

Charity Registration No. 309903

**KETTERING OLD GRAMMAR SCHOOL FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustee	KOGSF Trustee Limited
Charity number	309903
Registered office	36 The Business Exchange Rockingham Road Kettering Northamptonshire NN16 8JX
Auditors	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough United Kingdom PE1 2SP
Bankers	Barclays Bank plc Barclays Technology Centre Radbroke Hall Knutsford Cheshire United Kingdom WA16 9EU
Solicitors	Veale Wasbrough Vizards 3 Brindley Place Birmingham United Kingdom B1 2JB
Investment advisors	Smith & Williamson Investment Management 9 Colmore Row Birmingham B3 2BJ United Kingdom

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

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KETTERING OLD GRAMMAR SCHOOL FOUNDATION

TRUSTEE REPORT

FOR THE YEAR ENDED 5 APRIL 2021

The Trustee presents its report and financial statements for the year ended 5 April 2019 which have been drawn up in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities (revised 2015). The Governing Document is the Charity Commission Scheme dated 2 July 1996.

History

On 15 June 1577, Queen Elizabeth I granted lands and properties for the establishment of a school in Kettering. Over the next 300 years, the school had a varied history. In 1888, a new scheme was adopted for the administration of the school and its property, creating a governing body, and this was approved by Queen Victoria in Council. On 4 May 1911, another new Scheme (under the Endowed School Acts 1869, 1873 and 1874) was approved, and this was subsequently amended by new Schemes dated 24 February 1955, 30 December 1971, 17 February 1976 and 20 May 1988 and finally 2 July 1996. On 3 April 2014 a scheme was approved, which included the authorisation to appoint KOGSF Trustee Limited as the sole trustee of the Foundation.

Objectives and activities

The objects of the Foundation are the provision of educational benefits and for the development of a particular talent in the areas of the arts or sport for youngsters who live in the Borough of Kettering and who have attended a school in the Borough of Kettering for not less than two years.

The Foundation carries out these objects by:

- making grants to Kettering youngsters to assist in their education
- making grants to those schools/organisations supporting the education of young people from the Borough of Kettering
- awarding bursaries to individuals to assist them during their training and progression in their chosen art or sport
- offering residential courses for young people from Kettering schools at the Foundation's outdoor activity centre in Govilon, Wales namely The Govilon Learning & Activity Centre

Public benefit test

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting aside the grant making policy for the year.

The Governors acknowledge the Foundation's responsibility in providing a public benefit and believes that this requirement is fulfilled by the support given to youngsters across a wide range of social and economic backgrounds.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Foundation should undertake.

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

TRUSTEE REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

Objectives

The Governors shall let and otherwise manage all lands belonging to the Foundation. After payment of expenses, the net annual income of the Foundation is to be applied as follows:

Provision of special benefits of any kind not normally provided by the Local Education Authority, for any county, voluntary or special school in the Borough of Kettering.

Provision of facilities not provided out of statutory funds for recreation and social and physical training for persons receiving primary, secondary or further education in the Borough of Kettering or who are resident in the Borough.

Provision of other educational benefits for children, young persons or adults resident in the beneficial area, who are attending or who have for not less than two years attended an educational institution in the beneficial area, by way of: scholarships, bursaries or maintenance allowances; financial assistance, provision of clothing, tools, books etc to enable beneficiaries to prepare for, or to enter, a profession, trade or calling. Scholarships or maintenance allowances can be made for travel for education purposes and generally promoting the education of beneficiaries.

Grant making policy

During the year, the Foundation continues to make grants to deserving local causes, both to individuals and institutions, subject to the Governors' approval.

Grants are made at the discretion of the Foundation's Governors. A website has been developed for the foundation www.kogsf.org.uk which provides details regarding the grant application process.

Achievements and performance

The funds of the charity have been applied in maintaining the Govilon Learning & Activity, assisting schools within the Borough of Kettering and making grants to individuals and to other organisations within the terms of the trust.

Please refer to note 6 of the financial statements for details of the number of grants made and material grants made to institutions.

The policy of the Foundation is 'to make a difference' and this has certainly been the case with those individuals who we support with bursaries, some of whom are of Olympic standard.

The Gifted and Talented Programme commenced with the six Kettering Secondary Schools and was extended to all Kettering Primary. We support nationally recognised programmes to raise the ambition of students. Many teachers are still not fully aware of how to properly support their gifted and talented students and the Foundation's programme has greatly assisted them. The Gifted and Talented Programme is to continue for the financial year 2021/2022.

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

TRUSTEE REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

Benefits Committee

The Board has delegated the duties of examining all applications for assistance to seven Governors. During the year this Committee was chaired by Mrs P Scouse with Mrs S Scrimshaw as vice chair, Mr G Bhavra, Mr M Bodicoat and Mr S Welch as members; Mr C Groome and Mr D Watson attend as ex-officio members. The Committee examines in detail each application and makes further enquiries including holding interviews with applicants and in the case of individuals, their family where relevant, before recommending to the Board the approval or otherwise of the application. The Benefits Committee have been given delegated authority to deal with all straight forward applications whereas the Board of Governors makes the final decision in respect of larger and more detailed applications.

It is still the policy of the Foundation that automatic grants are not made to each applicant proceeding to further or higher education and grants will only be made to those applicants who are in financial need and/or show particular talent. Bursaries being granted to young persons who are proficient in music, drama or sport and are in financial need but do not qualify for grants from The Local Education Authority. Careful monitoring of the family financial position is maintained as such bursaries may need to continue for several years. Fourteen youngsters are currently receiving bursaries from the Foundation. These bursaries include performing arts, athletics, gymnastics, boxing, cricket and yachting and there are one or two possible candidates for the next Olympic Games. The Foundation is continuing to support the gifted and talented programme within all the Kettering Secondary and Primary Schools.

The Governors have placed great emphasis on making grants in circumstances where the support will make a difference to the applicant whether it be an individual or an institution or club involved with young people.

Govilon Learning & Activity Centre, Govilon, Brecon

The Foundation has for many years operated the above centre which offers residential courses for young people from Kettering Borough Schools. The experiences include climbing, canoeing, walking, nature studies and a visit to a local coal mine museum. All meals are cooked at the centre and special dietary requirements can be catered for.

The Centre is run through a Committee chaired by Mrs M Mitchell and comprising of Governors and others who are interested in this important work. The Centre is managed on a joint basis by centre manager Mr N Fitzgerald and by centre administrator Mrs J Phillips. Careful monitoring of the substantial regulation requirements is maintained. The Centre is heavily subsidised by the Foundation but the value it gives to young people should not be measured in financial terms alone.

Financial review

The Govilon Learning & Activity Centre has been closed for the year due to COVID-19 regulations resulting in a significant reduction in income. The financial position of the charity has however been supported by the receipt of Government COVID-19 support grants.

The income deficit for the year was £112,057 compared with a deficit of £100,235 in the previous year. Realised and unrealised gains on securities amounted to £819,981 for the year (2020: losses of £433,766).

The Govilon Learning & Activity Centre produced a deficit on trading of £139,452 compared with £49,763 in the previous year, after taking into account renovation costs of £16,580 which were incurred during the year (2020: £15,024). When the centre is able to reopen again, the management hopes to continue to attract more business and plans to reduce the deficit.

Investment income remained resilient and rental income remained constant.

The Foundation closed the year with net funds of £5,502,713.

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

TRUSTEE REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

Reserves policy

The Governors recognise that the substantial reserves of the foundation are represented by income producing assets and any depletion in those reserves will reduce the resource available to meet the objectives of the Foundation.

It is the policy of the charity to hold free reserves in its deposit accounts which have not yet been committed or designated for any particular purpose. The Governors have set aside these reserves in order to protect the future operations of the charity from the effects of any unforeseen variations in its income stream as part of a policy of good financial management practice.

Investment policy

The Governors have considered the most appropriate policy for investing funds, which are managed on their behalf. Managed funds comprise of various listed investments including fixed interest, equities and commodities, as well as maintaining cash held on deposit.

Risk management

The Governors have considered the risks that the charity is exposed to in the ordinary course of fulfilling its objectives. They are satisfied that, for those risks that they have identified, the Charity has established adequate review systems which under normal conditions, should allow these risks to be mitigated to an acceptable level in its day to day operations.

Plans for the future

The leases on several of the Foundation's investment properties have been renewed in the last two years and the state of the Kettering retail shops market has given rise to a significant reduction in rental income at a time when demand for educational support continues to increase. The returns on our investments however should enable the Foundation to continue providing support for the foreseeable future.

The COVID-19 pandemic has had a significant impact on the Govilon Centre which has been closed since March 2020 and will be welcoming school groups back from September 2021. The trustees have taken the opportunity to undertake some improvement works on the site and have taken action to mitigate the financial impact to the charity. The trustees are continuing to monitor the situation but believe they have taken appropriate steps to ensure the future viability of the charity.

Structure, governance and management

The administration of the Foundation is carried out by the directors of KOGSF Trustee Limited (known as Governors) who are appointed to serve for a period of four years and may be reappointed for subsequent terms.

Two Governors have been nominated by Northamptonshire County Council which has now been succeeded by North Northamptonshire Council. In addition up to eleven co-opted Governors are appointed to the Board. The Board seeks to attract as new co-opted Governors persons who can offer the skills and experience needed to control a Charity of this nature. New Governors are inducted into their responsibilities by an explanation of the history and work of the Foundation and a detailed review of recent financial statements and minutes of recent board meetings. On appointment and re-appointment, a Governor must sign a form accepting the code of conduct required by the Foundation.

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

TRUSTEE REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

The Governors in office since 6 April 2020 were:

Christopher Groome (Chairman) *	Mark Bodicoat
David Watson FCA (Vice Chairman)	Pat Scouse
Ghite Bhavra	Anthony Shemilt
Margaret Mitchell	Maurice Bayes *
Bill Parker - NCC	Sue Walters
Jeff Kyte *	Shona Scrimshaw - NCC
Stuart Welch *	

The Governors marked with * are a former pupil of Kettering Grammar School.

The Governors meet quarterly.

Mrs M Swann is Clerk to the Governors and she carries out all the administration of the Foundation subject to the instructions of the Board. The Foundation rents an office at The Business Exchange in Rockingham Road, Kettering.

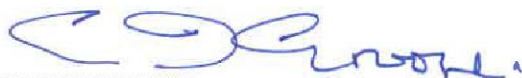
Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

The Trustee has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

On behalf of KOGSF Trustee Limited



.....
C J Groome

Director/Chairman

Dated: 17.09.21.....

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

STATEMENT OF TRUSTEE RESPONSIBILITIES

FOR THE YEAR ENDED 5 APRIL 2021

The Trustee is responsible for preparing the Trustee Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources of the Foundation for that year.

In preparing these accounts, the Trustee is 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 accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEE OF KETTERING OLD GRAMMAR SCHOOL FOUNDATION

Opinion

We have audited the financial statements of Kettering Old Grammar School Foundation (the 'Foundation') for the year ended 5 April 2021 which comprise the statement of financial activities, the balance sheet and the 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 charity's affairs as at 5 April 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Foundation 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 Trustee 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 Foundation'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 Trustee with respect to going concern are described in the relevant sections of this report.

Other information

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

We have nothing to report in this regard.

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEE OF KETTERING OLD GRAMMAR SCHOOL FOUNDATION

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustee report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the statement of Trustee responsibilities, the Trustee 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 Trustee 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 Trustee are responsible for assessing the Foundation'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 Trustee either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEE OF KETTERING OLD GRAMMAR SCHOOL FOUNDATION

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

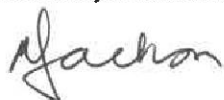
In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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



Mr Mark Jackson FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

...4.10.2025

Chartered Accountants
Statutory Auditor

Ruthlyn House
90 Lincoln Road
Peterborough
United Kingdom
PE1 2SP

Azets Audit Services is eligible for appointment as auditor of the Foundation by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2021

	Notes	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
Income and endowments from:							
Donations and legacies	3	75,041	-	75,041	-	-	-
Income from charitable activities	4	5,851	-	5,851	285,442	-	285,442
Investments	5	165,270	-	165,270	167,600	-	167,600
Other income	6	1,600	-	1,600	-	-	-
Total income		247,762	-	247,762	453,042	-	453,042
Expenditure on:							
Charitable activities	7	359,819	-	359,819	553,277	-	553,277
Net income/(expenditure)		(112,057)	-	(112,057)	(100,235)	-	(100,235)
Net gains/(losses) on investments	12	443,610	376,371	819,981	(234,667)	(199,099)	(433,766)
Net movement in funds		331,553	376,371	707,924	(334,902)	(199,099)	(534,001)
Fund balances at 6 April 2020		2,138,875	2,655,914	4,794,789	2,473,777	2,855,013	5,328,790
Fund balances at 5 April 2021		2,470,428	3,032,285	5,502,713	2,138,875	2,655,914	4,794,789

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

BALANCE SHEET

AS AT 5 APRIL 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	13		533,546		549,751
Investment properties	14		1,400,000		1,400,000
Investments	15		3,394,445		2,596,464
			<u>5,327,991</u>		<u>4,546,215</u>
Current assets					
Stocks	16	1,028		1,028	
Debtors	17	45,857		31,767	
Cash at bank and in hand		163,989		264,300	
		<u>210,874</u>		<u>297,095</u>	
Creditors: amounts falling due within one year	18	(36,152)		(48,521)	
Net current assets			174,722		248,574
Total assets less current liabilities			<u>5,502,713</u>		<u>4,794,789</u>
Capital funds					
Endowment funds - general			3,032,285		2,655,914
Income funds					
Unrestricted funds			2,470,428		2,138,875
			<u>5,502,713</u>		<u>4,794,789</u>

The financial statements were approved by the Trustee on 27/09/21



 KOGSF Trustee Limited
 Trustee

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

Charity information

Kettering Old Grammar School Foundation is a public benefit entity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Foundation's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Foundation is a Public Benefit Entity as defined by FRS 102.

The Foundation has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. In arriving at this conclusion, the trustees have considered the impact of the Coronavirus epidemic on the charity. Whilst the full impact of the epidemic is unknown, the trustees are confident that the impact on income can be managed by taking action to mitigate costs and using reserves.

1.3 Charitable funds

Unrestricted funds are other incoming resources received or generated for expenditure on the general objectives of the charity.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Foundation.

Income arising from the assets representing the endowment fund is treated as unrestricted income to be used for the general activities of the charity.

Any change in the valuation of the underlying investments represented by the endowment fund will be adjusted in the endowment fund.

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

(Continued)

1.4 Income

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Investment income, including associated income tax recoveries, is recognised when receivable.

Income from charitable activities consist of contributions, received from schools, etc for The Govilon Learning & Activity Centre activities and is recognised when receivable.

1.5 Expenditure

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly on the fulfilment of the charity's objectives (charitable activities); and
- expenditure incurred in meeting the constitutional and statutory requirements of the charity (governance).

Costs are attributed to funds on a direct basis.

The charity makes grants to children, young people and adults to provide educational benefits.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation.

Individual asset purchases below £500 are written off on acquisition.

Freehold land and buildings are not held for investment purposes, but are assets employed to fulfil the objectives of the charity. Accordingly, they are not accounted for as an investment property, but are included at valuation.

Depreciation is calculated to write down the cost or valuation of all fixed assets held for charity use other than freehold land by equal annual instalments over their expected useful lives. The rates generally applicable are:

Freehold land & buildings	Nil
Fixtures, fittings and equipment	4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Investment properties

Some of the properties are held for long-term investment and are included in the balance sheet at their open market values. Depreciation is not provided in respect of freehold investment properties.

1.8 Fixed asset investments

Assets held for investment purposes are valued at market value at the Balance Sheet date and the movement shown in the statement of financial activities comprise both realised and unrealised gains and losses.

Listed investments are valued at mid-point quotation valuation at the balance sheet date.

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

(Continued)

1.9 Impairment of fixed assets

At each reporting end date, the Foundation reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Stocks

Stock is value at the lower of cost or net realisable value and relates to stock held at the tuck shop in Govilon.

1.11 Cash and cash equivalents

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

1.12 Financial instruments

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Foundation's contractual obligations expire or are discharged or cancelled.

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

(Continued)

1.13 Taxation

The Foundation is not registered for value added tax. All amounts subject to VAT are therefore inclusive of VAT.

By virtue of its charitable status, Kettering Old Grammar School Foundation are not liable for corporation tax under section 505(1) of the Income and Corporation Taxes Act 1988.

1.14 Employee benefits

Employees of the Charity are entitled to join a defined contribution 'money purchase' scheme.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Total
	2021 £	2020 £
Coronavirus Job Retention Scheme grants	52,041	-
Other government grants	23,000	-
	<u>75,041</u>	<u>-</u>

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

4 Income from charitable activities

	2021 £	2020 £
Govilon Learning & Activity Centre	<u>5,851</u>	<u>285,442</u>

5 Investments

	2021 £	2020 £
Rental income	93,201	81,900
Income from listed investments	70,640	83,925
Other income	-	91
Interest receivable	1,429	1,684
	<u>165,270</u>	<u>167,600</u>

6 Other income

	Unrestricted funds	Total
	2021 £	2020 £
Other income	<u>1,600</u>	<u>-</u>

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

7 Charitable activities

	Management & Property	Govilon Activity Centre	Total 2021	Total 2020
	£	£	£	£
Staff costs	-	129,801	129,801	128,867
Depreciation and impairment	2,864	13,341	16,205	5,086
Coach hire	-	-	-	10,970
Food	-	1,063	1,063	20,878
Rates and insurance	1,395	4,445	5,840	7,261
Repairs to property	6,172	20,750	26,922	65,864
Water rates	-	163	163	2,234
Light and heat	561	4,250	4,811	7,696
Climbing equipment	-	35	35	4,778
Catering equipment	-	3,364	3,364	5,553
Minibus running costs	-	2,918	2,918	18,640
Instructor fees	-	1,200	1,200	55,604
Professional fees	4,860	805	5,665	24,115
Course costs	-	(397)	(397)	5,817
Telephone	-	692	692	1,026
Bank charges	93	169	262	509
Stationery and sundries	2,828	5,283	8,111	14,942
Marketing	-	34,152	34,152	34,448
Administration costs	42,122	-	42,122	41,216
Investment fees	13,353	-	13,353	13,464
	<u>74,248</u>	<u>222,034</u>	<u>296,282</u>	<u>468,968</u>
Grant funding of activities (see note 6)	57,044	-	57,044	77,900
Share of governance costs (see note 9)	6,493	-	6,493	6,409
	<u>137,785</u>	<u>222,034</u>	<u>359,819</u>	<u>553,277</u>
Analysis by fund				
Unrestricted funds	<u>137,785</u>	<u>222,034</u>	<u>359,819</u>	
	<u>137,785</u>	<u>222,034</u>	<u>359,819</u>	
For the year ended 5 April 2020				
Unrestricted funds	<u>218,072</u>	<u>335,205</u>		<u>553,277</u>
	<u>218,072</u>	<u>335,205</u>		<u>553,277</u>

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

8 Grants payable

	2021 £	2020 £
Grants to institutions:		
Cricket Sponsorship for Schools	8,000	8,536
Hawthorn Community School	2,000	-
Gifted and talented	-	860
Peterborough Diocesan Trust	2,230	-
Bishop Stopford School	4,000	-
Kettering Rugby Football Club	-	1,000
Kettering Business Academy	-	750
Crawley Sailing Club	-	3,000
Grange Primary School	-	7,500
	<u>16,230</u>	<u>21,646</u>
Grants to individuals	40,814	56,254
	<u>57,044</u>	<u>77,900</u>

9 Support costs

	Support costs £	Governance costs £	2021 £	2020 £	Basis of allocation
Audit fees	-	6,493	6,493	6,409	Governance
	<u>-</u>	<u>6,493</u>	<u>6,493</u>	<u>6,409</u>	
Analysed between					
Charitable activities	-	6,493	6,493	6,409	
	<u>-</u>	<u>6,493</u>	<u>6,493</u>	<u>6,409</u>	

Governance costs includes payments to the auditors of £4,493 (2020 - £6,409) for audit fees.

10 Trustee

No Trustee or person with a family or business connection with the Trustee, received remuneration in the year, directly or indirectly, from the charity.

Expenses reimbursed to directors of the corporate trustee KOGSF Trustee Limited in respect of travel and entertaining expenses in the year amounted to £158 (2020 - £184).

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total employees	8	9
Employment costs	2021 £	2020 £
Wages and salaries	177,130	174,996
Social security costs	15,240	14,886
Other pension costs	7,100	6,906
	<u>199,470</u>	<u>196,788</u>

No employee earned £60,000 per annum or more in the current or preceding accounting period.

There were no employees whose annual remuneration was £60,000 or more.

12 Net gains/(losses) on investments

	Unrestricted funds £	Endowment funds general £	Total 2021 £	Total 2020 £
Revaluation of investments	443,610	376,371	819,981	(433,766)
For the year ended 5 April 2020	<u>(234,667)</u>	<u>(199,099)</u>		<u>(433,766)</u>

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

13 Tangible fixed assets

	Freehold land & buildings £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 6 April 2020	495,000	186,607	681,607
Disposals	-	(50,451)	(50,451)
At 5 April 2021	495,000	136,156	631,156
Depreciation and impairment			
At 6 April 2020	-	131,856	131,856
Depreciation charged in the year	-	16,205	16,205
Eliminated in respect of disposals	-	(50,451)	(50,451)
At 5 April 2021	-	97,610	97,610
Carrying amount			
At 05 April 2021	495,000	38,546	533,546
At 05 April 2020	495,000	54,751	549,751

The carrying value of land included in land and buildings comprises:

	2021 £	2020 £
Freehold land	200,000	200,000

The land and buildings are revalued every 5 years by independent valuers not connected with the Foundation on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties. The latest valuation was in 2019 and this was consistent with the figures noted above.

At 5 April 2021, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £104,510 (2020 - £104,510).

Legal title to the property is in the name of the Trustee, KOGSF Trustee Limited.

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

14 Investment property

	2021 £
Fair value	
At 6 April 2020 and 5 April 2021	1,400,000

Investment property comprises properties in High Street, Kettering. The fair value of the investment property has been arrived at on the basis of a valuation carried out at June 2017 by Berrys Chartered Surveyors and Valuers, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

Legal title to the property is in the name of the Trustee, KOGSF Trustee Limited.

15 Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2020	2,596,464
Additions	594,549
Valuation changes	819,981
Disposals	(616,549)
At 5 April 2021	3,394,445
Carrying amount	
At 5 April 2021	3,394,445
At 5 April 2020	2,596,464

16 Stocks

	2021 £	2020 £
Finished goods and goods for resale	1,028	1,028

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

17 Debtors		2021	2020
		£	£
Amounts falling due within one year:			
Other debtors		38,243	24,066
Prepayments and accrued income		7,614	7,701
		<u>45,857</u>	<u>31,767</u>
18 Creditors: amounts falling due within one year		2021	2020
	Notes	£	£
Other taxation and social security		3,708	3,661
Deferred income	19	17,482	25,231
Other creditors		8,562	13,329
Accruals and deferred income		6,400	6,300
		<u>36,152</u>	<u>48,521</u>
19 Deferred income		2021	2020
		£	£
Arising from Govilon income		17,482	25,231
		<u>17,482</u>	<u>25,231</u>
Deferred income is included in the financial statements as follows:			
		2021	2020
		£	£
Current liabilities		17,482	25,231
		<u>17,482</u>	<u>25,231</u>

KETTERING OLD GRAMMAR SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

20 Analysis of net assets between funds

	Unrestricted	Permanent endowment	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Fund balances at 5 April 2021 are represented by:				
Tangible assets	533,546	-	533,546	549,751
Investment properties	-	1,400,000	1,400,000	1,400,000
Investments	1,865,565	1,528,880	3,394,445	2,596,464
Current assets/(liabilities)	71,317	103,405	174,722	248,574
	<u>2,470,428</u>	<u>3,032,285</u>	<u>5,502,713</u>	<u>4,794,789</u>

21 Operating lease commitments

At the reporting end date the Foundation had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	612	306
Between two and five years	306	-
	<u>918</u>	<u>306</u>

22 Related party transactions

No guarantees have been given or received.

There have been no transactions with related parties during the year.