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**BOSTON GRAMMAR SCHOOL**  
**(A Company Limited by Guarantee)**

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Boston Grammar School  
(A Company Limited by Guarantee)

Annual report and Financial Statements

Year ended 31 August 2017

**Company Registration Number:**  
**8314056 (England and Wales)**

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Doddington Road  
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**DUNCAN  
& TOPLIS**  
CHARTERED ACCOUNTANTS  
AND BUSINESS ADVISERS

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**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Members</b>	Mr C Campion Mr D P Bosworth Mr D Scoot (from 19/09/17) Mr J Tryner (from 19/09/17) Mr P Sharman (from 19/09/17)
<b>Governors and Trustees (Directors)</b>	Mr D P Bosworth (Chair) Mr J Tryner (resigned 31/08/17) Dr K Jacobs (from 25/04/17) Mrs S Dickens (Vice Chair) Mrs D Sherwin Mr W Moody Mr M Todd (resigned 28/12/16) Reverend Steve Holt Mrs P Hunt (resigned 04/01/17) Mrs D Robinson Mr D Hudson (resigned 19/09/17) Mrs H Adams (appointed 25/04/17)
<b>Governors</b>	Mr J P McHenry (ex officio) Miss C Abrams Mrs C Ellis
<b>Secretary</b>	Mr S Cartwright
<b>Senior Management Team</b>	Mr J P McHenry, Principal Mr P File, Deputy Head Ms A Cook, Assistant Head Mrs J Cooper, Acting Assistant Head
<b>Principal</b>	Mr J P McHenry
<b>Registered Office</b>	Boston Grammar School South End Boston PE21 6JY
<b>Company Registration Number</b>	08314056

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**Independent Auditors**                      Duncan & Toplis Limited  
4 Henley Way  
Doddington Road  
Lincoln  
LN6 3QR

**Bankers**    Lloyds plc  
51 Market Place  
Boston  
PE21 6NQ

**Solicitors**    Stone King  
16 St John's Lane  
London  
EC1M 4BS

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**TRUSTEES' REPORT**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1<sup>st</sup> September 2016 to 31<sup>st</sup> August 2017. The annual report serves the purpose of both a Trustee's Report and a Directors' Report under company law.

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in Boston. It has a pupil capacity of 700 and had a roll of 613 in the school census on 18<sup>th</sup> May 2017.

**Structure, Governance and Management**

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Boston Grammar School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Boston Grammar School.

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

Members' Liability

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

Trustees' Indemnities

A full trustees' indemnity insurance is taken out with Zurich Municipal, covering Trustees' Liability to a maximum value of £5,000,000.

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed under the rules contained within the memorandum and articles of association. The membership of the main board of trustees is in accordance with the structure contained therein. Trustees undertake a skills audit to determine a breadth of skills beneficial to the body as a whole.

Election processes vary by trustee category:

- Up to six trustees may be appointed by the members.
- Up to two foundation trustees may be appointed by the Boston Grammar School charitable foundation.
- Up to three staff trustees shall be elected by staff members at the academy. A staff trustee must be a staff member at the time when he / she is elected.

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- A minimum of two and a maximum of six parent trustees shall be elected by parents of registered pupils at the academy. A parent trustee must be a parent of a pupil at the academy at the time when he is elected.
- The trustees may appoint up to three co-opted trustees. A co-opted trustee means a person who is appointed to be a trustee by being co-opted by serving trustees who were not themselves so appointed.
- The principal is an ex officio trustee.

Policies and Procedures Adopted for the Induction and Training of Trustees

When new trustees join the academy, they are given access to external trustee training by the Clerk to trustees. Within the academy, serving trustees can access policies and procedures through remote access to the trustee drive of the academy servers. All trustees are provided with documents that they will need to discharge their decision-making functions as trustees. Where trustees have a particular professional skill, the academy seeks to utilise and support that skill within a relevant committee.

Organisational Structure

The structure of the academy consists of two senior levels: the Board of Directors (Board of Trustees) and the Senior Leadership Team (which includes the Principal, Deputy Head and Assistant Heads).

The Board of Directors is responsible for setting the academy's policies, adopting an annual improvement plan and budget, monitoring performance against these plans and making major decisions about the direction of the academy, capital expenditure, and senior staff appointments.

The Board organises itself into the following committees:

- Full Board of Trustees
- Finance & General Purposes Committee
- Audit Committee
- Achievement & Standards Committee

Groups of trustees may be formally organised outside of the above structure to support the academy as required, to consider:

- Principal and SLT recruitment
- Personnel and Salaries
- Pupil Discipline
- Staff Discipline
- Complaints

Arrangements for setting pay and remuneration of key management personnel

Our Pay and Staffing Policy outlines details for setting the pay and remuneration of the academy's key management personnel using our Performance Management scheme (Appraisal system). We follow the School Teachers' Pay and Conditions and salaries are reviewed each year. Trustees/directors do not receive pay but are entitled to claim Expenses.

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Risk Management

The trustees have assessed the major risks to which the academy is exposed in accordance with the Risk Register produced by the Principal, in particular those relating to strategic, operational, health and safety, reputational and financial aspects of the operation of the academy. The trustees have implemented systems to mitigate the risks that the academy faces, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and effective internal financial controls.

Related Parties and other Connected Charities and organisations

Boston Grammar School is connected to the following charities:

- o Boston Grammar School Charitable Foundation (Charity number 527292)
- o Boston Grammar School Appeal Trust (Charity number 519658)
- o Boston Schools Umbrella Trust

The trustees, through the clerk to trustees, maintain a register of business interests which discloses and explains the nature and amount of any contracts entered into with related parties.

**Objectives and Activities**

Objects and Aims

The object of Boston Grammar School is set out in the Company's Articles of Association:

*4 a)...to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.*

Boston Grammar School offers a free grammar school education (11-18) to those for whom it is deemed to be appropriate by means of selection testing, providing students with the means to succeed academically and develop personally and socially.

Objectives, Strategies and Activities

The main objectives on the Development Plan for 2016-17 were as follows:

1. Standards
  - o to ensure the maintenance of high standards significantly above national average benchmarking at KS4; to improve the percentage of A\*/A outcomes at GCSE; to achieve a positive overall Progress 8 score
  - o to ensure that all AS courses are graded and lead to available A level courses; to continue to improve the average points score per entry at KS5; to drive up the average total points score per candidate at KS5

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2. Learning and Progress

- To stretch and challenge all students, including those in the Sixth Form, so that they make the most of their potential
- to ensure that all students make demonstrable progress in their learning, showing positive value-added, at all key stages; to raise the quality of teaching so that at least 90% of observed lessons are judged 'Good' or better; to ensure that assessment data informs all planning and teaching
- to strive for 100% of observed lessons to be at least good and 20% to be outstanding

3. Student Wellbeing

- to ensure that students enjoy school and value achievement; to ensure that students continue to feel safe; to ensure that good student behaviour continues to be rewarded; to ensure that students adopt healthy lifestyles.
- to ensure that students develop workplace skills and financial capability; to ensure that all students in transition phases receive quality support and guidance; to enhance the moral, spiritual and cultural learning opportunities within the school.
- to further develop local, national and international partnerships and opportunities for pupils in all key stages.

4. Curriculum

- to ensure that the curriculum model and programmes of study are revised, and teaching methodologies reviewed.
- to seek collaboration aimed at expanding the post-16 offer to students in Boston.
- to ensure that new GCSE and A level courses are ready for first delivery.

5. Staff Development

- to ensure that all teaching staff have access to in-house coaching and continuous professional development; to ensure that Subject Leaders are fully equipped to drive school improvement.

6. Finance

- To ensure the financial sustainability of the Academy; to seek economies of scale through local collaborations.
- To continue to improve recruitment into both Y7 and Y12.

Delivery strategies and impact monitoring are recorded on the School Development Plan 2016-17.

Public Benefit

The academy provides educational services to children in the local area. The trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.



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**STRATEGIC REPORT**

**Achievements and Performance**

A Level: Boston Grammar School's students have achieved particularly impressive results in Mathematics, Further Mathematics, Economics, French, History, Physics, RS and Spanish. Further Mathematics results were once again excellent with 83% of grades being at A\*-B standard.

There were numerous outstanding performances, including one student who achieved two A\* grades and three A grades, who will be attending Cambridge University to study Mathematics. Almost all A-level students were accepted at their preferred university of choice.

Boston Grammar School's AS results were its best ever with over 60% of grades being at A / B standard. Eight out of nine students studying Further Mathematics as well as Mathematics gained A grades in both subjects. These results are impressive, especially at a time when there has been so much change and high grades are more difficult to achieve.

GCSE: 95% of students gained five or more grades at A\*-C (or equivalent) including English and Mathematics. 63% of students achieved the English Baccalaureate, the government's 'gold standard' measure of academic performance. Over 90% of students have achieved the higher standard in Maths.

On October 13<sup>th</sup> 2016 Her Majesty's Inspector of Schools, Sally Smith, visited Boston Grammar School, on behalf of Ofsted. This monitoring visit resulted in the judgement that "Senior leaders and governors are taking effective action to tackle the areas requiring improvement" which were identified after Ofsted's inspection in February 2016.

A rigorous and detailed plan has been in place since February 2016 which has been carefully enacted over the last eighteen months. This is described in the HMI's letter as "a coherent and appropriate school improvement plan". The school has worked in collaboration with other schools through the Lincolnshire Teaching Schools Alliance and has embraced the opportunities and advantages which such partnerships offer.

Leadership has been strengthened at all levels and there is a constant focus on improving the quality of teaching and learning so that it is consistently good or outstanding. It is very pleasing that the report recognises that there is "a vision of excellence" and that "pupils and staff are in no doubt about (the school's) higher expectations". Ambitious targets and a determination to 'stretch and challenge' pupils have driven much of the improvement. "Leaders at all levels have taken effective action to raise the expectations of the most able pupils and to ensure that teachers plan to meet their needs", as stated in the HMI's letter. Throughout the HMI's letter there is a constant theme of raised aspirations and expectations, which reflects the school's drive for a 'culture of excellence'. "Leaders have raised standards and expectations in the Sixth Form" and "The governing body is aspirational for pupils".

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Key Performance Indicators

The board of trustees seeks to deliver effective value for money in its delivery of education at Boston Grammar School. In order to do so it has, in the past, looked at the Consistent Financial Benchmarking information for schools. The trustees will now review statistics from the Department of Education's academies benchmarking site.

BGS' figures have been compared with statistical neighbours, in terms of number of pupils, school type (Academy converter), % eligible for FSM and Sixth Form.

(£ per Pupil)	BGS 1415	Statistical Neighbours	BGS 1516	Statistical Neighbours
Teaching Staff (inc.supply)	3,291	3,069	3,250	3,197
Educational Support Staff	201	316	240	351
Total Expenditure	5,605	5,630	5,680	5,373

Pupil numbers have increased each year between 2014 and 2017, raising from 523 to 673 in 2017/18.

Going Concern

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

**Financial Review**

Having entered into a Funding Agreement with the Secretary of State on conversion to academy status, most of the academy's income is derived from the Education and Skills Funding Agency in the form of grants, the use of which is restricted to particular purposes in pursuance of the Academy's objects. The grants received from the ESFA during the year ended 31 August 2017 and the associated expenditure are shown as restricted funds in the statements of financial activity.

A three-year medium-term forecast has been produced and is regularly reviewed.

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Reserves Policy

The academy's reserves are its funds after excluding restricted funds, for spending at trustees' discretion once it has met its commitments and covered planned expenditure in pursuance of its objects. It is the academy's aim to keep reserves such that there is substantially more than one month's salary cost available in cash form at any given point. Cash flow forecasting and cash monitoring are undertaken for this purpose.

The trustees will review the reserve levels of the academy regularly, ensuring that there is always sufficient working capital to cover any delays between spending and receipt of grants, and to provide a cushion against unexpected emergencies such as urgent maintenance.

Funds in Deficit

The academy's support staff members are entitled to membership of the Local Government Pension Scheme. The academy's share of the Scheme's assets has been assessed by the Scheme's Actuary (FRS 17 valuation) as at 31 August 2017 to be less than its liabilities in the Scheme, and consequently the academy balance sheet shows a net liability of £747,000.

No such FRS 17 valuation is required for the national Teachers' Pension Scheme.

Investment Policy

Trustees retain balances in interest-yielding current accounts. In the event of a significant surplus, trustees would seek investment advice to find the most appropriate investment opportunity available at the time. However, as the vast majority of the academy's income is restricted funds, those funds are spent on the purposes for which they are intended, and there is no attempt to build up reserves without a clearly identified need.

Financial and Risk Management Objectives and Policies

The trustees of the academy have adopted a comprehensive Risk Register, quantifying the risk appetite for a number of risks and uncertainties, to be reviewed annually. The Risk Register identifies specific preventative actions which should mitigate any potential negative impact on the academy from identified risks. The effectiveness of the academy's internal controls in managing the risks is monitored by the Audit Committee.

**Principal Risks and Uncertainties**

The principal risks facing the academy are:

- o meeting requisite standards of education for students.
- o maintaining high standards in student outcomes and favourable external inspection outcomes.
- o recruiting viable numbers of students through selection.
- o complying with legislative requirements regarding employment law, data protection, discrimination, child protection, Companies House and H M. Revenue and Customs, the Charity Commission and other statutory bodies.

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- o operating within budget and remaining financially viable; fluctuations in education funding; potential for financial fraud and/or insufficient financial controls and systems.
- o operational or reputational risks derived from employee performance or behaviour.
- o Flooding - In December 2013 a tidal surge led to widespread flooding in the town. Many of the school's buildings were affected.

The key controls used by the academy include:

- o detailed terms of reference for all committees.
- o formal written policies.
- o schemes of delegation and formal financial regulations.
- o clear authorisation and approval levels.
- o close monitoring and accountability systems.

**Plans for Future Periods**

Boston Grammar School is planning to exploit the opportunities afforded by the status to utilise governance freedoms to further improve both the estate and the educational provision within the academy.

The next stage of development of the Academy will include:

- o ensuring that the educational vision of academic excellence that underpinned the formation of the Academy is delivered.
- o bringing teaching and learning up to date with enhanced new technologies.
- o recruiting and retaining high quality staff as the staffing profile moves forward.
- o establishing the role of the academy within the community and developing collaborations that benefit students and stakeholders.
- o improving the ageing school estate, pursuing much-needed ESFA capital funding

**Funds Held as Custodian Trustee on Behalf of Others**

The academy has no funds held as Custodian on behalf of others.

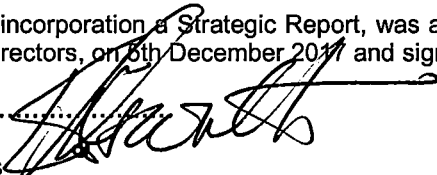
**Auditors**

In so far as the trustees are aware:

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

Trustees' Report, incorporation a Strategic Report, was approved by order of the board of trustees, as the company directors, on 8th December 2011 and signed on its behalf by:

.....  
Mr D P Bosworth  
Chair of Trustees



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**GOVERNANCE STATEMENT**

**Scope of Responsibility**

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

The board of trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Boston Grammar School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met eleven times, though not all trustees have been in post for the whole period. Attendance during the year ended 31 August 2017 at meetings of the full board of trustees was as follows:

Trustee Name	Meetings Attended	Out of a possible
Mr P Bosworth (Chair)	6	6
Mr J Tryner	4	6
Revs. S Holt	2	6
Dr K Jacobs	1	1
Mr W Moody	2	6
Mrs H Adams	0	1
Mrs S Dickens	5	6
Mrs P Hunt	0	3
Miss C Abrams	5	6
Mr J McHenry	6	6
Mrs D Robinson	5	6
Mrs C Ellis	5	5
Mr D Hudson	5	6
Mr M Todd	1	2
Mrs D Sherwin	5	6

Trustees and leaders have been evaluating their performance regularly over the course of the year. The SEF Academy Development Plan have involved reviewing all aspects of the school including its leadership and governance. Trustees meet regularly and hold school leaders to account.

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The leaders' and trustees' vision is clear and ambitious. Leaders and trustees set high expectations of pupils and staff, creating a culture of respect and tolerance. Leaders and trustees are aspirational for all pupils and promote improvement effectively. There is a culture of high expectations. Respect and courtesy are the norm. Conduct at the school is impeccable. Leaders and trustees have an accurate and comprehensive understanding of the quality of education at the school. Teaching is consistently strong across the school and performance management is used effectively to improve teaching. Trustees hold senior leaders stringently to account for all aspects of the school's performance, including the use of pupil premium and SEN funding. Safeguarding is effective. Leaders and managers have created a culture of vigilance where pupils' welfare is actively promoted.

Trustees undertook training through the NGA and with Dr Stephen Hopkins, as well as through online courses. There is a Safeguarding Trustee. Trustees visit school regularly to meet with members of the SLT to discuss various aspects of the school's business. Each member of SLT had a designated trustee with a focus on a particular aspect of the school. Trustees submit regular reports to the board of trustees.

The Principal and other members of SLT attended each meeting of the board of trustees and gave detailed updates on their areas of responsibility. Leaders and trustees constantly monitor and track the progress of groups of pupils. The Principal and Deputy Head (Standards and Achievements) gave regular updates on pupil progress throughout 2016/17.

Leaders' and trustees' self-evaluation is good and becoming more rigorous. The trustees continued their review of governance through the National Governors' Association. This was undertaken by a National Leader of Governance, Dr Stephen Hopkins. The on-going review and resulting plan have strengthened governance further. Governors are members of the NGA and the trustees continue to work with Dr Stephen Hopkins, who acts as a consultant / advisor.

The trustees are effective in discharging their core statutory functions. The trustees will ensure that they engage with parents, carers and other stakeholders more regularly. The trustees will review and improve communication. The trustees have started to gather pupils' and parents' / carers' views more often.

The SLT and trustees will be surveying opinion on a wide range of issues early in the next academic year.

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to monitor and scrutinise income, expenditure and premises issues. The Finance and General Purposes Committee makes decisions which are ratified by the main board of trustees.

<b>Trustee Name</b>	<b>Meetings Attended</b>	<b>Out of a possible</b>
Mr D P Bosworth	5	5
Mrs C Ellis	3	4
Mr J Tryner	4	5
Mr J P McHenry	5	5
Mr D Hudson	4	5