

**Company Registration No. 01521751
Charity Registration No. 510809**

LEICESTER GRAMMAR SCHOOL TRUST

**TRUSTEES' REPORT
AND
STATEMENT OF ACCOUNTS**

**FOR THE YEAR ENDED
31 JULY 2022**

LEICESTER GRAMMAR SCHOOL TRUST

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LEICESTER GRAMMAR SCHOOL TRUST

Legal and administrative information

Charity Trustees

The Trustees of Leicester Grammar School Trust are also company directors, and carry the responsibilities accorded to them by the Charity Commission and under Company Law. They have all served in office throughout the year except where indicated:

Mrs E M Bailey
Mr M R Bulsara (appointed 12 October 2022)
Mrs J Burns (Vice chair, Academic)
Professor D Cartmell
Mr S Gasztowicz (Chairman)
Mr D C Green
Dr S E Hadley
Mr M J Holley (Vice chair, Financial)
Mr N J M Imlach
Dr D I Khoosal
Mrs K Law (appointed 6 December 2021)
Mrs A G O'Donovan (resigned 21 June 2022)
Mr A P M Osiatynski (appointed 6 December 2021)
Dr R S P Saigal (appointed 12 October 2022)
Professor J M Saker
The Ven R V Worsfold

Committees and sub committees of the Board of Trustees

The following Trustees served on committees and sub committees of the Board during the year:

Education Committee:

Mrs J Burns (Committee Chairman)
Mrs E M Bailey
Mr S Gasztowicz
The Ven R V Worsfold

Finance and General Purposes Committee:

Mr M J Holley (Committee Chairman)
Mrs E M Bailey
Mr S Gasztowicz
Mr D C Green
Mr N J M Imlach

Bursaries, Scholarships and Public Benefit Sub Committee:

Mrs E M Bailey (Sub committee Chairman)
Mrs A G O'Donovan (resigned 21 June 2022)

Health and Safety Committee:

Professor J M Saker (Committee Chairman)
Dr D I Khoosal
Dr S E Hadley

Nominations and Governance Committee:

Mr S Gasztowicz (Committee Chairman)
Mrs J Burns
Mr M J Holley

Safeguarding and Well-being Committee:

Dr S E Hadley (Committee Chairman)
The Ven R V Worsfold

LEICESTER GRAMMAR SCHOOL TRUST

Legal and administrative information cont.

Salaries Review Committee:

Mr S Gasztowicz (Committee Chairman)

Mrs J Burns

Mr M J Holley

The Board is a self-appointing body. One third of the Board is required to retire by rotation, each year. Board members are eligible to stand for re-election at the end of a term of office.

Officers

Headmaster of Leicester Grammar School and Principal of Leicester Grammar School Trust:

Mr J W Watson

Headmistress of Leicester Grammar Junior School: Mrs S V Ashworth Jones (appointed 1 September 2021)

Headmaster of LGS Stoneygate: Mr J Dobson (resigned 31 August 2022); Mr N Price (appointed 1 September 2022)

Director of Finance and Operations and Company Secretary: Mr S J Jeffries

Addresses:

Leicester Grammar School and Leicester Grammar Junior School

London Road

Great Glen

Leicester

LE8 9FL

(School and registered office)

LGS Stoneygate

6 London Road

Great Glen

Leicester

LE8 9DT

Websites: www.leicestergrammar.org.uk

www.lgs-stoneygate.org.uk

Auditors

Haysmacintyre LLP

10 Queen St Place

London

EC4R 1AG

Bankers

NatWest

1 Granby Street

Leicester

LE1 9GT

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2022

The Trustees present their report and financial statements for the year ended 31 July 2022 and confirm they comply with the requirements of the Charities Act 2011, including the Directors' and Strategic Report under the Companies Act 2006.

Reference and Administrative Information

The Charity was founded in 1980 and is registered with the Charity Commission under charity number 510809.

Leicester Grammar School Trust is also a company limited by guarantee, registered under company number 01521751.

The Trustees, executive officers and principal address of the Charity are as listed on page 1 and 2. Particulars of the Charity's professional advisers are given on page 2.

Structure, Governance and Management

Governing Document

The Charity is governed by its Memorandum and Articles dating from 13 October 1980 and last amended on 3 December 2014.

Governing Bodies

The Charity operates three schools, Leicester Grammar School, Leicester Grammar Junior School and LGS Stoneygate. There is a single Governing body, being the Charity Trustees, the details of which are explained on page 1.

Recruitment and Training of Trustees

The Charity's elected Trustees are appointed at a meeting of the Board of Leicester Grammar School Trust, on the basis of recommendations made by the Nominations and Governance Committee, a committee of the Board. The Committee considers eligibility, skills and commitment when advising the Board and endeavours to ensure that the Board contains an appropriate balance of skills.

New Trustees receive a pack of written information as well as visiting all three schools and meeting with key officers and the Chairman of the Board. A skills audit is performed to identify individual training needs of Trustees and also any areas where additional expertise may need to be added to the Board. Trustees are also encouraged to assess their own training needs and individual Trustees attend courses as required.

Organisational Management

The Trustees are legally responsible for the overall management and control of the three Schools. The Board of Trustees meets at least four times each year.

The Education Committee meets once per term. This Committee oversees the curriculum, teaching and learning and educational policy across the three Schools.

The Finance and General Purposes Committee meets four times a year. This Committee oversees the implementation of certain Board policies, and also undertakes detailed reviews before making recommendations to the Board. The Finance and General Purposes Committee is chaired by a Trustee who is not Chairman of the full Board. The Bursaries, Scholarships and Public Benefit Sub Committee meets to review applications and policy in detail at least twice each year.

The Safeguarding and Well-being Committee was established during the year and meets once per term. The Committee reviews and monitors policies and procedures related to safeguarding and the well-being of pupils at all three Schools.

The Health and Safety Committee meets once per term and reviews health and safety policies and procedures at all three Schools.

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The Nominations and Governance Committee meets as and when required, but usually once a year. It considers the composition of the Board and applications from prospective Trustees. The Salaries Review Committee meets periodically to consider salaries payable to the Senior Leadership Team.

The day to day running of the schools is delegated to the respective Heads supported by their Senior Leadership Teams together with the Director of Finance and Operations. The Head Teachers and the Director of Finance and Operations attend meetings of the Board and its committees and sub committees.

Key Management Personnel are considered to be the Principal and Headmaster of Leicester Grammar School, the Director of Finance and Operations, the Heads of Leicester Grammar Junior School and LGS Stoneygate, and the Deputy Heads of Leicester Grammar School. The remuneration of this senior staff group is determined by the Salaries Review Committee of the Board of Trustees with reference to appraisal records and benchmarking.

Objects, Aims, Objectives and Activities

Charitable Objects

The Trust's Objects, as set out in its Memorandum and Articles, are the advancement of education, through a school or schools, run according to Christian principles.

Aims and Intended Impact

Within these Objects the Trust's aim is to provide an excellent education for pupils of high academic ability, regardless of their financial means. The Trust aims to provide for the pupils' general instruction of high standard and quality, including physical, moral and religious education and to provide an environment where each pupil can develop his or her talents to the full.

Objectives for the Year

In setting objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing education and on fee-charging.

The maintenance of academic progress, underpinned by individual pastoral care and a strong sense of community, has been a key focus. Academic excellence is complemented by an emphasis on sport, music, drama and co-curricular activities, ensuring a rounded education for pupils of all ages.

The Trust remains committed to enrolling able children from all backgrounds regardless of ability to pay the fees.

A key objective for the Trust for 2021-22 was to maintain pupil numbers and parental confidence following the unprecedented period of managing the impact of the Covid 19 pandemic on the schools.

The Trust aims to play a full part in the life of the local, regional and indeed national community.

Strategies to Achieve the Year's Objectives

The Trustees worked with senior leaders to ensure that pupils made good academic progress during the pandemic and that examination candidates were therefore well prepared for final assessment. There has been an increased focus on teaching and learning strategies, and a new Sixth Form programme (Aspire) was introduced in September 2020. Remote learning and teaching have also provided unforeseen opportunities to enhance the use of technology.

Provision of means-tested bursaries remains a high priority for the Trust, in order to ensure that the school is accessible to pupils from a wide range of backgrounds. The Trust continues to seek funding for additional bursaries and has a subsidiary company, LGS Enterprises Limited, which was established to generate additional income.

The Trustees continue to work to raise the profile of the schools and to extend outreach and partnership activities in order to attract applications for admission from able candidates.

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The Trust continues to work hard to create links with local schools and the local community, particularly by making its facilities available to other local groups and organisations. Some of these activities have been sustained remotely during the pandemic.

Principal Activities of the Year

The Trust principally provides education to boys and girls from the age of 3 to 18.

The Trust continues to operate three schools.

Two of the schools are based on a shared site in Great Glen, Leicestershire: Leicester Grammar School for pupils aged 10-18 and Leicester Grammar Junior School for pupils aged 3-11. During the year Leicester Grammar School averaged 851 (2020-21: 859) pupils and Leicester Grammar Junior School averaged 394 (2020-21: 400) pupils. Both schools continue to operate broadly at capacity, with increased admissions activity during the year leading to higher pupil numbers in both schools for 2022/23.

In May 2016 the Trust acquired the trade and assets of Stoneygate School, an independent coeducational preparatory school also situated in Great Glen, Leicestershire on a separate 45 acre site. During the year Stoneygate averaged 204 (2020-21: 190) pupils. The school offers high-quality education with a distinctive ethos, supported by attentive governance and management provided by the Trust.

The welcome increase in pupil numbers at Stoneygate resulted from clarification and redefinition of the senior school curriculum and more intensive admissions activity and marketing. It is the intention of Trustees to increase the pupil roll further and, following a review, the school was re-branded from September 2021 as LGS Stoneygate. Trustees have planned to invest in the school, with a new multipurpose hall scheduled for completion during 2023.

2021-22 has been another complex year owing to the Covid 19 pandemic. The Trust has continued to manage its finances carefully over the last year, retaining the Coronavirus Business Interruption Loan Scheme (CBILs) funding of £4 million borrowed in June 2020, although repayment of this funding is to be accelerated in 2022/23 since the financial risks arising from the pandemic have been seen to recede. Despite the continued impact of the pandemic, a surplus commensurate with the need to maintain investment in our pupils' education was still achieved.

The Trust is confident that the schools will continue to attract able pupils. This is a result of continued efforts to maintain the academic, pastoral and co-curricular standards for which the schools have become known, continued investment in facilities and ongoing efforts to market the schools.

Our Ethos

The Trust is a charity which seeks to benefit the public through the pursuit of its stated aims. Fees are set at a level to ensure the financial viability of the schools and at a level which is consistent with the aim of providing a first-class education to boys and girls.

The schools welcome academically able pupils from all backgrounds. To admit a prospective pupil the schools need to be satisfied that they will be able to educate and develop that prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Pupils wishing to join the Grammar School are required to sit an entrance exam and pupils wishing to join Leicester Grammar Junior School or LGS Stoneygate undergo an assessment. Both forms of assessment are designed to satisfy the school and the parents that the potential pupil can cope with the pace of learning and benefit from the education provided. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of the assessment process.

The schools are committed to safeguarding and promoting the welfare of pupils and expect all staff and volunteers to share this commitment. The schools carry out appropriate background checks of adults who come into contact with pupils. The schools maintain regular contact with parents through the year including holding parents evenings, issuing end of term reports, and sending home regular newsletters.

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The Trust is an equal opportunity organisation and is committed to a working environment which is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability.

Disabled employees

The Trust facilitates the employment of disabled persons and provides, wherever possible, training, career development and promotion. Where employees become disabled whilst in service, every effort is made to rehabilitate them to their former jobs or some other suitable alternative and provide appropriate training and specialist advice.

Access Policy

It is important that access to the education provided by the Trust and to its facilities is not restricted to those who can afford the fees. The Trust believes that all pupils benefit from learning within a diverse community. The Trust's bursaries policy, together with links with local state schools and other organisations which have access to the Trust's facilities, contribute to a widening of access.

Grant-making Policy

The Trustees view the bursary awards as essential in helping to ensure that children from families which would not otherwise be able to afford the fees can access the education on offer. Bursaries are available to all prospective pupils who pass the entrance exam to join the Grammar School in years 7 and above, and are made solely on the basis of parental means. Bursaries are also available to existing pupils whose financial circumstances change and whose ability to remain at the school is under threat, for example due to parental redundancy. From September 2018 the bursaries scheme was extended to also include pupils joining LGS Stoneygate in years 7 and above.

In assessing a bursary application, the Trust takes a number of factors into consideration, including family income, assets held, investments and savings, and the number of dependents. However, the Trust does not have a large endowment or extensive reserves to draw on. In funding bursary awards the Trust is mindful of the need to ensure 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.

Bursary awards vary from 10% to 100% of fees and are re-assessed on an annual basis to take account of any changes in the family's financial situation. Information about fee assistance is available in the prospectus and on the school website, as well as being highlighted in advertising campaigns. The form completed by applicants includes a box to tick, to indicate simply that the applicant wishes to be considered for a means tested bursary.

The Trustees have also set up a sub committee of the Finance and General Purposes Committee: the Bursaries, Scholarships and Public Benefit Sub Committee. This sub committee reviews, monitors and advises on the Trust's Public Benefit role, particularly developing the provision of means tested bursaries, taking into account the Charities Act requirements and Charity Commission guidelines.

During 2019-20, an additional Coronavirus Hardship Bursary Fund was established to support parents impacted by Covid 19, either health-wise or financially.

Volunteers

Old Leicestrians, Friends of Leicester Grammar School, Friends of Leicester Grammar Junior School and the Stoneygate Parents' Association provided support, advice and enrichment opportunities during the year, as well as helping with fundraising and organising social and cultural events. The Board is grateful to them for their continuing and valuable support for the schools.

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STRATEGIC REPORT **Review of Achievements and Performance for the Year**

Operational Performance of the schools

Public examinations resumed in 2022, having been replaced with Teacher Assessed Grades owing to Covid 19 in 2021.

The Grammar School enhanced its high academic standing. At GCSE level, 80.8% of results were graded between 7 and 9. At 'A' level 91.0% of grades were at A* - B, and 71.7% at A*/A grade.

LGS Stoneygate recorded its third set of GCSE results in 2021-22 and its first public examinations, with 96% at grade 4 or above and 100% at grade 4 or above in Maths and English.

LGS Stoneygate underwent a Regulatory Compliance Inspection in December 2021. The school was found to be fully compliant with the Independent School Standards Regulations.

During the year ended 31 July 2022, the value of means tested bursaries awarded to pupils totalled £789,000 (2020-21 £755,000). This figure included bursaries worth £54,000 (2020-21 £36,000) funded by external benefactors. The value of means tested bursaries represented 4.1% of the gross fee income of the Trust (2020-21: 4.2%).

During the year, 11 pupils received a 100% bursary (2020-21: 16 pupils). A further 33 pupils received bursaries of between 80% and 99% of fees (2020-21: 26 pupils).

Further awards totalling £97,000 (2020-21: £103,000) were made to pupils at Leicester Grammar School Trust in the form of scholarships. The Trustees' policy is to make these awards on the basis of individual ability and potential. The Trustees have a stated aim of gradually reducing the total proportionate value of scholarships in favour of gradually increasing the number and value of means tested bursaries.

A full complement of staff qualified to teach their respective subjects was in place throughout the year at all three of the Trust's schools. The support staff positions were similarly all filled.

Public benefit – Contribution to the community

In 2021-22 the Trust continued to contribute to the local and wider community where possible, despite the Covid 19 pandemic, however many of our usual events were not able to go ahead due to the limitations on social mixing. The schools provided the following activities:

Charitable projects, examples include:

- Donations of over 750 bags of clothes to Afghan Refugees in Leicester and Leicestershire.
- Sponsored 1 million steps challenge for Matt Hampson Foundation.
- Macmillan Cancer Support coffee mornings.
- Non-uniform days for various charities.
- Lower school disco for Rainbows Hospice.
- Christmas Jumper Day for Save the Children.
- Second hand uniform shop sales for Diabetes UK.
- Easter egg collections for local food banks.
- World Book Day cake sales and fancy dress for Book Aid.
- Supporting a wide range of charities, particularly centred around the theme of invisible illness.
- £5,000 was raised for charities during the year as well as numerous individual charitable projects led by pupils for charities of their choice.

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Educational partnerships, examples include:

- Initiatives with local maintained schools (Manor High School and Gartree School), including invitations to careers events.
- GCSE study skills sessions run by Year 13, Year 11 and Year 10 pupils at a local maintained school (Manor High School).

Community service, examples include:

- Visits to a range of primary schools to carry out drama, music and modern foreign language workshops.
- Bag packing in shopping centre to raise funds for LOROS hospice.
- Attending residential care home and LOROS hospice.

Facilities, Music and Sport for the Community, although impacted in the year owing to Covid 19 restrictions, examples include:

- South Leicestershire Sports Partnership, to enable local state schools to use school facilities.
- Weekly singing group with local primary school.
- Interactive concert from pupils and staff for 1,000 pupils of local state schools.
- Community use of school facilities for sports, music, drama and general use.
- Our swimming facilities continue to be used for lessons by the wider local community and we host competitive swimming clubs.
- We continue to partner with the Bardi Orchestra. The orchestra benefits from rehearsing at the school. Each year the orchestra gives a concert at the Grammar school hall.

Financial Review and Results for the Year

The Trust recorded a surplus of £1,245,000 (2020-21: £1,209,000) during the year. The Surplus achieved is considered satisfactory for the Trust to enable investment and efficiency for repaying debt.

Total income increased by £1,183,000, from £18,213,000 to £19,396,000.

Investment Policy

The financial objective of the Trustees is to maintain the real value of the Trust's assets whilst generating a stable and sustainable return to help fund the charity's activities over the long term. The Trustees review the investment policy on a regular basis.

At the year end the Trust's investments included £390,000 (2020-21: £423,000) of investment assets held within an investment portfolio managed by Brewin Dolphin. The Finance and General Purposes Committee is charged with agreeing a suitable asset allocation strategy with the investment managers which is set with the aim of achieving the Trust's overall investment objectives. This strategy would reflect the Brewin Dolphin risk category 5-6: low to moderate investment risk, to moderate investment risk. The Trustees adopt an ethical investment policy so that the Trust's assets are invested in line with its aims. Specifically, the Trustees would not wish to be invested in companies that obtain more than 10% of their turnover from involvement in the military or armaments.

The Trust also owns an investment property which was revalued during the year at £280,000 which is let out on the open market. This residential property was acquired in May 2016 as part of the Stoneygate School site. Further short term investments are held in the form of bank deposit accounts. During the year the Trust recorded a gain on investments of £2,000 (2020-21: £61,000), plus bank and other interest receivable of £39,000 (2020-21: £21,000) and a further £5,000 of gains on investments (2020-21: £7,000).

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Risk Management

The Trustees are responsible for the management of the risks faced by the schools. Risks are identified and assessed and controls established throughout the year. A formal risk register is in place and is reviewed and updated on a regular basis by the Senior Leadership Team and reviewed by the Finance & General Purposes Committee.

The principal risks and uncertainties identified in the Trust's risk register include:

- Recruiting sufficient able pupils into the schools each year in order to maintain the pupil roll and therefore fee income in line with forecast.
- Maintaining tuition fees at an affordable level, whilst meeting rising costs including pension contributions for teaching staff, repaying the bank loan and complying with the bank covenants, and continuing to invest in the facilities available to pupils.
- To manage health and safety risks.
- The need to continue to recruit top quality staff remains a high priority.
- The Trustees remain vigilant with regards to child welfare.
- External financial risks are kept under review by the Trustees including the potential for changes to tax legislation or changes to the treatment of charities.

Key controls used by the charity include:

- Formal agendas for all Committee, Sub-Committee and Board activity.
- Detailed terms of reference for Board Committees and Sub Committees.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structure and lines of reporting.
- Formal written policies.
- Clear authorisation and approval levels.
- Vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the Trust, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Charity Fundraising

The school has not made any fundraising appeals to the general public during the year, and is unlikely to do so in the future. There has been no outsourced fundraising via professional fundraisers or other third parties. As a result the charity is not registered with the fundraising regulator and received no fundraising complaints in the year.

Reserves Policy

The Trustees aim to hold funds which are sufficient but not excessive in order to fund current operational requirements and future development. The Trustees are mindful of the need to maintain a level of reserves which enables the organisation to respond to circumstances and mitigate risk, including ensuring compliance with the terms of the bank loans.

The Trustees review the reserves policy on a regular basis. The policy was revised in 2019-20 such that the Trust aims to hold a minimum of £2m (cash balances) at all times. The value of cash and investments held at 31 July 2022 was £6.8m (2021: £7.9m).

At the end of the year the Trust's total reserves were £16,041,000 (2021: £14,796,000), including £15,273,000 (2021: £14,003,000) of unrestricted funds, £12,000 (2021: £29,000) of restricted funds and £756,000 (2021: £764,000) of endowment funds. The Trust's total reserves include £27,760,000 (2021: £28,382,000) which could only be realised by disposing of tangible fixed assets.

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The Trustees remain confident that the Trust is able to meet its financial obligations as they fall due, as well as continuing to invest in the fabric of the buildings and the facilities and equipment required to provide an excellent education at the Trust's schools. The Trust holds significant cash reserves and continues to generate an annual surplus after meeting its financial obligations and is forecast to continue to do so. The Trustees are confident, based on the Trust's sound financial position that the Trust can continue as a going concern.

Payment practices

The average number of days taken to make payments to the Trust's suppliers in the year was 32 (2021: 35). The percentages of payments made within the year which were paid: within 30 days was 49% (2021: 41%); between 31 and 60 days was 45% (2021: 51%); and after 61 days or longer was 6% (2021: 8%). The percentage of payments due within the reporting period which were not paid within agreed terms was 12% (2021: 9%).

Gender pay gap reporting

The Trust's gap for mean hourly rates of pay at 5 April 2022 was 13.0% (2021: 13.8%) in favour of male employees. The median hourly pay gap at 5 April 2022 was 11.6% (2021: 14.3%). The pay gap is impacted by the diversity of employed roles within the Trust and is kept under review on an annual basis.

Communication

Effective communication with employees is of vital importance and both Trustees and senior management provide information to, and consult with, staff on matters that affect them, including financial matters.

Environmental matters

Carbon Report - UK Greenhouse gas emissions and energy-use data

	2021/22	2020/21
Energy consumption used to calculate emissions (kWh)	<u>3,775,606</u>	3,252,585
□ Gas	2,516,447	2,309,972
□ Electricity	1,259,159	942,613
Scope 1 emissions in metric tonnes CO ₂ e		
Gas consumption	555.56	508.22
Owned transport – mini-buses	29.63	12.52
Total Scope 1	<u>585.19</u>	<u>520.74</u>
Scope 2 emissions in metric tonnes CO ₂ e		
Purchased electricity	<u>293.56</u>	<u>219.76</u>
Scope 3 emissions in metric tonnes CO ₂ e		
Business travel in employee owned vehicles was insignificant in the year.		
Total gross emissions in metric tonnes CO ₂ e	<u>878.75</u>	<u>740.50</u>
Intensity ratio Tonnes CO ₂ e per pupil	<u>0.61</u>	<u>0.51</u>

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

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

The Trust is committed to minimising the impact that its operations have on the environment and providing a safe environment for its staff and pupils. A pupil eco-group meets to suggest initiatives and the schools are conscious of ensuring the schools take a proactive view on environmental matters.

Subsidiary Company

The Trust has a wholly owned subsidiary company, LGS Enterprises Limited. This company undertakes commercial activities in order to generate funds to gift to Leicester Grammar School Trust.

Strategic Planning

The Trust Development Plan has been extended owing to the pandemic for a fourth year, ending 31 July 2024 and affirms the main aims of the Trust as being:

The Leicester Grammar School Trust seeks to be an inspiring centre for co-educational excellence in academic and personal development, within a Christian ethos.

The schools select pupils for entry in accordance with published admission procedures.

The Trust remains committed to maintaining its position as a leading provider amongst coeducational day schools.

Future Planning

At a strategy away-day in March 2020, a 2030 Vision was shared and agreed by Trustees.

Each of our schools will have:

- Excellent academic outcomes and co-curricular opportunities.
- Innovative teaching and learning supported by a digital strategy.
- A forward-looking and stimulating curriculum.
- An environmental focus with outstanding facilities.
- An international/ global outlook.

Each of our schools will be:

- Financially secure and adequately flexible to invest in developing our pupils and staff.
- A community with clear ethos and values.
- A community where well-being is promoted.
- A community which prioritises public benefit and outreach.

The Trust’s mission statement and the aims of Leicester Grammar and Leicester Grammar Junior Schools were revised:

The Leicester Grammar School Trust seeks to be an inspiring centre for co-educational excellence in academic and personal development, within a Christian ethos.

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Leicester Grammar School:

In order to fulfil this mission, the school aims to:

- Promote intellectual curiosity and academic excellence.
- Provide a broad, balanced and stimulating curriculum.
- Offer a rich range of co-curricular opportunities which enhance pupils' physical, cultural and personal development.
- Equip pupils with the self-belief, consideration and skills required for a principled and fulfilling life.
- Create a happy and mutually-supportive community of learners and staff, in which each individual is encouraged and enabled to do and be their best.
- Care for the mental and emotional well-being of pupils, and be proactive in the promotion of a healthy lifestyle.
- Welcome pupils of diverse backgrounds and faiths, nurturing their social and spiritual development.
- Foster a generous contribution to charity, community service and society.

Leicester Grammar Junior School:

In order to fulfil this mission, the school aims to:

- Promote intellectual curiosity and a lifelong love of learning.
- Offer an extensive range of experiences which broaden the curriculum and develop the pupil.
- Create a stimulating, happy and supportive community where each pupil is allowed to flourish.
- Care for the mental and emotional well-being, promoting a healthy lifestyle and nurturing self-esteem.
- Enable the moral and spiritual well-being of each pupil to grow and thrive.

Vision: The school communities within the Trust will thrive through:

Inspiring learning (Teaching, learning and attainment)

- Foster increased discussion of teaching and learning, with consistent implementation of best practice
- Encourage resourceful learning which results in best-possible attainment

Stimulating curriculum (Curriculum and co-curriculum)

- Ensure a curriculum which best prepares pupils for a future of challenge and adventure
- Foster healthy co-curricular participation by all members of the school community

Care and community (Pupils' well-being, support and guidance; staff professional development and well-being)

- Ensure best deployment of pastoral resource to address pupils' needs
- Become increasingly recognised as a community which cares deeply for pupils, staff and others

Appeal and outreach (Marketing, admissions, outreach, fundraising and communications)

- Formulate and implement marketing and fundraising plans
- Be an ethically and environmentally responsible member of our local, national and global communities

Environment and provision (Resources and facilities)

- Ensure adequate funding to refurbish and develop facilities according to educational need
- Confirm and fully develop digital strategy

LEICESTER GRAMMAR SCHOOL TRUST
REPORT OF THE BOARD OF TRUSTEES (incorporating the Strategic Report)
FOR THE YEAR ENDED 31 JULY 2022

Trustees' Responsibilities Statement

The Trustees (who are also directors of Leicester Grammar School for the purposes of company law) are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

Approved by the Board of Trustees of Leicester Grammar School Trust on 5 December 2022, including the Strategic Report contained therein, and signed on its behalf by:



Mr S Gasztowicz
Chairman of Trustees

LEICESTER GRAMMAR SCHOOL TRUST
INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 JULY 2022

Opinion

We have audited the financial statements of Leicester Grammar School Trust for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 charitable company's affairs as at 31 July 2022 and of the charitable company'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 charity 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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 Trustees' (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 Trustees' Report have been prepared in accordance with applicable legal requirements.

LEICESTER GRAMMAR SCHOOL TRUST
INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES (continued)
FOR THE YEAR ENDED 31 JULY 2022

Matters on which we are required to report by exception

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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 charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission and the Independent Schools Inspectorate, 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, payroll tax and sales tax.

LEICESTER GRAMMAR SCHOOL TRUST
INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES (continued)
FOR THE YEAR ENDED 31 JULY 2022

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 posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

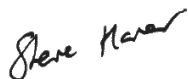
- Obtaining confirmation and corroborating evidence that there have been no regulatory or tax compliance issues;
- Discussions with management and review of relevant minutes of trustees' meetings including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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

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



Steve Harper (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 16 December 2022

LEICESTER GRAMMAR SCHOOL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure account)

FOR THE YEAR ENDED 31 JULY 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
INCOME FROM:						
Charitable Activities						
Tuition fees	2	18,216,383	-	-	18,216,383	17,234,752
Exam registration fees		44,151	-	-	44,151	34,695
Music Fees		19,223	-	-	19,223	4,153
Canteen receipts		611,523	-	-	611,523	444,505
Bus fares		214,071	-	-	214,071	159,295
Sundry income		216,326	-	-	216,326	180,465
Other trading activities						
Investment income	3	3,491	-	1,812	5,303	7,375
Bank and other interest	4	25,160	-	13,813	38,973	21,430
Voluntary income	5	-	29,690	-	29,690	126,133
Total income		19,350,328	29,690	15,625	19,395,643	18,212,803
EXPENDITURE ON:						
Charitable Activities						
Schools operations		18,089,545	46,627	15,994	18,152,166	17,064,282
Total expenditure	6	18,089,545	46,627	15,994	18,152,166	17,064,282
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS		1,260,783	(16,937)	(369)	1,243,477	1,148,521
Gains/(losses) on investments		8,843	-	(7,086)	1,757	60,553
NET MOVEMENT IN FUNDS		1,269,626	(16,937)	(7,455)	1,245,234	1,209,074
Fund balances at 1 August 2021		14,003,161	29,076	763,517	14,795,754	13,586,680
FUND BALANCES at 31 JULY 2022		15,272,787	12,139	756,062	16,040,988	14,795,754

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The accompanying notes form part of these financial statements.

LEICESTER GRAMMAR SCHOOL TRUST

BALANCE SHEET

AT 31 JULY 2022

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Tangible assets	10	27,760,082		28,382,574	
Investments	11	<u>670,247</u>		<u>673,285</u>	
			28,430,329		29,055,859
CURRENT ASSETS					
Stock of consumables		14,745		13,794	
Debtors	12	1,109,866		663,137	
Cash at bank and in hand		<u>6,397,261</u>		<u>7,475,522</u>	
		7,521,872		8,152,453	
CREDITORS: Amounts falling due within one year	13	<u>(3,501,765)</u>		<u>(3,207,276)</u>	
NET CURRENT ASSETS			4,020,107		4,945,177
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>32,450,436</u>		<u>34,001,036</u>
CREDITORS: Amounts falling due after more than one year	14		(16,409,448)		(19,205,282)
NET ASSETS			<u><u>16,040,988</u></u>		<u><u>14,795,754</u></u>

The funds of the charity are represented by:

Endowment funds (restricted)	18	756,062	763,517
Restricted funds	19	12,139	29,076
Unrestricted funds		<u>15,272,787</u>	<u>14,003,161</u>
		<u><u>16,040,988</u></u>	<u><u>14,795,754</u></u>

The accounts were issued and approved by the Board of Trustees on 5 December 2022 and signed on their behalf by:


S. GASZTOWICZ


M. J. HOLLEY

Company Registration No. 01521751

The accompanying notes form part of these financial statements

LEICESTER GRAMMAR SCHOOL TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2022

	Notes	2022		2021	
		£	£	£	£
Net cash inflow from operations					
Net cash provided by operating activities	(i)		2,106,461		2,765,312
Cash flows from investing activities:					
Payments for tangible fixed assets		(557,097)		(352,746)	
Investment income and bank interest received		44,276		28,805	
Purchase of investments		(69,171)		(74,623)	
Proceeds from sale of investments		73,967		69,454	
Net cash used in investing activities			(508,025)		(329,110)
Cash flow from financing activities					
Repayment of long term loan		(2,676,697)		(1,933,335)	
Net cash (used) in financing activities			(2,676,697)		(1,933,335)
Change in cash and cash equivalents in the reporting period			(1,078,261)		502,867
Cash and cash equivalents at the beginning of the period			7,475,522		6,972,655
Cash and cash equivalents at the end of the reporting period	(ii)		6,397,261		7,475,522

(i) RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net movement in funds	1,245,234	1,209,074
Depreciation charges	1,179,589	1,201,473
(Increase)/decrease in stock	(951)	9,864
(Increase)/decrease in debtors	(446,729)	335,453
Increase in creditors	175,351	98,806
Investment income and bank interest received	(44,276)	(28,805)
Losses/(gains) on investments	28,243	(60,553)
(Gains) on investment property	(30,000)	-
Net cash inflow from operating activities	<u>2,106,461</u>	<u>2,765,312</u>

(ii) Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash	6,397,261	7,475,522
Total cash and cash equivalents	<u>6,397,261</u>	<u>7,475,522</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year and in the preceding year are:

a) **Basis of Accounting**

The financial statements have been prepared in accordance with 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 (FRS102) (Charities SORP 2015 (Second Edition, effective 1 January 2019)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Leicester Grammar School Trust meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, trustees are required to make judgement, 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 trustees, no assumptions concerning future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment of their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements, except for the fact that it is no longer considered appropriate to accrue for teachers' holiday pay or to recognise as a prepayment any time teachers have spent in preparing for the following academic year.

c) **Going Concern**

The accounts have been prepared on a going concern basis. The Leicester Grammar School Trust Board reviews the financial information for the charitable company and consider whether the charitable company is a going concern for a period of at least 12 months from the date of approval of the accounts. After making enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

d) **School Fees Receivable and Similar Income**

Fees receivable and other educational income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances and other remissions granted by the school. Fees received in advance of education to be provided in future years under an Advance Fee Payments Scheme contract are included in liabilities until either taken to income in the term when used or refunded.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES (continued)

e) **Ancillary and Non-Ancillary Trading Income**

Ancillary trading income represents amounts from activities to generate funds within the charitable objects for example, school refectory sales, coaches to and from school and school trips. Non-ancillary trading income represents amounts from activities not directly related to the charitable objects, for example lettings of school facilities. Income from these activities is recognised in the SOFA when the goods are sold or services provided.

f) **Voluntary sources, Grants and Donations**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can reliably be quantified and the economic benefit is considered probable.

Voluntary income for general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the school in case of donated services or facilities.

g) **Expenditure**

Expenditure is accrued as soon as there is a contractual obligation or a liability is considered probable, discounted to present value for longer term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates. Bad debts are provided for in accordance with the trust bad debt policy.

The cost of refurbishing and converting existing buildings is written-off in the year in which it is incurred except where the useful life has been extended.

h) **Pension Costs**

The trust participates in the Teachers' Pensions scheme, which is an unfunded government scheme, which provides benefits based on final pensionable pay. The funds of the scheme are separate from the trust, although the trust's share of the schemes cannot be identified as the schemes are multi-employer schemes, and so the pension costs are accounted for as defined contribution schemes. The trust also contributes to other defined contribution pension schemes for non-teaching staff.

i) **Tangible Fixed Assets and Depreciation**

In accordance with Section 35.10 (d) of FRS102, Leicester Grammar School has elected to use the carrying value of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost at the date of transition to FRS102, 1 August 2014.

Tangible fixed assets are stated at cost less depreciation.

Where tangible fixed assets have been acquired with the aid of specific grants they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES (continued)

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset based on current market prices, over its expected useful life, as follows:

Freehold land is not depreciated

Freehold Buildings - 2% to 20% per annum on cost

Computers and equipment - 25% on cost

Fixtures and fittings - 12.5% to 33% on cost

Leicester Grammar School Trust exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

j) Financial Instruments

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

k) Securities investments and Fees in Advance

Securities investments and Fees in Advance are carried at fair value, which is deemed to be market value as at the balance sheet date.

Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate fund according to the 'ownership' of the underlying assets. Realised gains and losses are the difference between sales proceeds and opening market value where the investment was held at the beginning of the year, or sales proceeds less cost of purchase where the investment was acquired in the year. Uninvested cash is the balance of liquid cash, held as an investment, which has not been invested in securities.

l) Stocks

Stock of goods held for resale are valued at the lower of cost and net realisable value.

m) Leasing Commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives or the period of the lease whichever is the shorter. The interest element of the obligations is charged to the SOFA over the period of the lease. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA on a straight line basis over the lease term. Lease incentives are accounted for over the lease term on a straight-line basis.

n) Fund Accounts

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity. Endowment funds are further sub-divided into permanent and expendable, where required by the terms of the trust.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and have not been designated for other purposes.

o) Taxation

Leicester Grammar School Trust is a registered charity and as such is exempt from income tax and corporation tax under the provisions of Section 478 of the Corporation Tax Act 2010. There is a similar exemption for VAT, which is included in expenditure or in the cost of assets as appropriate.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 2 FEES RECEIVABLE (Unrestricted funds)

	2022	2021
	£	£
Fees receivable consists of		
Gross fees	19,048,261	18,056,317
Less: Bursaries and awards	<u>(831,878)</u>	<u>(821,565)</u>
	<u>18,216,383</u>	<u>17,234,752</u>

Total bursaries and awards

Leicester Grammar School Trust makes awards to individual families to support schooling.

	2022	2021
	£	£
From Unrestricted Funds:		
Bursaries	734,803	718,875
Scholarships and awards	<u>97,075</u>	<u>102,690</u>
	<u>831,878</u>	<u>821,565</u>

Note 3 INVESTMENTS - INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2022 £
Securities investment income				
Equities	3,491	-	564	4,055
Fixed Interest	-	-	1,248	1,248
	<u>3,491</u>	<u>-</u>	<u>1,812</u>	<u>5,303</u>

PRIOR YEAR

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2021 £
Securities investment income				
Equities	3,511	-	571	4,082
Fixed Interest	-	-	3,293	3,293
	<u>3,511</u>	<u>-</u>	<u>3,864</u>	<u>7,375</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 4 INVESTMENTS - BANK AND OTHER INTEREST

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2022 £
Bank interest	12,947	-	13,813	26,760
Other interest	12,213	-	-	12,213
	<u>25,160</u>	<u>-</u>	<u>13,813</u>	<u>38,973</u>

PRIOR YEAR	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2021 £
Bank interest	481	-	11,770	12,251
Other interest	9,179	-	-	9,179
	<u>9,660</u>	<u>-</u>	<u>11,770</u>	<u>21,430</u>

Note 5 VOLUNTARY SOURCES - GRANTS AND DONATIONS

	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2022 £
Donations from:				
LGS Enterprises	-	28,990	-	28,990
Small sundry donations	-	700	-	700
	<u>-</u>	<u>29,690</u>	<u>-</u>	<u>29,690</u>

PRIOR YEAR	Unrestricted funds £	Restricted funds £	Endowed funds £	Total 2021 £
Donations from:				
LGS Enterprises	-	-	-	-
Coronavirus Job Retention Scheme grant	109,500	-	-	109,500
Small sundry donations	300	16,333	-	16,633
	<u>109,800</u>	<u>16,333</u>	<u>-</u>	<u>126,133</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 6 ANALYSIS OF EXPENDITURE

a) Total expenditure

	Staff costs (note 7) £	Depreciation (note 10) £	Support Costs £	Total 2022 £
Charitable expenditure				
Teaching	9,207,937	934,026	4,225,675	14,367,638
Welfare	753,448	76,428	345,770	1,175,646
Premises	430,809	43,700	197,705	672,214
School administration and governance	1,236,592	125,435	574,641	1,936,668
Total expenditure	<u>11,628,786</u>	<u>1,179,589</u>	<u>5,343,791</u>	<u>18,152,166</u>

Support costs are allocated on the basis of staff headcount.

b) Governance included in support costs

	2022 £	2021 £
Remuneration paid to auditor for audit services	15,210	14,340
Remuneration paid to auditor for non-audit services	4,140	3,910
	<u>19,350</u>	<u>18,250</u>

Leicester Grammar School Trust reimburses trustees for out of pocket expenses including travel subsistence and accomodation, where a claim is made. In 2022 no expenses were reimbursed to the trustees (2021: no trustees were reimbursed expenses).

PRIOR YEAR

	Staff costs £	Depreciation £	Support Costs £	Total 2021 £
Charitable expenditure				
Teaching	8,597,430	951,354	3,963,103	13,511,887
Welfare	703,493	77,845	324,285	1,105,623
Premises	402,245	44,511	185,420	632,176
School administration and governance	1,154,603	127,763	532,230	1,814,596
Total expenditure	<u>10,857,771</u>	<u>1,201,473</u>	<u>5,005,038</u>	<u>17,064,282</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 7 STAFF COSTS

	2022	2021
	£	£
The aggregate payroll costs for the year were:		
Wages and salaries	9,085,225	8,455,248
Social security costs	905,784	822,956
Pension costs	1,637,777	1,579,567
	<u>11,628,786</u>	<u>10,857,771</u>

None of the trustees received remuneration, reimbursement of expenses or other benefits from Leicester Grammar School Trust or from any connected body.

	2022	2021
	£	£
Total amount of employee benefits (including employer pension contributions) of key management personnel	<u>951,365</u>	<u>927,313</u>

The number of higher paid employees whose annual emoluments were £60,000 or more was:

	2022	2021
	No	No
£60,001 - £70,000	4	3
£70,001 - £80,000	2	2
£130,001 - £140,000	1	1
£160,001 - £170,000	1	1

The average number of employees during the year were:

	2022	2021
	No	No
Teaching	158	156
Office and non-teaching staff	111	108
	<u>269</u>	<u>264</u>

Note 8 TRUSTEES

None of the trustees (or any persons connected with them) received any remuneration during the year.

There were no other related party transactions during the year.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 9 TAXATION

The Trust is a registered charity and therefore no liability to taxation arises on its charitable activities.

Note 10 TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Furniture and Fittings £	Computers and Equipment £	Total £
Cost				
At 1 August 2021	36,540,438	1,428,825	1,811,895	39,781,158
Additions	249,743	307,354	-	557,097
Disposals	-	-	-	-
At 31 July 2022	<u>36,790,181</u>	<u>1,736,179</u>	<u>1,811,895</u>	<u>40,338,255</u>
Depreciation				
At 1 August 2021	8,855,087	1,184,498	1,358,999	11,398,584
Charge for the year	856,815	318,234	4,540	1,179,589
Disposals	-	-	-	-
At 31 July 2022	<u>9,711,902</u>	<u>1,502,732</u>	<u>1,363,539</u>	<u>12,578,173</u>
Net Book Value				
At 31 July 2022	<u>27,078,279</u>	<u>233,447</u>	<u>448,356</u>	<u>27,760,082</u>
At 31 July 2021	<u>27,685,351</u>	<u>244,327</u>	<u>452,896</u>	<u>28,382,574</u>

All assets are used for charitable purposes.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 11 FIXED ASSETS INVESTMENTS

	2022	2021
	£	£
Securities Investments (11a)	390,247	423,285
Investment property (11b)	280,000	250,000
Total investments at 31 July 2022	<u>670,247</u>	<u>673,285</u>

Note 11a Securities Investments

	2022	2021
	£	£
At 1 August 2021	423,285	357,562
Additions at cost	69,171	74,623
Disposal proceeds	(73,967)	(69,454)
Realised (loss)/gain	(3,674)	4,498
Unrealised (loss)/gain	(24,569)	56,055
	<u>390,246</u>	<u>423,284</u>
Investment in subsidiaries	1	1
Securities investments at 31 July 2022	<u>390,247</u>	<u>423,285</u>

Investments comprise:

Listed investments

Fixed interest	59,112	56,443
Equities - UK	60,384	95,965
Equities - overseas	234,677	238,945
Property	7,974	10,069
Other Investments	9,220	10,159
Cash	18,879	11,703
	<u>390,246</u>	<u>423,284</u>
Investment in subsidiary	1	1
Securities investments at 31 July 2022	<u>390,247</u>	<u>423,285</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 11a FIXED ASSET INVESTMENTS (continued)

Leicester Grammar School Trust owns 100% of the ordinary share capital of LGS Enterprises Limited a company registered in England and Wales. The principal activities of LGS Enterprises Limited are the hiring out of the School facilities and the running of the café. It is intended that profits made by the company will be donated to the Trust unless required for the furtherance of LGS Enterprise Limited's own trading activities.

For the year ended 31 July 2022 LGS Enterprises Limited made a gift-aid donation of £28,990 (2021: £Nil) and had capital and reserves of £31,674 (2021: £15,134).

The Trustees provided an initial working capital loan to LGS Enterprises Limited to cover essential set-up costs and have advanced a further loan to finance the construction of the new café. Loans are secured on the assets of that company. The Trustees have reviewed the financial forecast of the company for further years and are satisfied that it is a going concern and that it is expected to generate a profit before donations during 2022/23 and thereafter.

Consolidated accounts have not been prepared on the grounds of materiality.

Note 11b INVESTMENT PROPERTY

	2022	2021
	£	£
Valuation at 1 August 2021	280,000	250,000
Valuation at 31 July 2022	<u><u>280,000</u></u>	<u><u>250,000</u></u>

Investment properties consist of the Lodge/Gatehouse property at LGS Stoneygate held for investment purposes and which are not used in the Trust's own activities, primarily a residential house which is let out on the open market. Leicester Grammar School Trust is responsible for improvements and maintenance of the properties.

A formal valuation of the property was prepared by Mr Richard Chesterton of Newton Fallowell as 22 February 2022. The Trustees have assessed and agreed the valuation of the property in 2022.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 12 DEBTORS

	2022	2021
	£	£
Trade debtors	348,801	157,992
Amounts owed by subsidiary company	258,263	203,549
Prepayments and accrued income	502,802	301,596
	<u>1,109,866</u>	<u>663,137</u>

Note 13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loan	1,867,410	1,743,925
Trade creditors	903,287	635,047
Deposits	73,058	31,800
Taxation and social security	241,785	207,698
Accruals and deferred income	324,394	435,958
	<u>3,409,934</u>	<u>3,054,428</u>
Advance fees (see note 15)	91,831	152,848
	<u>3,501,765</u>	<u>3,207,276</u>

The bank loan is secured by a debenture over the assets of the charity.

Note 14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loan	16,008,648	18,808,830
Deposits	400,800	393,600
Advance fees	-	2,852
	<u>16,409,448</u>	<u>19,205,282</u>

Loan maturity analysis

Repayable within	1-2 years	1,867,410	1,743,925
	2-5 years	7,571,592	8,072,461
	Over 5 years	6,569,646	8,992,444
		<u>16,008,648</u>	<u>18,808,830</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

**Note 14 CREDITORS: AMOUNTS FALLING DUE
AFTER MORE THAN ONE YEAR (continued)**

The Trust has three bank loans secured by a debenture over the assets of the charity. The original loan is repayable in equal quarterly instalments. Interest is payable at 7.77% until January 2025 and thereafter at a SONIA rate plus 2.55%.

The second loan is repayable in monthly instalments. Interest is payable at bank base rate plus 2.95%.

The third loan was taken out under the Coronavirus Business Interruption Loan scheme (CBILs) in 2019-20. Interest is payable at bank base rate plus 2.34%.

Note 15 ADVANCE FEE PAYMENTS

Parents may enter into an agreement to pay the school the equivalent of up to seven years tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the school, advance fees will

	2022	2021
	£	£
Within 1 year	91,831	152,848
	<u>91,831</u>	<u>152,848</u>

The balance represents the accrued liability under the contracts. The movements during the year were:

	£	£
Balance at 1 August 2021	152,848	76,219
Fees received in advance	91,831	153,258
Amounts utilised in payment of fees	(152,848)	(76,629)
Balance at 31 July 2022	<u>91,831</u>	<u>152,848</u>

Note 16 SHARE CAPITAL

The company is limited by guarantee and does not have any share capital. The liability of the members of the Trust is limited to £1 each.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 17 FINANCIAL COMMITMENTS

At 31 July 2022 the charity had total commitments under non-cancellable operating leases for plant and equipment as follows:

	2022	2021
	£	£
Operating lease expenditure falling due within:		
One year	91,193	62,658
One to two years	31,062	46,893
Two to five years	40,112	63,655
	<u>162,367</u>	<u>173,206</u>

Note 18 ENDOWMENT FUNDS

	Balance	Movement in Resources			Balance
		Income	Expenditure	Investment	
	1 August			(loss)	31 July
	2021				2022
	£	£	£	£	£
Bursary Funds:					
Edward Smith Fund	28,554	351	(351)	(1,995)	26,559
Mrs M E Smith Fund	11,428	1,405	(1,405)	-	11,428
Parent donations	4,574	91	(91)	-	4,574
Bishop Mort fund	10,000	200	(200)	-	10,000
The Hon Lady A Brooks	43,862	586	(586)	(2,640)	41,222
Edith Murphy Foundation	10,000	200	(200)	-	10,000
John Higginbothan Fund	18,000	360	(360)	-	18,000
Telereal Trillium Fund	600,000	12,000	(12,000)	-	600,000
Margaret Float Travel Fund	35,089	432	(432)	(2,451)	32,638
Margaret Float Travel Cash	2,010	-	(369)	-	1,641
	<u>763,517</u>	<u>15,625</u>	<u>(15,994)</u>	<u>(7,086)</u>	<u>756,062</u>

Bursary funds are established to provide means tested bursaries to enable pupils to attend the school who would not otherwise be able to.

Incoming resources during the year were cash receipts from donors and interest/investment income received. Gains during the year were due to the increasing value of investments.

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 18 ENDOWMENT FUNDS - PRIOR YEAR

	Balance 1 August 2020 £	Movement in Resources			Balance 31 July 2021 £
		Income £	Expenditure £	Investment gains £	
Bursary Funds:					
Edward Smith Fund	24,309	354	(354)	4,245	28,554
Mrs M E Smith Fund	11,428	1,406	(1,406)	-	11,428
Parent donations	4,574	91	(91)	-	4,574
Bishop Mort fund	10,000	200	(200)	-	10,000
The Hon Lady A Brooks	38,242	589	(589)	5,620	43,862
Edith Murphy Foundation	10,000	200	(200)	-	10,000
John Higginbotham Fund	18,000	360	(360)	-	18,000
Telereal Trillium Fund	600,000	12,000	(12,000)	-	600,000
Margaret Float Travel Fund	29,872	434	(434)	5,217	35,089
Margaret Float Travel Cash	2,010	-	-	-	2,010
	<u>748,435</u>	<u>15,634</u>	<u>(15,634)</u>	<u>15,082</u>	<u>763,517</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 19 RESTRICTED FUNDS

	At 1 August '21 £	Income £	Expenditure £	Transfers £	At 31 July '22 £
Vestments	61	-	-	-	61
Chapel Fund	205	-	-	-	205
Neville Hall Travel Fund	4,094	-	-	-	4,094
Other small prize fund	7,279	-	-	-	7,279
Shelter Fund	4,000	-	(4,000)	-	-
COVID19 donations	3,599	-	(3,599)	-	-
Organ Fund	9,588	-	(9,588)	-	-
Singing Prize	250	250	-	-	500
LOTTA (Table Tennis)	-	450	(450)	-	-
General Bursaries Fund	-	28,990	(28,990)	-	-
	<u>29,076</u>	<u>29,690</u>	<u>(46,627)</u>	<u>-</u>	<u>12,139</u>

During the year the above restricted donations were received and have been allocated to specific funds in accordance with the donors' intentions.

Where funds have been spent on capital items in the current and previous years, these have been released to unrestricted funds as there are no ongoing restrictions as to the use of these funds.

Other small prize funds comprise 22 individual funds, which are established to provide a school prize, annually, out of income.

RESTRICTED FUNDS - PRIOR YEAR

	At 1 August '20 £	Income £	Expenditure £	Transfers £	At 31 July '21 £
Vestments	61	-	-	-	61
Chapel Fund	205	-	-	-	205
Neville Hall Travel Fund	4,094	-	-	-	4,094
Other small prize fund	7,279	-	-	-	7,279
Shelter Fund	4,000	-	-	-	4,000
Dowlings Fund	-	-	-	-	-
COVID19 donations	7,501	83	(3,985)	-	3,599
Organ Fund	-	15,500	(5,912)	-	9,588
Singing Prize	-	250	-	-	250
SPA Challenge Week	-	500	(500)	-	-
General Bursaries Fund	-	-	-	-	-
	<u>23,140</u>	<u>16,333</u>	<u>(10,397)</u>	<u>-</u>	<u>29,076</u>

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed assets	Investments	Other Net liabilities	Total 2022
	£	£	£	£
Endowment funds	-	100,419	655,643	756,062
Restricted funds	-	-	12,139	12,139
Unrestricted funds	27,760,082	569,828	(13,057,123)	15,272,787
Total funds	<u>27,760,082</u>	<u>670,247</u>	<u>(12,389,341)</u>	<u>16,040,988</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Tangible Fixed assets	Investments	Other Net liabilities	Total 2021
	£	£	£	£
Endowment funds	-	107,505	656,012	763,517
Restricted funds	-	-	29,076	29,076
Unrestricted funds	28,382,574	565,780	(14,945,193)	14,003,161
Total funds	<u>28,382,574</u>	<u>673,285</u>	<u>(14,260,105)</u>	<u>14,795,754</u>

Note 21 NET DEBT RECONCILIATION

	At 1 August 2021	Cashflows	Other non- cash changes	At 31 July 2022
	£	£	£	£
Cash at bank and in hand	7,475,522	(1,078,261)	-	6,397,261
Bank loans falling due < 1 year	1,743,925	-	123,485	1,867,410
Bank loans falling due < 5 years	9,816,386	-	(377,384)	9,439,002
Bank loans falling due > 5 years	8,992,444	-	(2,422,798)	6,569,646

LEICESTER GRAMMAR SCHOOL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2022

Note 22 PENSION COMMITMENTS

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 £1,521,342 (2021 restated: £1,478,741.) and at the year-end £126,050 (2021 restated: £123,403) 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. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is 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.