention Scheme is recognised in the same period as the staff costs to which the grant relates.

(e) Expenditure

Expenditure is recognised as soon as the related liability is incurred and has been classified under headings that aggregate all costs relating to that category. Liabilities are recognised as soon as there is a legal or constructive obligation committing the School to the expenditure.

Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

Expenditure on raising funds comprises fundraising costs. Finance costs comprise loan interest payable and the net interest cost relating to the defined benefit pension scheme.

Expenditure on charitable activities comprises expenditure directly related to the provision of education.

Support costs represent indirect costs relating to raising funds and the School's charitable activity. Support costs, including governance costs, are allocated to activities on bases that represent the Trustees' best estimate of actual use.

Governance costs comprise the costs of running the School as a charity, including strategic planning for its future development, auditors' remuneration, certain legal costs and all costs of complying with constitutional and statutory requirements, such as costs of Board meetings and of preparing the statutory accounts.

Operating lease rentals are recognised on a straight line basis over the term of the lease.

(f) Tangible fixed assets and depreciation

The School has elected to use the carrying value on 1 September 2014, the date of transition to FRS 102, of any of the freehold land and buildings previously carried at a valuation, as their deemed cost. All other fixed assets are recognised at cost.

Depreciation is provided on freehold buildings in use at two per cent per annum, other than the swimming pool (completed at the end of 2008) which is being depreciated over its estimated useful life of 20 years. The premises at Reigate St. Mary's are freehold assets held within The Reigate Grammar School Trust as a result of the transfer from The Godfrey Searle Choir Trust. The improvements thereon are held within the Charity balance sheet and depreciated at 2% per annum. Depreciation is not provided on Capital Works in Progress until final practical completion of the same.

Depreciation is provided on other fixed assets to write off their cost over estimated useful lives at the following rates:

Freehold Improvements	5% straight line
All weather pitch	5% straight line
Furniture, fittings and equipment	20% straight line
Motor vehicles	25% straight line
Computers	33% straight line

Accounting Policies for the year ended 31 August 2021 (continued)

(g) Investments

Investments are stated at market value and the investment property stated at open market value. Any gains or loss on revaluation is taken to the Statement of Financial Activities.

(h) Financial instruments

Basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable are accounted for on the following basis:

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors and creditors

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

Bank borrowings

Liabilities for borrowings which are subject to a market rate of interest are measured at the value of the amount advanced, less capital repayments.

(i) Pension Schemes

The teaching staff are members of the Department for Education superannuation scheme, run by Teachers' Pensions.

Other (non-teaching) staff may be members of the Surrey County Council pension scheme. This is a defined benefit pension scheme. The School is a member of the Small Admitted Bodies Pool (SABP) within the overall pension fund. Some Support Staff also contribute to the Independent Schools Pension Scheme (ISPS).

In accordance with FRS 102 the following elements are charged to the SOFA:

- The service costs of pension provision relating to the year, together with the cost of any benefits relating to past service.
- The net finance cost represented by a charge equal to the increase in the present value of the Scheme liabilities and a credit equivalent to the long term expected return on assets.
- The actuarial gain or loss on the Scheme assets and liabilities.

The difference between the market value of assets of the Scheme and the present value of accrued pension liabilities is shown on the Balance Sheet.

(j) Funds

Unrestricted Funds comprise the accumulated surplus or deficit from the Statement of Financial Activities which is not restricted. They are available for use at the discretion of the Governors in furtherance of the general objectives of the School.

The Designated Funds portion of the Unrestricted Funds represents that part of the accumulated surplus which has already been specifically designated for future disbursement.

The Restricted Funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

The Pension Scheme Reserve represents the deficit on the Surrey County Council defined benefit pension scheme which is attributable to the school's employees.

Notes to the Financial Statements for the year ended 31 August 2021

1. Fees

	2021		2020	
	£	£	£	£
Gross fees		28,573,914		26,314,342
Total bursaries, scholarships and allowances	(4,842,340)		(4,738,034)	
Less: 1675 bursaries	700,000		500,000	
Less : Externally funded bursaries	125,015		128,100	
		<u>(4,017,325)</u>		<u>(4,109,934)</u>
		<u>£24,556,589</u>		<u>£22,204,408</u>

The 1675 bursaries are represented by £700,000 from the RGS Foundation (2020: £500,000). The externally-funded bursaries are from the Peter Harrison Foundation of £122,015 (2020: £125,100) and grants awarded by the Paul Bewshea fund within the RGS Trust of £3,000 (2020: £3,000).

2. Other educational income

	2021	2020
	£	£
Insurance fees	50,328	46,619
Sundry other income	188,957	181,356
	<u>£239,285</u>	<u>£227,975</u>

3. Donations and legacies

	2021	2020
	£	£
1675 Bursary Fund donations	1,789,217	1,038,510
Other donations and legacies	4,630	10,354
	<u>£1,793,847</u>	<u>£1,048,864</u>

Notes to the Financial Statements

Continued

4. Analysis of Total Expenditure: 31 August 2021

	Staff Costs	Other	Depreciation	Total 2021
	£	£	£	£
Raising funds:				
Fundraising and development costs	308,809	88,644	-	397,453
Charitable activity:				
School operating costs				
Teaching costs	13,827,213	1,494,527	347,764	15,669,504
Trip expenditure	-	240,990	-	240,990
Welfare	45,390	866,788	-	912,178
Premises	1,153,276	1,543,349	1,243,188	3,939,813
Support	1,770,984	624,403	-	2,395,367
Grants, awards and prizes	-	708,215	-	708,215
Finance costs	68,000	414,830	-	482,830
	<u>£16,864,863</u>	<u>£5,893,102</u>	<u>£1,590,952</u>	<u>£24,348,917</u>
	<u>£17,173,672</u>	<u>£5,981,746</u>	<u>£1,590,952</u>	<u>£24,746,370</u>

The balance of finance costs included within the 'Staff costs' column in the table above, reflect the net finance costs/(income) on the Surrey County Council defined benefit scheme (see note 19 for further details).

Support costs include the following major categories of expenditure: Governance costs, marketing costs, professional fees and administrative costs. Governance costs comprise audit fees and expenses relating to Governors' meetings.

Notes to the Financial Statements

Continued

Analysis of Total Expenditure: 31 August 2020

	Staff Costs	Other	Depreciation	Total 2020
	£	£	£	£
Raising funds:				
Fundraising and development costs	310,466	122,139	-	432,605
Charitable activity:				
School operating costs				
Teaching costs	13,261,442	1,583,761	407,475	15,252,678
Trip expenditure	-	551,675	-	551,675
Welfare	42,291	651,129	-	693,420
Premises	1,116,855	1,269,999	1,361,319	3,748,173
Support	1,944,168	752,914	-	2,697,082
Grants, awards and prizes	-	501,922	-	501,922
Finance costs	41,000	495,938	-	536,938
	<u>£16,405,756</u>	<u>£5,807,338</u>	<u>£1,768,794</u>	<u>£23,981,888</u>
	<u>£16,716,222</u>	<u>£5,929,477</u>	<u>£1,768,794</u>	<u>£24,414,493</u>

Notes to the Financial Statements

Continued

4. Analysis of Total Expenditure (continued)	2021	2020
	£	£
Other costs comprise:		
Bank and loan interest (see Note 13)	414,787	495,896
Transport costs	279,529	238,775
Staff recruitment, training and travel	125,305	112,863
Syllabus (incl. printing)	502,269	611,798
School trips	240,990	551,675
Catering	754,602	603,694
Premises	676,405	431,601
Rent, rates light and heat	494,391	510,105
Marketing	153,962	173,161
Insurances	91,681	77,751
Postage and telephone	78,549	73,550
Professional fees	73,416	103,304
Bursaries funded from restricted funds	704,597	513,646
Other	1,391,263	1,431,658
	<u>£5,981,746</u>	<u>£5,929,477</u>

Notes to the Financial Statements

Continued

5. Operating Expenditure

	2021	2020
Auditors' remuneration:	£	£
Parent charity audit	21,850	20,900
Subsidiary companies and charities audit	4,600	4,420
Total auditors' remuneration – for audit (excluding VAT):	26,450	25,320
Other services (excluding VAT)	2,000	2,190
Depreciation	1,590,952	1,768,794

6. Staff Costs

	2021	2020
Staff Costs	£	£
Salaries and wages	12,826,138	12,630,604
Social security costs	1,318,493	1,225,489
Pension costs	3,029,041	2,860,129
	£17,173,672	£16,716,222
Aggregate employee benefits of key management personnel	£851,130	£803,112

Notes to the Financial Statements

Continued

6. Staff Costs (continued)

The average weekly number of employees during the year was made up as follows:

	2021	2020
	No.	No.
Teaching (including teaching support staff)	298	297
Welfare	22	20
Premises	24	25
Support (including management and administration)	52	54
	396	396

	2021	2020
	No.	No.
Number of employees where emoluments exceeded £60,000 were:		
£60,000 – 70,000	10	10
£70,000 – 80,000	2	1
£80,000 – 90,000	1	2
£90,000 – 100,000	4	2
£110,000 – 120,000	1	1
£120,000 – 130,000	0	1
£130,000 – 140,000	1	0
£230,000 – 240,000	0	1
£240,000 – 250,000	1	0
	20	18

All 20 of these employees have retirement benefits accruing under defined benefit pension schemes (2020: 18).

During the year there were no termination payments made, in the year to 31 August 2020 payments totalling £96,985 were made.

Neither the governors nor persons connected with them received any remuneration or other benefits from the School. No governors received reimbursement of expenses in the current or prior year.

Notes to the Financial Statements
Continued

7. Tangible Fixed Assets – Group

	Freehold Land & Buildings	Furniture, Fittings & Equipment	Motor Vehicles	Computers	Group Total
Cost	£	£	£	£	£
At 1 September 2020	47,660,707	3,741,635	477,223	3,391,509	55,271,074
Additions	1,068,566	27,528	77,384	235,937	1,409,415
Disposals	-	-	(34,944)	-	(34,944)
At 31 August 2021	48,729,273	3,769,163	519,663	3,627,446	56,645,545
Depreciation					
At 1 September 2020	(10,431,994)	(3,088,115)	(451,774)	(3,112,947)	(17,084,830)
Charge for the period	(1,046,848)	(230,401)	(36,394)	(277,309)	(1,590,952)
Disposals	-	-	34,944	-	34,944
At 31 August 2021	(11,478,842)	(3,318,516)	(453,224)	(3,390,256)	(18,640,838)
Net Book Value					
At 31 August 2021	£37,250,431	£450,647	£66,439	£237,190	£38,004,707
At 31 August 2020	£37,228,713	£653,520	£25,449	£278,562	£38,186,244

Notes to the Financial Statements

Continued

7. Tangible Fixed Assets (continued) – Charity

	Freehold Land and Buildings £	Furniture, Fittings and Equipment £	Motor Vehicles £	Computers £	Charity Total £
Cost					
At 1 September 2020	45,947,918	3,811,437	478,358	3,426,748	53,664,461
Additions	1,068,566	27,528	77,384	235,936	1,409,414
Disposals	-	-	(34,944)	-	(34,944)
At 31 August 2021	47,016,484	3,838,965	520,798	3,662,684	55,038,931
Depreciation					
At 1 September 2020	(10,334,422)	(3,157,917)	(452,909)	(3,148,186)	(17,093,434)
Charge for the period	(1,035,381)	(230,401)	(36,394)	(277,309)	(1,579,485)
Disposals	-	-	34,944	-	34,944
At 31 August 2021	(11,369,803)	(3,388,318)	(454,359)	(3,425,495)	(18,637,975)
Net Book Value					
At 31 August 2021	£35,646,681	£450,647	£66,439	£237,189	£36,400,956
At 31 August 2020	£35,613,496	£653,520	£25,449	£278,562	£36,571,027

Notes to the Financial Statements

Continued

8. Investments

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Market value brought forward	2,170,731	1,899,206	2,168,703	1,896,755
Additions	685,000	300,000	685,000	300,000
Change in market value	446,840	(28,475)	446,496	(28,052)
Market value carried forward	£3,302,571	£2,170,731	£3,300,199	£2,168,703
Historical cost	£2,549,567	£1,864,567	£2,549,567	£1,864,220

9. Debtors

Amounts due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Tuition fees	84,507	209,986	84,507	209,986
Legacy accrual	800,000	512,500	800,000	512,500
Prepayments	199,547	195,668	199,547	195,668
Sundry debtors	95,801	217,791	94,956	216,361
Intercompany debtors	-	-	278,104	277,884
	£1,179,855	£1,135,945	£1,457,114	£1,412,399

In 2016 the School was awarded a grant of £3,075,000 by the Peter Harrison Foundation towards the costs of the Merrick House project. The grant was to be received in six equal tranches of £512,500 over a six-year period, all of which had been received by 31 August 2021. The total amount receivable under the grant agreement as at 31 August 2020 was £512,500 (and was due to be received within one year).

Notes to the Financial Statements

Continued

10. Creditors: falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank loan (Note 13)	2,149,057	4,149,057	2,149,057	4,149,057
Amounts due to group undertakings	-	-	800,000	800,000
Trade creditors	969,526	253,569	969,526	253,569
Tax and social security	330,385	307,921	330,385	307,921
Other creditors and accruals	570,263	1,298,619	563,030	1,291,677
Composition fees (Note 12)	1,510,982	1,440,054	1,510,982	1,440,054
Entrance deposits	88,624	97,000	88,624	97,000
Fees received in advance	1,281,977	1,196,440	1,281,977	1,196,440
	£6,900,814	£8,742,660	£7,693,581	£9,535,718

The bank loans are secured on certain freehold properties owned by the School.

11. Creditors: falling due in more than one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank loan (Note 13)	7,792,504	8,941,561	7,792,504	8,941,561
Entrance deposits	819,125	792,999	819,125	792,999
Composition fees (Note 12)	2,082,224	1,919,811	2,082,224	1,919,811
	£10,693,853	£11,654,371	£10,693,853	£11,654,371

Notes to the Financial Statements

Continued

12. Composition Scheme

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
After five years	49,137	96,177	49,137	96,177
Within two to five years	1,137,692	1,059,381	1,137,692	1,059,381
Within one to two years	895,395	764,253	895,395	764,253
Total over one year:	2,082,224	1,919,811	2,082,244	1,919,811
Within one year	1,510,982	1,440,054	1,510,982	1,440,054
	£3,593,206	£3,359,865	£3,593,206	£3,359,865

Parents may enter into the School's Composition Scheme, to pay school fees in advance. Parents can pay into the scheme for a period of up to 14 years, from the beginning of Reception in RSM or Chinthurst to the end of Sixth Form at RGS. The money may be returned to parents, subject to specific conditions upon the receipt of written notice from the parents who have provided funds to the School. A commutation rate of 2.375% p.a. is applied to the funds in the scheme. The funds in the composition scheme will be applied as shown in the table above.

Below is a reconciliation of movements in the balance of the Group Composition scheme from 1 September 2020 to 31 August 2021:

	2021	2020
	£	£
Balance as at 1 September 2020 (and 2019)	3,359,865	3,408,392
New payments into the Composition Scheme	2,003,280	1,717,632
Amounts repaid to parents during the year	(54,478)	(968)
Amounts drawn down from the Scheme to pay for school fees	(1,786,060)	(1,835,575)
Commutation rate applied	70,599	70,384
Balance as at 31 August 2021 (and 2020)	£3,593,206	£3,359,865

Notes to the Financial Statements

Continued

13. Loans

The bank loans are repayable as follows:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Within one year	2,149,057	4,149,057	2,149,057	4,149,057
One to two years	1,149,057	1,149,057	1,149,057	1,149,057
Two to five years	3,309,697	3,447,171	3,309,697	3,447,171
Over five years	3,333,750	4,345,333	3,333,750	4,345,333
	£9,941,561	£13,090,618	£9,941,561	£13,090,618

The long-term bank loans comprise of five loans. A Term loan was for £5m to build the Harrison Centre, of which £4.5m was drawn down as at 31 August 2021 (2020: £4.5m). A balance of £5.0m is payable across two other loans, for which a portion of interest is paid at a variable interest rates. An amortizing balance of £4.5 million of this long-term debt has been forward fixed at a rate of 4.01% from 7 June 2020 to 7 June 2026. The School entered into a 'Revolving Credit Facility' ('RCF') in January 2016, which was renewed in January 2019, for a further three years. Under the RCF up to £3m can be drawn down at any one point in time. £1m of this facility was drawn down as at 31 August 2021 (2020: £3m). Another term loan of £2m was drawn down in July 2019, in order to complete the buy-back of the Chinthurst main school building from J.H. Lorimer, for the sum of £2,013,000.

14. Operating Lease Commitments

At 31 August 2021, the Charity and Group had the following commitments under non-cancellable operating leases.

	2021	2020
	£	£
Operating leases which expire:		
Within one year	2,644	5,173
In two to five years	-	980
	£2,644	£6,153

The 'Other' leases are in respect of equipment used by RGS and Chinthurst, such as water coolers.

Notes to the Financial Statements
Continued

15. Unrestricted Funds – Group

	01-Sep-20	Income	Expenditure	Transfers and Investment Gains and Losses	31-Aug-21
	£	£	£	£	£
Designated Funds:					
Building Development Fund	282,814	-	-	-	282,814
Chinthurst	994	-	-	-	994
General Reserve	17,423,936	25,715,711	(23,699,367)	19,829	19,460,109
Pension scheme reserve	(3,875,000)	-	(326,000)	347,000	(3,854,000)
Total unrestricted funds	£13,832,744	£25,715,711	£(24,025,367)	£366,829	£15,889,917

	01-Sep-19	Income	Expenditure	Transfers and Investment Gains and Losses	31-Aug-20
	£	£	£	£	£
Designated Funds:					
Building Development Fund	282,814	-	-	-	282,814
Chinthurst	994	-	-	-	994
General Reserve	16,711,292	24,246,277	(23,540,203)	6,572	17,423,936
Pension scheme reserve	(2,099,000)	-	(344,000)	(1,432,000)	(3,875,000)
Total unrestricted funds	£14,896,100	£24,246,277	£(23,884,203)	(£1,425,428)	£13,832,744

The Building Development Fund consists of receipts the Governors have set aside for repairs to the all-weather pitch and similar projects.

Notes to the Financial Statements

Continued

16. Restricted Funds – Group and Charity

	01-Sep-20	Income	Expenditure	Transfers and Investment Gains and Losses	31-Aug-21
	£	£	£	£	£
Charity					
RGS Foundation					
- 1675 Bursary Fund	2,559,481	989,217	(701,879)	425,282	3,272,101
- General Fund	88,073	250	-	-	88,323
- Monks Walk – property	-	800,000	-	-	800,000
Stanley James Osmond Bequest	5,442	-	-	-	5,442
Paul Flanagan Prize	290	-	-	-	290
Daniel Clarke Award	2,926	-	-	-	2,926
100 Club Fund	4,246	4,381	(2,718)	-	5,909
Sports Camps	7,201	-	-	-	7,201
Illing Prize Fund	4,793	-	-	1,385	6,178
CCF	-	3,658	-	-	3,658
Total Charity:	2,672,452	1,797,506	(704,597)	426,667	4,192,028
RGS Trust					
Paul Bewshea Fund	39,719	-	(3,275)	-	36,444
Foundation and Charity Funds	13,121	100	(275)	344	13,290
Godfrey Searle Property	2,200,596	23,990	(12,856)	-	2,211,730
Total RGS Trust:	2,253,436	24,090	(16,406)	344	2,261,464
Total Group Restricted Funds:	£4,925,888	£1,821,596	£(721,003)	£427,011	£6,453,492

Notes to the Financial Statements

Continued

16. Restricted Funds – Group and Charity

	01-Sep-19	Income	Expenditure	Transfers and Investment Gains and Losses	31-Aug-20
Charity	£	£	£	£	£
RGS Foundation					
- 1675 Bursary Fund	2,051,829	1,038,510	(500,000)	(30,859)	2,559,481
- General Fund	81,963	6,110	-	-	88,073
Stanley James Osmond Bequest	5,442	-	-	-	5,442
Paul Flanagan Prize	290	-	-	-	290
Daniel Clarke Award	2,926	-	-	-	2,926
100 Club Fund	-	4,244	-	-	4,246
Sports Camps	20,848	-	(13,646)	-	7,201
Illing Prize Fund	8,558	-	-	(3,765)	4,793
Total Charity:	2,171,856	1,048,864	(513,646)	(34,624)	2,672,452
RGS Trust					
Paul Bewshea Fund	42,989	5	(3,275)	-	39,719
Foundation and Charity Funds	13,672	147	(275)	(423)	13,121
Godfrey Searle Property	2,186,946	26,744	(13,094)	-	2,200,596
Total RGS Trust:	2,243,607	26,896	(16,644)	(423)	2,253,436
Total Group Restricted Funds:	£4,415,463	£1,075,760	£(530,290)	£(35,047)	£4,925,888

Notes to the Financial Statements

Continued

16. Restricted Funds (continued)

The Charity has ten restricted funds, as follows:

- The RGS Foundation was set up to hold monies from fundraising undertaken by the School. All monies received have been credited, on the instructions of the individual donors, either to the 1675 Bursary Fund, or to a General Fund. This latter Fund is used to finance the cost of equipment or minor works that would not normally be funded by the School. Potential donors are made aware of these items which have been specifically identified in advance by the School. All Foundation monies held are recorded as separate restricted funds of Reigate Grammar School. In summer 2021, the school has been gifted a property in Monks Walk, Reigate, from a former teacher, Mr Robin Bligh, in his will. This has been valued at £800,000 and has been included as an RGS Foundation restricted fund as at 31 August 2021.
- The Stanley James Osmond Bequest represents monies left to Reigate St Mary's Preparatory & Choir School for the express benefit of the four "houses" at that school.
- The Paul Flanagan Prize represents money donated to the School by the widow of Paul Flanagan, late Head of Economics, for the express purpose of providing an annual prize for Economics.
- The Daniel Clarke fund represents money donated to the School by the family of Daniel Clarke, a former pupil of Reigate Grammar School, for the purpose of providing a memorial to Daniel.
- The 100 Club has been created to establish funds to subsidise students to go on school trips.
- The Sports Camp fund has been established during the year and represents monies generated by RGS running a variety of sports camps for children during the school holidays. These funds will be utilised to improve the school's sporting equipment and facilities.
- The income from the Illing Prize Fund is used towards annual prizes given by at Chinthurst School.
- The school runs a successful CCF programme at RGS and a restricted fund has been created to ensure these monies are treated as a separate fund.

Notes to the Financial Statements

Continued

16. Restricted Funds (continued)

The RGS Trust has three funds, as follows:

- The Paul Bewshea Fund was set up to provide financial assistance to students who have achieved excellent academic results and have also shown an interest in aviation or science as a career.
- The Foundation and Charity Funds were set up to provide for the cost of awarding, as appropriate, other prizes and awards.
- The Godfrey Searle Property Fund was created by the donation of land and buildings by the Godfrey Searle Choir Trust in 2011. The transfer of the land to the Trust, rather than to the School, reflected that the land, in part, is subject to permanent endowment. The costs of maintaining the properties are borne by the fund and income arising accrues to the fund.

17. Taxation

Reigate Grammar School and the RGS Trust are all registered charities and no taxation is payable on their income.

18. Capital Commitments

Group and Charity commitments for future capital expenditure and not provided for in these accounts were as follows:

	2021	2020
	£	£
Authorised and contracted	257,944	-
Authorised but not contracted	-	-

The balance at 31 August 2021 of £257,944 primarily represented monies due to be paid by the school in relation to the construction of the new temporary classroom block at Reigate St Mary's, which was completed in early October 2021. The School also had commitments for a number of smaller projects occurred over the summer 2021, such as works on the dishwashing room at RGS and a landscaping project at the front of Chinthurst School. These amounts were fully settled in autumn 2021. There was no capital commitments balance as at 31 August 2020 as during the pandemic the school has put on hold the capital projects which were envisaged to take place in summer 2020.

Notes to the Financial Statements

Continued

19. Pensions

The School operates the following pension schemes:

a) Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,120,098 (2020: £1,977,702) and at the year-end £177,886 (2020: £164,640) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

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

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Notes to the Financial Statements

Continued

19. Pensions (continued)

b) Surrey County Council Final Salary Pension Scheme

Other (non-teaching) staff may be members of the Surrey County Council final salary pension scheme. The School is a member of the Small Admitted Bodies Pool (SABP) within the overall pension fund. The scheme is valued every three years by a qualified actuary using the projected unit actuarial method. The last two valuations have been performed by the actuary in March 2017 and March 2020 respectively. Rates of contribution have been set to meet 100% of the liabilities arising in respect of service after the valuation date over the average expected future membership period of the active members pertaining to each employer to reflect the shortfall of the value of each participating employer's notional share of the fund's assets compared with 100% of its accrued liabilities allowing for further pay increases.

The Audit & Governance Committee of the pension fund agreed that admitted bodies such as the School should make deficit contributions to the scheme over a period of 20 years. The rate of contribution for three years from 1 April 2014 to 31 March 2017 was £89,000 per annum. No deficit payments have been required to be paid into this scheme from 1 April 2017 onwards. Employers' contributions increased to 27.6% of salary with effect from 1 April 2017 and this level of contributions continued to be levied by the pension scheme until 31 March 2020. From 1 April 2020 employers' contributions have increased to 28.2% of salary following the valuation conducted in March 2020.

As required by FRS 102 provision has been made in the financial statements to incorporate the School's portion of the deficit attributed to it. The following underlying assumptions have been made in relation to the scheme:

Key financial assumptions	2021	2020
	%	%
Pension increase rate (CPI)	2.9	2.3
Salary increase rate	3.8	3.2
Discount rate	1.65	1.7
Mortality assumptions	Males	Females
Current pensioners	22.3 years	24.7 years
Future pensioners (aged 45 at the last valuation date)	23.4 years	26.4 years

Historic mortality

Prior period life expectancy is based on the fund's VitaCurves data: for both pensioners and prospective pensioners, the CMI 2018 model assumes the current rate of improvements has peaked and will converge to a long term rate of 1.25 p.a.

Amounts recognised in the Balance Sheet are as follows:

Pension scheme liability	2021	2020
	£'000	£'000
Fair value of scheme assets	14,994	11,952
Present value of defined benefit obligation	(18,848)	(15,827)
Net liability	£(3,854)	£(3,875)

Notes to the Financial Statements

Continued

19. Pensions (continued)

Fair value of scheme assets

	2021		2020	
	£'000	%	£'000	%
Equities	11,245	75	8,605	72
Bonds	2,399	16	2,032	17
Property	1,050	7	956	8
Cash	300	2	359	3
Total Scheme assets	£14,994	100	£11,952	100

Reconciliation of fair value of scheme assets

	2021	2020
	£'000	£'000
Opening fair value of scheme assets	11,952	12,483
Interest income on plan assets	206	227
Contributions by members	115	109
Contributions by employer	478	432
Return on assets excluding amount included in net interest	2,529	(996)
Estimated benefits paid	(286)	(303)
Closing fair value of scheme assets	£14,994	£11,952

Reconciliation of defined benefit obligation

	2021	2020
	£'000	£'000
Opening defined benefit obligation	15,827	14,582
Current service cost	736	735
Interest cost	274	268
Contributions by members	115	109
Change in financial assumptions	2,193	458
Change in demographic assumptions	209	-
Other remeasurement differences	(220)	(22)
Estimated benefits paid	(286)	(303)
Closing defined benefit obligation	£18,848	£15,827

Notes to the Financial Statements

Continued

19. Pensions (continued)

The following amounts have been included in the Statement of Financial Activities:

Amounts recognised in charitable activities	2021	2020
	£'000	£'000
Current service cost	736	735
Past service cost	-	-
Interest cost	274	268
Interest income on plan assets	(206)	(227)
Total net cost	£804	£776
Actual return on scheme assets	£2,735	£(769)

Analysis of remeasurement differences	2021	2020
	£'000	£'000
Changes in financial assumptions	(2,193)	(458)
Changes in demographic assumptions	(209)	28
Other experience gains/(losses)	220	(6)
Return on assets excluding interest income	2,529	(996)
Total net remeasurement (loss)/gain	£347	£(1,432)

Sensitivity analysis

	% increase to employer liability	Monetary amount
		£'000
0.1% increase in real discount rate	2%	372
1 year increase in member life expectancy	4%	754
0.1% increase in the Salary Increase Rate	0%	32
0.1% increase in the Pension Increase Rate (CPI)	2%	335

The expected employer's contributions for the year to 31 August 2022 for the Surrey County Council Pension scheme are £450k (2021: £438k).

Notes to the Financial Statements

Continued

20. Subsidiary undertakings

The School has three subsidiary undertakings: Reigate Grammar School Trust (RGST); Reigate Grammar School Trading Limited (RGS Trading) and Reigate Grammar School International Limited (RGS International). The School is the sole Trustee of RGST, a charity registered in England and Wales (Charity Number: 312030). The School owns 100% of the share capital of RGS Trading, a company registered in England and Wales (Company number: 10163737). RGS Trading was incorporated on 8 May 2016. The School owns 100% of the share capital of RGS International, a company registered in England and Wales (Company number: 10815400). RGS International was incorporated on 13 June 2017. A summary of their results for the period and balance sheet position as at 31 August 2021 is set out below:

	RGST		RGS Trading		RGS International	
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Income and expenditure						
Income	24,091	26,896	5,667	4,417	309,623	233,923
Expenditure	(16,406)	(16,644)	(4,764)	(2,648)	(225,681)	(213,075)
Investment (losses)/ gains	344	(423)	-	-	-	-
Surplus/(deficit) for the year	8,029	9,829	903	1,769	83,942	20,848
Balance sheet						
Tangible assets	1,339,756	1,348,850	266,367	266,367	-	-
Investments	2,372	2,028	-	-	-	-
Current assets	922,879	903,658	6,353	5,227	87,442	24,130
Current liabilities	(1,170)	(1,100)	(280,667)	(280,444)	(3,499)	(3,282)
Long term liabilities	-	-	-	-	-	-
Net assets/(liabilities)	£2,261,464	£2,253,436	£(7,947)	£(8,850)	£83,943	£20,848
Represented by:						
Share capital	-	-	1	1	1	1
Unrestricted funds	-	-	(7,948)	(8,851)	83,942	20,847
Restricted and designated funds	2,261,464	2,253,436	-	-	-	-
Total funds	£2,261,464	£2,253,436	£(7,947)	£(8,850)	£83,943	£20,848

Notes to the Financial Statements

Continued

21. Related Parties

In the 2020/21 academic year, five Governors had children who attend Reigate Grammar School as pupils and pay full fees.

The School occupies and maintains the main school building and associated land on behalf of the Reigate Grammar School Trust, which own the freehold. The School is the corporate trustee of Reigate Grammar School Trust which prepares, and submits, separate accounts. There is a £800,000 loan from the RGS Trust to RGS (2020: £800,000). The loan is repayable at any time on demand by the Trust, and the Trust may at any time, by notice to the school, cancel its commitment to advance the Loan or any part of it. The maximum amount to be lent to RGS is £1,000,000. Interest payable on the loan was £18,800 during the year (2020: £21,576).

RGS lent an amount of £277,884 to RGS Trading to facilitate the purchase of freehold assets within RGS Trading in 2016. An intercompany creditor of £277,884 (2020: £277,884) is contained within the RGS Trading entity, with an equal and opposite balance being included within RGS.

An intercompany creditor of £3,499 (2020: £3,282) is contained within the RGS International entity, with an equal and opposite balance being included within RGS.

The School bears the cost of its own Bursary scheme other than as set out in Note 1 above. Assets raised for the purpose of funding the Bursary Scheme prior to 2000 are held by Reigate Grammar School Trust, and in the year ended 31 August 2021 an amount of £3,000 (2020: £3,000) was received by the School from the Trust by way of subsidy.

There were no other related party transactions.

Notes to the Financial Statements
Continued

22. Analysis of Group Funds

	Restricted Funds	Unrestricted Funds	Total 2021
	£	£	£
Tangible fixed assets and investments	4,524,431	36,782,847	41,307,278
Net current (liabilities)/ assets	1,929,061	(6,345,077)	(4,416,016)
Long term liabilities	-	(10,693,853)	(10,693,853)
Pension Scheme Liability	-	(3,854,000)	(3,854,000)
Net Funds	£6,453,492	£15,889,917	£22,343,409

	Restricted Funds	Unrestricted Funds	Total 2020
	£	£	£
Tangible fixed assets and investments	3,423,886	36,933,089	40,356,975
Net current assets/(liabilities)	1,502,002	(7,570,974)	(6,068,972)
Long term liabilities	-	(11,654,371)	(11,654,371)
Pension Scheme Liability	-	(3,875,000)	(3,875,000)
Net Funds	£4,925,888	£13,832,744	£18,758,632

Notes to the Financial Statements

Continued

23. Comparative statement of financial activities	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£
Income from:			
Charitable activities:			
School fees receivable	22,204,408	-	22,204,408
Registration fees	59,600	-	59,600
Trip income	551,675	-	551,675
Other educational income	227,975	-	227,975
Furlough income	806,279	-	806,279
Donations and legacies	-	1,048,864	1,048,864
Lettings	157,823	-	157,823
Investments	4,592	26,896	31,488
Trading income	233,923	-	233,923
Total Income	24,246,275	1,075,760	25,322,035
Expenditure on:			
Raising funds:			
Fundraising & Development	418,959	13,646	432,605
Charitable activities:			
Education	23,465,244	516,644	23,981,888
Total Expenditure	23,884,203	530,290	24,414,493
Net Income from operations before transfers and investment gains	362,072	545,470	907,542
Unrealised investment gains	6,572	(35,047)	(28,475)
Net Income	368,644	510,423	879,067
Pension scheme actuarial (losses)	(1,432,000)	-	(1,432,000)
Net Movement in Funds for the year	(1,063,356)	510,423	(552,933)
Balance brought forward at 1 September 2019	14,896,100	4,415,465	19,311,565
Balance carried forward at 31 August 2020	£13,832,744	£4,925,888	£18,758,632