

**Charity Registration No. 1103346**

**Company Registration No. 05084301 (England and Wales)**

**KING'S SCHOOLS TAUNTON LIMITED**  
**DIRECTORS' REPORT**  
**and**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

# KING'S SCHOOLS TAUNTON LIMITED

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# KING'S SCHOOLS TAUNTON LIMITED

## COMPANY INFORMATION YEAR ENDED 31 AUGUST 2021

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<b>Directors</b>	L M Nash BEd FIOD ISM (Chairman and Custos) Dr R A K Mott BA PhD (Vice-Custos) C A Cavaghan-Pack BEd JP C A Cooper M D Featherstone MA PGCE M A Gunn MA (Ed) C H Hirst MA J E R Houghton MA R M U Lambert MA W J Morrison BSc MRICS Bishop W N Stock BA, Dip Theol. M F Trimble BSc ACA FCSI Commodore J R A Woodard BASC (Hons), MSc, PG Cert
<b>Secretary</b>	S C Worthy BA MBA
<b>Charity Number</b>	1103346
<b>Company Number</b>	05084301
<b>Registered Office</b>	20 Holway Avenue Taunton TA1 3AR
<b>Principal Addresses</b>	King's College Taunton South Road Taunton Somerset TA1 3LA  King's Hall School Kingston Road Taunton Somerset TA2 8AA
<b>Key Management Personnel</b>	
<b>Heads</b>	R R Biggs, MA BSc (King's College Taunton) J T S Chippendale, BSc (King's Hall School)
<b>Director of Finance and Operations</b>	S C Worthy BA MBA

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<b>Auditors</b>	RSM UK Audit LLP Hartwell House 55-61 Victoria Street Bristol BS1 6AD
<b>Tax advisers</b>	RSM UK Tax and Accounting Limited St Philips Point Temple Row Birmingham West Midlands B2 5AF
<b>Bankers</b>	National Westminster Bank plc 49 North Street Taunton TA1 1NB
<b>Solicitors</b>	DAS Law Limited North Quay Temple Back Bristol BS1 6FL  Porter Dodson The Quad Blackbrook Park Avenue Taunton TA1 2PX  Veale Wasbrough Vizards Narrow Quay House Narrow Quay Bristol BS1 4QA
<b>Insurance Brokers</b>	Marsh Insurance Brokers Limited 1 Tower Place West Tower Place London EC3R 5BU

# **KING'S SCHOOLS TAUNTON LIMITED**

## **DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2021**

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The Directors present their report and financial statements for the year ended 31 August 2021 and confirm they comply with the requirements of the Charities Act 2011, the Charities SORP 2019 and the Companies Act 2006.

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

The Company was incorporated on 25 March 2004 and commenced operations on 1 September 2004 when the business, assets and liabilities relating to King's Hall School and King's College Taunton were transferred from Woodard Schools (Western Division) Limited. On 15 July 2012 the Company changed its name from Woodard Schools Taunton Limited to King's Schools Taunton Limited. The Company is a limited liability company incorporated in the United Kingdom and a wholly owned subsidiary of The Woodard Corporation, which is also a registered charity (number 1096270). The Directors of the Company are also Fellows (members) of the Woodard Corporation and participate in the election of its board of management and are committed to its charitable objects.

As Woodard schools, King's Hall School and King's College Taunton (the Schools) share an educational vision which empowers and adds value to a child's development, within an actively Christian environment. King's Hall School is an independent co-educational preparatory school for day and boarding pupils aged 2 to 13 and incorporates pre-preparatory and nursery departments. King's College Taunton is an independent co-educational senior school for boarding and day pupils aged 13 to 19. The Schools are forward-thinking and dynamic places of learning with dedicated staff, excellent facilities and a warm and open culture.

Note 31 on page 53 provides details of a connected charity, namely the parent charity, the Woodard Corporation.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing Document**

The Company is governed by Articles of Association as adopted by Special Resolution dated 20 March 2013, replacing those dated 18 March 2004 amended by Special Resolution(s) dated 25 January 2006, 28 April 2009 and 23 June 2009. They permit funds to be managed in such a manner as the Directors see fit, provided that such powers are only exercised for the purposes of attaining the objects, and in a manner which is legally charitable. The Articles of Association forbid the distribution of any property or funds, which are to be applied solely towards the promotion of the objects of the Company.

#### **School Council (Governing Body)**

The Council Members are the Directors and charitable trustees of the Company and comprise the Council of King's Hall School and King's College Taunton. The Directors are also Governors for the purpose of Charity law. They are elected to hold office for five years. Any retiring Director may be re-appointed. The Directors determine the policy and strategy of the Company. It is the collective responsibility of the School Council to ensure that the Schools are fit for purpose and to determine and support its strategic direction in order to enable it to attain their stated objectives. The day-to-day management of the Schools is delegated to the Headmasters and Director of Finance and Operations (who operates across both schools), supported by the Senior Management Teams in each School. The chairman of the Council is known as the Custos.

#### **Recruitment and Training of Council Members**

All Council Members are Corporate Fellows of the Woodard Corporation. Corporate Fellows are responsible for electing the Woodard Corporation Board. Council Members are recruited on the basis of nominations from school contacts and from selection when a post becomes available.

The Council looks to ensure a mix of skills and selects new Council Members on the basis of background, competence, specialist skills and Christian commitment. Specific attention is paid to the succession planning of Council Members, both with a view to their skill sets and in relation to the chairmanship of the Council and its sub-committees.

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Council Members are provided with induction training by the Headmasters, Director of Finance and Operations and their staff and a wider programme of training events is organised by the Woodard Corporation and other organisations. Council Members are also encouraged to attend events run by the Association of Governing Bodies of Independent Schools (AGBIS).

### **Organisational Management**

The Schools are governed by the Council which delegates work to a number of committees. Membership of each committee is outlined on page 22. The Directors determine the general policy of the Company. The day-to-day management of the Company is delegated to the Headmasters and the Director of Finance and Operations, overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day-to-day administration is undertaken within the policies and procedures approved by Council which provide for only significant expenditure decisions and major capital projects to be referred to Council for prior approval.

The Headmasters oversee the recruitment of all educational staff, whilst the Director of Finance and Operations oversees the recruitment of operational staff. The Headmasters and Director of Finance and Operations are invited to attend Council meetings.

The full Council met for a full meeting three times during the year. Due to the Covid-19 pandemic these meetings were held virtually. They attended one Education Day at King's Hall School. The King's College day was cancelled due to the Covid-19 pandemic.

*Education and Pastoral Committee* – the Education and Pastoral Committee is responsible for oversight of the academic performance of the Schools and educational and pastoral policy, making recommendations to Council for approval. The Education and Pastoral Committee met three times during the year, all were held virtually.

*Finance and Estates Committee* – the Finance and Estates Committee has a remit to consider budgets, both revenue and capital, cash flow information, financial reports, including the financial statements, financial policies and relevant financial regulations. It does this through consideration of audit management letters and other reports relating to governance and control of the Schools. It also oversees the Schools' estates strategies, including capital developments and maintenance of the buildings. It makes recommendations to Council for approval. The Finance and Estates Committee met four times during the year, all were held virtually.

*Remuneration Committee* – the Remuneration Committee reviews the performance and remuneration of the Executive. It makes recommendations to Council for approval. The Remuneration Committee met virtually once during the year.

*Appointments Committee* – the Appointments Committee is responsible for managing the recruitment of new Council Members to Council. It ensures an orderly succession policy is in place and that the Council has an appropriate mix of skills and experience. It makes recommendations to Council for approval. The Appointments Committee met twice during the year, both were held virtually.

*Compliance Group* - Compliance Group is charged with overseeing the compliance of both King's College and King's Hall School with all relevant legislation and regulatory requirements. It makes recommendations to Council for approval. The Compliance Group met virtually once during the year.

### **Group Structure and Relationships**

The Company has two wholly owned non-charitable subsidiaries, WST Enterprises Limited and King's College Schools International Limited.

The Schools have developed links with a variety of organisations by means of which they enjoy access to information on best practice which enables them to offer the widest possible access to the facilities and educational opportunities which they provide. Council Members and staff ensure that they are able to attain the highest standards of quality and performance through membership of professional associations including the Independent Schools Council, the Headmasters' and Headmistresses'

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Conference, the Independent Association of Preparatory Schools, the Independent Schools' Bursars Association, the Association of Governing Bodies of Independent Schools, the Boarding Schools' Association, the Taunton Chamber of Commerce and the Somerset Chamber of Commerce, as well as through involvement in the work of the Independent Schools' Inspectorate, various examining bodies, through networking with peer groups and by many other means.

All the pupils in the two Schools are encouraged to develop an awareness of the social context of the all-round education they receive at the Schools and they are engaged in a number of activities to enhance their understanding and to enrich their experience. There is a thriving association of former pupils of King's College, the Old Aluredian Club, which supports the work of that School. Beyond King's was introduced last year; this is an online initiative, which combines a directory of alumni, pupils, parents and Friends of King's, who are able to connect, support and mentor each other, whilst at school and beyond. Two further organisations, The Friends of King's College and The Friends of King's Hall School, membership of which is open to past and present parents of pupils at the Schools, neighbours and others, also supports the work of the Schools. King's Schools Taunton Limited is a substantial employer in the Taunton area and has responsibility for the care and upkeep of several listed properties and important parts of the local environment.

King's Schools Taunton Limited also cooperates with many local schools and charities in its on-going endeavours to widen public access to the schooling it provides, to optimise the educational use of its cultural and sporting facilities and to awaken in its pupils, in the public interest, an awareness of the social context of the all-round education they receive.

### **How the Board Complies with its Section 172 Duty**

Section 172 (1) of the Companies Act 2006 (Statement of Director's Duties to Stakeholders) requires directors to act in good faith to promote the success of the charity for the benefit of its members, and in doing so have regard (amongst other matters) to:

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

The Directors welcome the new reporting requirement as an opportunity to explain how dialogue with stakeholders has informed and helped to shape decisions in promoting the success of the Schools to achieve their charitable purposes.

As set out on pages 4 and 5 within "Group Structure and Relationships" the Schools have developed links with a wide range of organisations to ensure the widest possible access to our facilities and education. Through membership of HMC, IAPS, AGBIS and ISBA and through networking with peer groups we ensure that we are able to attain the highest standards of quality and performance.

Details of how the Schools have engaged with employees and had regard to employee interests can be found within the Employment Policy and Employee Involvement sections on page 8. Details of volunteer engagement can also be found on page 9.

The Directors can demonstrate the promotion and success of the charity for the benefit of the stakeholders through the review of achievements and performance for the year, included within this Strategic Report. The Schools have continued to benefit from access to high quality academic education as well as pastoral and social support throughout the period of school closure during the summer term. The Schools also play an important role in providing activities for local community groups and access to their facilities.

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The Trustees are responsible for strategic planning and policy-making for the Schools and, accordingly, all key decisions, the current performance and future longer-term plans of the charity and stakeholders are referred to and taken by the Board. The Schools are governed by the governing body (Council) which delegates work to a number of committees. Membership of each committee is outlined on page 22. The Governors, who are also the directors, determine the general policy of the company.

As set out in the Strategic report, our culture, staff, volunteer and pupil welfare and wellbeing, throughout the COVID-19 period has been fundamental to continued success. Further information can be found in our Strategic Report and the detailed review of achievements and performance for the year.

### **CHARITABLE OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

#### **Charitable Objects**

The Company's objects, as set out in the Articles of Association, are to promote and extend education in accordance with the doctrines and principles of the Church of England, through its two schools, King's Hall School and King's College Taunton. The Council has a written statement of its own Aims and Objectives, most recently fully updated in October 2013, which enshrines the Company's objectives in its own context. From this document flows the Company's strategic plan against which the principal activities are monitored regularly.

In setting the objectives and planning the activities of the Schools, the Council gives 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. King's Schools Taunton Limited is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. The fees are set at a level to ensure the financial viability of the Schools and at a level that is consistent with the aim of providing a first class education to all pupils.

The Schools' charitable objectives are 'to promote and extend education', and these objectives are recognised as benefiting the public when pursued in the context of formal education in a body where all surplus funds are re-invested. The Woodard Corporation and all of the schools it owns are charitable bodies, with no external shareholders and no possibility of making distributions, including in the form of dividends. All surpluses are re-invested in education.

#### **Intended impact**

Woodard schools strive for the best all round education of every aspect of each individual; they ensure high standards of religious education and they see themselves as communities working together for the benefit of all concerned, and of the Church and the nation. They are strong Christian foundations which adhere to Catholic belief as found in the Church of England, to Christian worship focused in the Eucharist, and to the care of each individual and the whole school community particularised in the ministry of the Chaplain. A Woodard education values both the spiritual and moral development of each person within the school community giving strength, confidence and respect for others.

#### **Objectives of and Principal Activities for the Year**

The principal objective and activity of the Schools is the delivery of education to pupils ranging from 2 to 19 years of age. The Schools aim to support children in reaching their potential in all areas of their activity at the Schools, and in the wider community. This may be in academic subjects but could just as easily be reflected in success in art, drama, sport, music or dance. We produce 'well rounded' individuals who are able to make a positive contribution to society. All Woodard schools aim to provide a rounded education to help the pupils to make their way in adult life. King's Schools also aim to further extend access to the schools' facilities to the local community.

#### **Public Benefit**

Within the objects, the Schools aim to create an environment to nurture children, to get the best from them and to allow them to develop and fulfil their potential. They provide them with a first class independent education and a wide range of sporting and cultural opportunities. The Schools' public

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## **DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2021**

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benefit aim is that all pupils will be self-confident and instilled with a desire to contribute to the wider community.

In the furtherance of these aims the Directors of King's Schools Taunton Limited as the Company's trustees, have complied with the duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act.

The Schools welcome pupils from all backgrounds. To admit a prospective pupil, the Schools need to be satisfied that they will be able to educate and develop a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy the Schools and parents that potential pupils can cope with the pace of learning and benefit from the education they provide. An individual's gender, ethnicity, race, religion or disability do not form part of the assessment processes.

The Schools are a part of a wider community and are keen that their staff and pupils participate. The Schools also offer a resource to support a range of educational activities for the benefit of local children attending state schools and their teachers. The Council is committed to developing the programme of cooperation and joint working with local maintained sector junior and secondary schools. The activities undertaken and the success of the schools are explained in the 'Review of Achievements and Performance for the Year' section of this report.

Woodard and its schools provide a significant benefit to the public. The schools strive to ensure that measures of public benefit are appropriate, and that significant sections of the public are not excluded from the opportunity to benefit from the education and facilities offered due to the need to pay fees. In addition to significant provision of bursaries and other forms of financial support, the school provides a wide range of opportunities for community benefit and facilities and events are often open to all. Further detail of the public benefit offered is included in the section entitled 'Review of Achievements and Performance for the Year' below.

It is a key requirement of evidencing public benefit that any private benefit to individuals or elements of the charity will be incidental to the charity's objectives. An example of private benefit may be the reimbursement of travelling expenses for trustees attending training courses: any private benefit to individuals or elements of Woodard are incidental to delivery of the charitable objectives.

### **ACCESS POLICY**

It is important to the Schools that access to the education offered is not restricted to those who can afford the fees. The School Council believes that pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences which helps pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

The Schools' Awards policies, including for bursaries, contribute to a widening of access to the education they offer and the facilities its pupils enjoy.

### **Bursary Policy**

The Schools Council views bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees can access the education offered by the Schools. All who meet the Schools general entry requirements are eligible for bursary awards which are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk, for example in the case of redundancy. In assessing means the methodology promulgated by the Independent Schools' Bursars Association is used, which takes a number of factors into consideration including family income, investments and savings and family circumstances for example dependant relatives and the number of siblings. The funds available for bursaries are limited. When considering awards, the Schools have to be mindful that they must ensure a balance between those parents paying full fees, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

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In January 2015 the School Council allocated £1 million of unrestricted funds to a designated Bursary Fund. These funds are invested and the objective is to build this fund significantly through fund raising and accumulating investment income and capital growth. A percentage of the capital sum is contributed to the Schools' bursary programme annually.

The Schools gave significant bursary support to those financially impacted by the Covid-19 pandemic.

The bursary awards range up to 80% remission of fees. Information about fee assistance through bursaries is provided to all applying to the schools. Further details of the bursary policy and how to apply are available on the Schools' websites.

### **Other Policies on Assistance:**

#### ***Family discounts policy***

To underline the value placed on continuity for families, discounts are offered where parents have more than one child at the Schools.

#### ***Promoting high academic standards - scholarship policy***

The purpose of scholarship awards is to recognise high academic potential or the ability to excel in co-curricular activities. Scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to co-curricular activities. Scholarships are awarded with a fixed remission of fees of between 10% and 50%. Where further assistance is required, scholarship awards may be supplemented by a means-tested bursary. The Schools include details of the various awards available in their prospectuses and on their websites.

#### ***Assistance for teaching staff***

As part of its emphasis on attracting and retaining high calibre staff, the Schools offer a discount scheme for those staff members who choose to educate their children at the Schools.

#### ***Further assistance***

Support is also available to children of MOD employees and the Clergy.

### **Grant Making Policy**

The Schools provided scholarships, grants, prizes and other awards totalling £531,709 from unrestricted funds. In common with other independent schools, King's College Taunton and King's Hall School make these awards based on the educational potential of the pupil (subject to the particular conditions imposed by the original donor where the award is out of restricted funds). The Schools also provided means tested bursaries totalling £1,447,600 (8.1% of gross fees) to families who would not otherwise be able to afford the fees or where the pupil's education and future prospects would otherwise be at risk. This included short and longer-term support to those affected by the impact from the Covid-19 pandemic. They provided assistance to 136 pupils. In partnership with Royal SpringBoard, two of these received 110% remission of fees. The availability of all such awards for fee-assistance, together with the terms and conditions for each kind of award, is advertised on the Schools' websites.

### **Employment Policy**

King's Schools Taunton Limited is an equal opportunity organisation and is committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, gender, sexual orientation or disability. The Schools will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

### **Employee Involvement**

The Schools encourage the involvement of its employees in its management through regular meetings of the staff with management and Governors (in particular with the Governor responsible for staff welfare). Management at all levels have responsibility for the dissemination of information of particular concern to employees and for receiving their views on important matters of policy. Employees are required to play an active part in appraisal of their performance and are also requested to comment on what the Schools do well and what could be improved.

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### **Disabled Persons**

The Schools will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure they are given full and fair consideration when such vacancies arise.

There will be a training scheme made available for any employees who become injured or disabled during the course of their employment so they can, where possible, continue in employment with the Schools.

### **Volunteers**

The Schools enjoy the support of a large number of volunteer groups and individuals including, in particular, parents, who help the Schools to raise funds and assist with specific activities and school events. The Council records its deep appreciation for the work of these volunteers; the assistance given would extend to several hundred hours of voluntary service.

### **Investment Policy and Objectives**

The Company's articles of association permit funds to be invested in such manner as the Directors see fit, providing that such powers of investment are only exercised for the purpose of attaining the objects and in a manner that is legally charitable. The Council's policy is to preserve and enhance the capital value of investments and maximise income consistent with maintaining a balanced investment return from income and capital, with moderate risk.

## **STRATEGIC REPORT**

### **Impact of Coronavirus Pandemic**

The Coronavirus pandemic has continued to impact upon King's during the year. Following on from the closure in March 2020, the schools reopened in September 2020 with greatly enhanced health measures in place and additional facilities. Schools were ordered to close again to all except the children of 'Key Workers' in January 2021 (reopening March 2021) and much of the education was again moved online. The impact has been continued levels of uncertainty and risk for the whole education sector. King's Schools Taunton again adapted well to the new situation providing an excellent online educational and support provision during the lockdown period that has been widely appreciated by pupils and parents. In addition, the Finance Office again worked closely with parents regarding charges and supporting those in significant need as a result of the pandemic. The impact on the income for the year to 31<sup>st</sup> August 2021 has again been significant; but this has been mitigated as much as possible including through the use of the furlough scheme.

During the year, the schools made further adaptations to support social distancing including purchasing hundreds of single desks and spacing them apart in classrooms, one way systems where appropriate, staggered meal times, separated assemblies and chapel services, separated day and boarding bubbles, a massively enhanced cleaning regime, hand washing and sanitising stations all around the school, allocated areas in classrooms, screens where appropriate, and a protocol of cleaning desks after each lesson. King's also has strict isolation protocols in case of suspected infections, including isolation rooms in the health centre and also in the boarding houses. Moreover, King's College also provided quarantining for children at the start of the Summer Term and from red list countries prior to the start of the 2021/22 academic year.

All of our pupils returned in September 2021, including boarding and international pupils, and numbers are very strong with record numbers at the College.

### **King's College**

The school was closed to pupils on site due to the Covid-19 pandemic from the beginning of the Lent Term until three weeks from the end of that term. Teaching once again was conducted remotely, largely via Teams. A small number of overseas pupils were already in the air on their way to the

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school when news of the lockdown broke, so they stayed with us throughout the term. Once the lockdown ended, a number of overseas pupils did not re-join the school for the remainder of the term, and were supported by a continuing remote provision as part of the "blended" learning programme – classes were conducted on site, with most pupils physically present, while a few joined via Teams.

Lessons were back to normal at the start of the Summer Term, though a number of Covid restrictions remained in place: staff had to wear masks in public spaces, meals were staggered and continued to make use of the extra space provided by the marquee which was erected the previous year. Day pupils remained in their day rooms and were not allowed into boarding houses. Pupils and staff continued to undergo twice-weekly lateral flow tests and to report the results on NHS and school websites.

The school made the decision that GCSE and A level grades would be largely determined by pupils' performances in assessments which closely resembled normal, formal examinations – held in the sports hall under usual exam conditions over a period of three weeks. Mitigating factors were taken into account when deciding each pupil's grades, bearing in mind that the lockdowns and remote learning experiences had affected different children in different ways.

Boarding houses were kept open throughout all three half term breaks.

### **King's Hall School**

In response to the closure of schools in January we moved seamlessly to provide a live online remote teaching and learning programme to all pupils through three main platforms. Once again, in the Early Years Foundation Stage this was Tapestry, in Years 1 and 2 it was SeeSaw and from Years 3 to 8 it was via MS Teams. This continued until three weeks before the end of the Lent Term.

We provided on-site care for a significantly increased number of Key Worker children throughout the term time closure.

The core remote learning provision had academic lessons delivered as live with creative and sporting opportunities aplenty being offered, encouraged and reviewed. Musical ensembles and choirs combined digitally, Strava clubs were formed and dramatic, artistic and DT construction challenges set.

The overall provision was excellent and very broad across both schools, and very widely regarded by parents as exceeding their hopes and expectations.

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### REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

#### King's College

The School's high educational standards are validated through strong public examination results, our measure of value added and through external inspection. The School offers a broad range of subjects, though the emphasis is on traditional, academically rigorous disciplines. We have particular strength in art, history, mathematics, the sciences, languages and design technology. A new A level, in psychology, was introduced at the start of the year and has proved very popular.

#### *Academic Results*

At both GCSE and A level the academic results for the school were strong this year. For the second year running, grades were generated by the school, based largely on the results of assessments which replicated the usual examinations experience for pupils in the Summer Term. We are confident that the grades are a fair reflection of the ability and hard work of the two cohorts.

At A level, the overall A\* to B rate was 85%. In all, 27 pupils gained three or more A or A\*s. The great majority of students who had offers from universities have been accepted onto their first or second choice courses.

Subjects which performed particularly well this year, on the measure of the percentage of grades A\* to B, include Art, Music, French, Latin, German, Spanish, PE, Philosophy and Russian (all 100%), along with Biology (95%), English (95%), Design Technology (88%) and Physics (85%).

Our BTEC Sport candidates once again performed well, with the majority of grades achieved being at the Distinction or Distinction\* level.

King's leavers have gained places at some of the country's leading universities this year, including Oxford, Durham, St Andrew's, Exeter, Bath, Leeds, Liverpool, Manchester, Sheffield, King's London, UCL, Bristol and the University of the Arts London.

At GCSE, the school's overall percentage of grades A\*, A, 9, 8 and 7 (equivalent to the old A\*s and As) was 64%. Six pupils achieved ten grades of A\*, 9 or 8. A further 19 achieved ten or more grades at A\*, A, 9, 8 or 7.

Individual departments which did particularly well this year, measured by the percentage of grades A\*, A, 9, 8, and 7, included German, Music and Textiles (all 100%), Philosophy and Latin (both 83%), Art (73%), French (72%) and Mathematics (71%).

Four pupils gained silver awards in the Senior Physics Challenge, run by Oxford University. Two pupils won silver in the Chemistry Olympiad, a national competition organised by the Royal Society of Chemistry.

This was another successful year for our debating team. For the second year running, a team of two senior pupils qualified for the Oxford Union Finals Day (among the best five in the South West); and another team of three won the South West final of the ESU Mace competition, which earned them a place in the last 12 nationally at the National Finals' Day in London.

#### *Improving Facilities*

Continued significant progress was made in the refurbishment of educational and pastoral facilities, including the creation of further study spaces within boarding houses. One girls' house was significantly expanded. High quality temporary classrooms have also been installed nearby. These will be taken away once the new Sixth Form Centre is built - the completion date for which is likely to be Autumn 2022.

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### *Equestrian*

The equestrian programme continued to grow in popularity, having moved to larger stables nearer to the school. A new arena was completed early in the academic year.

### *Arts, Music and Drama*

The drama highlight of the year was the production of *Chicago* at the end of the Summer Term. This had been rehearsed, in year-group bubbles, throughout the year, and was widely considered one of the best productions seen at the school in recent times.

We had the usual regular and very varied programme of music performances through the year. The extensive programme of concerts included the regular Friday Live lunchtime series, broadcast across the whole world from the school reception area.

### *Sport and Outdoor Pursuits*

This was one of the most successful sporting years on record.

Our boys' 1<sup>st</sup> XI cricket team won through to the last rounds of the national T20 Cup, losing narrowly to Malvern School in the final at Arundel.

Our girls' 1<sup>st</sup> VI tennis team were unbeaten all season.

In swimming, our boys' team won the annual Meade-King Cup quadrangular gala for the first time in 30 years, with the girls coming second.

One of our riders became national champion in the 80cm arena eventing class at Hickstead in May. The school equestrian team qualified for the Addington show jumping competition later in the year. A large number of pupils gained Bronze and Gold Duke of Edinburgh's Awards, adapting well to the restrictions placed on their expeditions by the pandemic.

### *CCF*

Captain Steve Shaw had been awarded the Cadet Forces Medal in recognition of unbroken long and efficient service of at least 12 years to the Cadet Forces.

### *Remote Teaching*

The school once again provided an outstanding programme of remote learning for all but the final few weeks of the Lent Term, when most pupils were able to return, and continued to provide an excellent "blended" programme to the end of the term, so that pupils not able to return could remain on track. As was the case in the first lockdown the year before, a rich and varied programme of co-curricular activities was sustained throughout.

### *Community*

A large number of our pupils were involved in outreach programmes, which included coaching athletics and football at local primary schools.

The School remains involved in the MCC Hub scheme for cricket, which links local cricket clubs, talented players from state schools and high-level coaches, using the School's indoor cricketing facilities.

The school remains an active member of the local Citizens UK branch, leading this year on a campaign for safer streets in Taunton.

# KING'S SCHOOLS TAUNTON LIMITED

## DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2021

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### *Facilities made open to the public*

For the academic year 2020-21 Covid had a big impact on our external bookings and many events which local music and theatre groups would usually hold in our Chapel and Theatre were unable to go ahead.

There were still some bookings for our outside sports facilities such as the astro-turf hockey pitches, cricket pitches and also the swimming pool, which were used by local clubs and county organisations.

### **King's Hall School**

King's Hall School provides a very high standard of education and this is validated by review of the academic results and other achievements and through external inspection. The School offers a broad curriculum and educates children with a wide range of ability. It has an exceptional Forest School on site utilised by all children which makes full use of the School's stunning rural position and proves very popular with children and staff alike. 'Woodland Adventures' and a variety of courses are run during the school holidays as part of the wrap-around care provision. As well as achieving high academic attainment the School is a strong force on the sporting front, especially in rugby, cricket, hockey, netball, tennis and athletics. The School has impressive musical performers; artists with great talent; self-motivated and able designers; its drama and performing arts programme is full, varied and of a very high standard.

The School aims to support children in reaching their potential in all areas of their activity at the School. This may be in academic subjects but could just as easily be reflected in success in art, drama, sport, music or design technology: Year 8 leavers secured 39 scholarships this year and around 200 awards to senior schools have been gained in these six disciplines over the last six years. The School produces well-rounded individuals who are able to make a positive contribution to society. An effective democratically elected Pupil Council operates successfully from Year 3 upwards with 'Pupil Voice' existing in Pre-Prep. There are constant charitable events taking place, with a significant focus this year being towards funds for Comic Relief, Hospice South West, Open Door and Young Somerset.

### *Academic Performance*

Year 8 leavers gained thirteen academic scholarships to senior schools. There was a 100% pass rate for all pupils who sat the Common Entrance examinations: all but one subject achieved over 90% A\* to C grades of which five had 100% A\* to C grades. Year 6 children gained eight academic scholarships to continue to King's College after Year 8.

### *Sport*

King's Hall School continues to compete at a very high level, especially in rugby, hockey, cricket, athletics, tennis, football and netball. Wherever sporting competition was permitted within the Covid guidance, King's Hall children were successful. The 1st XV and the Colts rugby teams had very positive seasons. The boys' and girls' hockey teams won the vast majority of their matches. The girls 1st XI cricket team were undefeated and became County Champions. The boys 1st XI cricket team also became County Champions and the Under 12 boys were County runners up. The Under 11 boys won through to be County Champions and they went on to be regional champions and, following that, in the National Final were runners up. A good number of boys and girls were selected to play for Somerset at their age group.

The tennis teams performed strongly with both boys and girls on the County squads and one boy is the County Tennis Champion for his age group. A large number of children competed in the Exmoor Challenge whilst our riding team won several Show Jumping Classes during the year and also competed at Hickstead. One boy became U13 National squash champion and another boy is the County U12 Squash champion.

Twelve children gained sports scholarships to their senior schools and six won awards in Year 6 to

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continue on to King's College.

### *Art, DT, Music, Drama and Performing Arts*

An impressive and diverse Art and DT exhibition at the end of the year displayed the various creative talents in the School. Despite Covid, the Specialist Art group still undertook some enrichment activities to extend their knowledge and understanding. The music department put on extremely high quality concerts using technology to combine individual performances in unison. Sadly, external attendance at festivals and competitions was curtailed. We have now completed an initiative to provide instrumental teaching to all children in Years 2, 3 and 4. All children have class lessons on the violin, in Year 3 it is brass and in Year 4 all children have class lessons on a woodwind instrument.

Drama productions continued to be plentiful with the Michaelmas Term seeing Year 8 create three productions within their bubbles. They were extremely high quality performances, with sound including radio microphones, lighting, set and costumes. December saw two excellent nativity productions from Pre-Prep. In March Year 6 produced an array of 6 tales spliced together digitally from individually recorded contributions. Year 4 performed outside in the Summer to two parental audiences. The Speech and Drama activity continues to thrive with many children taking part but external performances and exams did not happen this year.

The King's Hall Arts Week welcomed an enormous range of visitors across the curriculum enriching the experience for the children as well as numerous trips and productions taking place. The theme was 'Circus'. Workshops, trips, visiting artists, authors, storytellers and dance as well as some following the remarkable circus troupe performance.

Three music, two art, three DT and three drama/performing arts scholarships were gained by Year 8 children to senior schools and two music and three performing arts scholarships were gained by children in Year 6.

### *Significant projects*

The major focus has been on an internal refurbishment of some boarding accommodation, the renovation of two Forest School huts and surrounds, redecoration of music rooms, roofing in several areas and preparations to clad two more classrooms in the woods.

### **International Schools**

KST has a subsidiary company to take advantage of the opportunity to develop schools internationally, applying the successful King's Schools approach to education and personal development. This company works with selected partners who are generally responsible for the day-to-day operation of the schools while King's Schools assist with recruiting key personnel, curriculum and policies. Once a school is operating, personnel from the UK schools provide support to the local management and undertake regular educational and compliance audits to ensure that the King's Schools formula is being applied successfully.

#### *India*

The school in India continues to grow, though for much of the last academic year the teaching has been largely remote. A new Head is due to start as soon as the Covid situation allows.

#### *Qatar*

King's College Doha opened on 18 September 2016. It now has 650 children up to Year 9. There continues to be close dialogue and support for the school including the monitoring responsibilities conducted through both a formal inspection as well as regular reports. Plans have been outlined for the opening of a second site in Doha and construction is hoped to be complete to allow for a September 2022 opening.

# **KING'S SCHOOLS TAUNTON LIMITED**

## **DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2021**

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### *Future Schools*

King's College Riyadh is due to open in September 2021 welcoming pupils up to Year 3.

The launch of King's College Cairo has been announced and construction is underway for an opening in September 2022.

### **Key Performance Indicators**

KST uses KPIs internally and externally in line with anonymised results from national surveys. These KPIs include surplus, pupil numbers, and academic results. These KPIs are analysed within KST, by Governors and also by the Woodard Corporation.

### **Statement on Brexit**

Following the outcome of the UK referendum on European Union membership, the UK left the European Union on 31st January 2020. In preparation for this date, and in anticipation of the transition period, the school reviewed operations to understand and plan for the initial impact from Brexit. Guidance was also available from a number of sources including the Independent Schools Bursars Association. At this stage it is not possible to implement comprehensive policies for all possible changes as the future trade, visa and travel agreements are not all yet in place. The school will continue to work with relevant authorities, staff, parents and suppliers to fully understand the impact in all areas including visa requirements, the supply chain and data handling and protection, in order to minimise risk and potential disruption.

### **Funds held as custodian trustee on behalf of others**

KST does not hold funds or act as custodian trustee on behalf of others

## **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The net income for the year amounted to a surplus of £258,555. This is in line with expectations in response to the impact from Covid-19. Despite activities being reduced this year due to the continuing impact from Covid-19, WST Enterprises Limited continues to hire out the Schools' facilities during holidays and school hours where it can, as well as undertaking commercial activity on behalf of the Schools and externally. The very successful national and international cricket festival will return stronger in the summer 2022. WST Enterprises Limited contributed £5,027 to the Schools' operating results. King's College Schools International Limited contributed £143,463 to the Schools' operating results with turnover of £162,589 contributing to the Group results. The Equity Shareholders' Funds increased by £258,555.

The parents of pupils often make significant sacrifices to pay the fees. In doing so they help to relieve UK taxpayers of the financial burden of educating a significant number of UK based children. The saving made by the Schools is estimated to have a value in the last year of £3.9 million.

The Company is unable to recover the VAT on purchases it makes. During the past year, King's Schools Taunton Limited has paid an estimated £721,683 in VAT on goods and services.

### **RESERVES POLICY**

It has been the Council's policy to utilise funds to ensure that high quality up-to-date facilities are provided for the benefit of pupils. The aim is to budget so as to provide sufficient working capital to meet the present needs and future development requirements of the Schools without the requirement to have recourse to sales of tangible fixed assets, except where those are no longer required for the primary purpose of the Schools. At year end the Council consider that the Charity holds sufficient funds to meet these needs.

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KST currently has a small level of free reserves (£162,273) and, although there is not a specific target, intends to build them up over time. At the present stage in the development cycle the free reserves are being utilised in order to finance on-going improvements and the provision of additional facilities in accordance with the Schools' strategic plan. The Schools continue to invest in their infrastructure, both with new capital projects and to deliver significant repairs and improvements to existing facilities.

The Council continues to keep the Schools' banking facilities under review to ensure they remain appropriate to support the Schools' working capital requirements. The restricted reserve is invested both in cash and a balanced range of quoted investments. The unrestricted reserves are primarily invested in tangible fixed assets and investments which are all used for the Schools' direct charitable activities.

*Bursary fund.* The Council recognises the long term need to support families who could otherwise not afford the full school fees. In 2015 the Council allocated £1m to a Bursary fund, the income from which will go to support the Council's extensive bursary programme. It is the intention to grow this fund in the long term. At 31 August 2021 the investments within this Fund were valued at £2,186,776

*Pension Deficit fund.* The Company has a contingent liability of some £476,150 in relation to a deficit on its Pension Trust Growth Plan scheme (see also note 20). In 2015 the Council set aside £1m towards this liability. As the Pension Deficit fund has grown and the overall deficit has reduced with the annual payments required by the pension trustees, the fund is now larger than the deficit. At 31 August 2021 the investments within this Fund were valued at £600,345.

### Investment Performance against Objectives

#### ***Bursary Fund***

The portfolio, managed by Cazenove Capital, was valued at £2,186,776 on 31 August 2021 (31 August 2020: £1,337,700).

Over the period the portfolio return was 16.7%, adjusted for additions and withdrawals. The trustees have adopted a total return approach, and the withdrawals are met from a combination of income and capital as appropriate. The portfolio is invested in accordance with the agreed investment strategy.

N.B. The rise in value linked not only to a strong investment performance period, but also the addition from the surplus within the Pension Deficit Fund of £587,258 in March 2021, and the inflow of £71,589 on 15 December 2020 from the overseas school.

#### ***Pension Deficit Fund***

The portfolio, managed by Cazenove Capital, was valued at £600,345 on 31 August 2021 (31 August 2020: £1,158,954).

Over the period the portfolio return was 2.4%. There is currently no income drawn from the portfolio; income is re-invested.

N.B. The reduction in value during the period was caused by the re-allocation of £587,258 in March 2021 as per instructions from the Trustees.

### Engagement with Suppliers, Customers and Others in a Business Relationship with KST

King's Schools seeks to engage actively and positively with all stakeholders in the local community and in the wider educational landscape. Collaborative relationships with suppliers, parents, educational partners and community leaders are seen as key enablers to achieving success in all of the schools' operations.

During the year the schools have further promoted this engagement through specific initiatives including:

- Regular communication and engagement with parents and prospective parents of pupils attending KST to enhance the understanding of the provision to each pupil and to fully coordinate support to pupils from parents and the schools;

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- Engagement with other educational organisations and partners at local and national levels to share best practice and to provide peer support;
- Dialogues with local councils on matters which impact children and families in the community as well as those that relate to the operation of each school;
- Engaging with local businesses to promote career and educational opportunities for pupils for their mutual benefit;
- Seeking opportunities to engage with local and national suppliers in the area;
- Seeking regular communication with all suppliers and ensuring good commercial practices of prompt payment and clear communication to optimise arrangements for supply of goods and services to KST;
- In particular, KST has adopted the government's policies and guidance during the Coronavirus pandemic and sought to maximise its support to all suppliers through the crisis in order to sustain their support and services in the future;
- Promoting and encouraging pupil and staff opportunities to engage in local voluntary and other projects to support the community; and
- Providing community access to KST and, in many cases, adopting a role that puts the school at the heart of the community.

### **How the School Council Complies with Section 172 of the Companies Act**

#### *Promoting the success of the charitable group*

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charitable group to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

#### *The likely consequence of any decision in the long term*

KST makes all key decisions through reference to its long-term strategic plan and after projecting the timing and impact of such decisions. This strategy is primarily designed around the objective to improve the educational outcome for pupils. Every decision and strategy or policy adopted is regularly reviewed for its impact on stakeholders, and the need for any change is identified and implemented.

#### *The interests of the charitable group's employees*

Our employees are vital to KST and we regard ongoing, regular engagement with them as a top priority. KST seeks employee engagement through regular feedback and meetings, including formal appraisals. We address any issues raised by our employees as quickly as possible and communicate back to them what we have done. Staff are offered access to support, and all parts of KST seek to ensure that staff welfare is actively considered and addressed. Through application of up-to-date health and safety policies, and regular meetings and consultations, we also actively seek to ensure that the working environment meets necessary high standards of safety and security.

#### *The need to foster the charitable group's business relationships with suppliers, customers, and others*

Our relationships with partners and suppliers are key to our effectiveness. KST actively seeks to engage in service reviews with key suppliers, and the Woodard procurement manager assists in this process for business-critical activities. These reviews are focussed on a two-way relationship with KST based with an aim of helping one another to achieve an optimum service as efficiently as possible, achieving best value for money. Where KST has procured outsourced services, we seek to ensure that staff and management from that contractor are supported as an equal member of the school communities, and as stakeholders.

#### *The impact of the charitable group's operations on the community and the environment*

We recognise our responsibility to care for the environment and aim to minimise our environmental impact in all our activities. As well as covering environmental issues in our schools' curriculums, KST encourages staff and pupils to participate in initiatives to reduce negative environmental impacts. Our school promotes recycling of waste and is involved in actions to maximise efficiency in energy consumption.

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*The desirability of the group maintaining a reputation for high standards of business conduct*

Our reputation and public trust in KST is fundamental to our future success. Our ethos and values are a fundamental part of employee recruitment and training to ensure that we maintain high standards; the same basis is used in appraisal processes. We apply similar values and procedures in choosing school partners and suppliers both in the UK and abroad.

### PRINCIPAL RISKS AND UNCERTAINTIES

#### Coronavirus Pandemic

These financial statements were compiled during the Covid 19 global pandemic, shortly after the majority of the restrictions on daily living had been relaxed, and after a vaccine was identified and delivered to the majority of the adult population. Like most trustees, the governors keep under consideration the impact of a catastrophic event on the school's ability to continue, but that event may come about from many causes and being specific about the source is not possible. The consideration of risks in the paragraphs below is therefore reflective of a more stable environment and does not specifically look at the pandemic, or other similar events, but offers a wider view of common events plus a specific risk looking at those events that could impact the continuity of education. However, the threat of a global pandemic or serious illness/disease is considered as part of the Governors' Risk Register.

#### Risk Management

The governors consider the economic turbulence of recent years and the affordability of fees by parents across the independent sector to be the principal risk faced by the school. The numbers across both schools are currently very strong, but there is no room for complacency. For September 2020, despite a number of increased costs, the governing body froze all fees at the 2019 level. This was due to the considerable uncertainty facing our parents at this extremely difficult time. For September 2021 the governing body has again limited fee changes, to an overall 3 to 3.5% increase.

Health and Safety is always a significant area for risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the respective schools' sites on trips and expeditions). The level and breadth of activity at the school is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment.

The Council is responsible for the identification and management of risks. It has a Risk Management Policy and maintains a Risk Register for the Schools and the subsidiary trading companies. It undertakes regular reviews of the risk management processes which are in place and examines the major specific risks which the Schools face each financial year when considering forward plans. The Schools and the subsidiary companies have developed systems to monitor and control these and sundry lesser risks to mitigate any impact that they may have on the Schools and the Group in the future.

The principal risks to which the Schools are exposed include those affecting protection of pupils and security and preservation of charitable assets both now and in the future. Significant risk areas include:

- the governors consider possible serious critical incidents/events and ensure that the school has a plan in place to allow education to continue in a range of different scenarios;
- the market in which the Schools operate, which is highly competitive and requires us to monitor developments in education to ensure that pupils always receive a first class, holistic and varied educational experience;
- the fact that the Schools operate in a highly regulated sector, including the area of child protection and safeguarding. To assist us we appoint appropriate professional advisers to ensure that we can keep up to date with all requirements as well as having school or individual membership of bodies being the constituent associations of the Independent Schools Council, ensuring that we have access to up to date information and support;
- the fact that the Schools operate in an increasingly litigious environment and we appoint appropriate professional advisers and purchase insurance using specialist brokers and advisers to ensure that we can keep up to date with all requirements and meet all relevant challenges; and

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- the difficult economic conditions, locally, nationally and internationally; Directors and senior managers in the Schools keep abreast of economic conditions to identify trends and develop plans to address issues.

The key controls used by the Schools include:

- formal agendas and minutes for all meetings of the Council and committees;
- terms of reference for all committees;
- comprehensive strategic planning, financial forecasting, budgeting and management accounting;
- established and identifiable organisational structures and clear reporting lines;
- comprehensive formal written policies regarding key areas;
- clear authorisation limits;
- vetting procedures as required by law, for protection of the vulnerable;
- regular contact between the Custos, chairs of Council committees, senior officers and other staff;
- regular attendance on relevant training courses by Council Members and staff; and
- the maintenance and regular review of a detailed Risk Register.

The Schools plan strategically having regard for risk. The management provides the School Council with regular reports which include details of the principal strategic objectives and the activity to achieve those objectives. The Schools also record significant achievements and update the Council and the Woodard Board on short-term plans.

### Financial Risk Management Objectives and Policies

The Company is currently debt free and therefore has no interest risk exposure. The Company uses its trade debtors, creditors and operating lease arrangements to manage its cash flow and ensure that liquidity risk is minimised. The Company's investments are managed externally by a firm of professional investment managers.

### GOING CONCERN

The governing body has reviewed the impact of the global pandemic on school operations and finances. In the year to 31st August 2021, the financial impact was mitigated through use of the various elements of support provided by the Government including the Coronavirus Job Retention Scheme (furlough scheme) and by some reduced variable costs. The governing body recognise that the financial implications in 2020-21 brought about as a result of the pandemic will continue into 2021-22, and possibly beyond, and continues to rework plans for the coming year, to ensure the financial impact on the school continues to be mitigated in the most appropriate way.

Having considered all factors and reviewing the available evidence, the directors have a reasonable expectation that the group will be able to continue operating for the foreseeable future and the financial statements have been prepared on a going concern basis. Further details related to the adoption of the going concern basis can be found in the accounting policies on page 33.

### FUTURE PLANS

#### King's Schools

The objectives set for the year were mainly achieved despite the extraordinary circumstances of the ongoing COVID-19 Pandemic.

Within the constraints of the impact from the COVID-19 Pandemic and subject to confirmation at the 2021/22 Strategy Meeting, the key aims for 2021-22 are:

1. To continue the development of a culture of excellence with a relentless focus on improvement in a nurturing and creative environment

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2. To work towards a 5% year on year surplus to support the long-term sustainability of King's College and King's Hall
3. To continue to support expansion in the number of international schools with our partners, enabling significant additional income and enriching activities for King's Hall and King's College
4. To continue to focus on raising admissions, including establishing new markets, until full capacity is reached for both schools
5. Development of a 5-10-year strategy that reflects the changing external environment
6. As part of overarching strategy to complete the estates plan
7. To work towards the establishment of an overarching sustainability strategy covering both schools
8. To demonstrate continued focus on the EDI agenda – especially at Board level.

### King's College

The objectives set for the year were achieved.

The key aims for 2021-22 are:

1. To commence building the Sixth Form Centre, with completion due in the Michaelmas 2022, and to raise in excess of £1million towards the project through donations
2. To build on last year's academic success and to maintain positive value-added results in all departments
3. To consistently maintain total numbers of 480 and beyond in the College
4. To explore and develop our connections and partnerships to ensure that the benefit of the school to the community continues to grow
5. To ensure a smooth handover to a new Headmaster in September 2022
6. To continue to ensure King's College is inspection-ready.

### King's Hall

The objectives set for the year were mainly achieved despite the extraordinary circumstances of the ongoing COVID-19 Pandemic.

The key aims for 2021-22 are:

1. To sustain the high level of Scholarship and 13+ successes and to maintain positive value-added results in all departments
2. To further extend links with Nurseries and Primary schools in the area
3. To raise total numbers towards 320 in the school
4. To explore and develop our connections and partnerships to ensure that the benefit of the school to the community continues to grow
5. To continue to ensure King's Hall is inspection-ready.

## GROUP STREAMLINED ENERGY AND CARBON REPORTING

	2020-21	2019-20
Energy consumption used to calculate emissions (kWh)	6,631,655.06	5,514,569.90
Energy consumption break down (kWh):		
• gas	3,887,998.50	3,118,257.00
• electricity	1,484,278.50	1,399,664.00
• transport fuel	167,915.43	216,021.29
• Delivery Vehs Diesel	8,974.86	13,893.89
• Fuel – Garden Machinery	8,702.57	3,231.09
• burning oil	-	25,708.00
• gas oil	1,073,785.20	737,795.04

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<b>Scope 1 emissions in metric tonnes CO2e</b>		
Gas consumption	714.88	573.35
Owned transport – mini-buses	34.89	36.92
Delivery Vehs	2.36	3.84
Other Passenger Vehicles	3.79	4.57
Garden Machinery	2.47	0.92
Burning Oil	-	6.34
Gas Oil	275.72	189.45
<b>Total Scope 1</b>	<b>1,034.11</b>	<b>815.39</b>
<b>Scope 2 emissions in metric tonnes CO2e</b>		
Purchased electricity	346.04	326.32
<b>Scope 3 emissions in metric tonnes CO2e</b>		
Business travel in employee-owned vehicles	4.94	8.34
<b>Total gross emissions in metric tonnes CO2e</b>	<b>1,385.09</b>	<b>1,150.05</b>
<b>Intensity ratio Tonnes CO2e per pupil</b>	<b>1.84</b>	<b>1.56</b>

Group reporting requires us to include all subsidiaries and related companies that qualify. The numbers above include all qualifying subsidiaries and related companies, being King's Schools Taunton Limited, WST Enterprises Limited and King's College Schools International Limited.

### *Quantification and reporting methodology*

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

### *Intensity measurement*

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil. The measurement from 2019/20 was artificially low due to the impact of Covid with the school sites largely closed for over five months. In 2020/21 Covid-mitigation measures were in place including extra common rooms for the day pupils in their year-bubbles, marquees and additional toilets. All requiring heating and lighting. In addition, the need for greater air-flow with windows and doors open has also had a negative carbon impact.

### *Measures taken to improve efficiency*

During the year, the schools implemented a number of initiatives to improve the efficiency of energy use. These included:

- Reviews of light fittings across both sites to seek alternatives, and installation of LED lighting where possible;
- Encouraging staff, through communication and signage, to turn off lights and close windows (Covid measures) when exiting rooms or installing motion sensors so that lighting is only on when rooms are being used;
- Encouraging staff, through communication, to turn down radiators;
- Replacement of old inefficient gas boilers with more efficient condensing boilers;
- Adjusting timers on lighting and heating systems to minimise the energy demand when not required or to minimise the time delays on switch off timers to minimum practical levels; and
- Replacement of old cookers, washing machines, etc with high energy efficient appliances.

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## DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2021

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Going forward the school is engaging in a number of projects to improve energy efficiency in future years as follows:

- Engagement where appropriate with the Energy Saving Opportunities Scheme (ESOS) to identify possible areas for energy saving;
- Creation of long-term energy efficiency plans;
- Including energy efficiency as a high priority item in construction of new buildings with consideration of underfloor heating, energy controls, solar panels and air source heat pumps – our next new build will be carbon neutral for energy;
- Ongoing review of settings and the operation of building management systems to ensure that energy use is minimised according to the need of pupils and staff;
- Installation of campus-wide building management systems to optimise energy usage;
- Replacement of diesel-powered equipment with electric items;
- Encouraging staff to use public transport, bicycles and walking as an alternative mode of transport including promotion of the Cycle to Work Scheme and possible exploration of salary exchange for leasing electric vehicles;
- Encouraging staff to minimise travel and promoting the use of technology for meetings and other communications; and
- Initiatives through reviews of school travel plans to encourage pupils to travel from home to school by walking or cycling or on school provided transport.

### DIRECTORS

The Directors who served during the year, and the committees of which they are members, are:

L M Nash (Custos)		All committees
Dr R A K Mott (Vice-Custos)		All committees
S J Carder	(retired 30 November 2020)	Education and Pastoral
C A Cavaghan-Pack		Education and Pastoral
C A Cooper		Finance and Estates
G P Davis	(retired 31 August 2021)	Finance and Estates, Remuneration
M D Featherstone		Education and Pastoral
M A Gunn	(appointed 17 March 2021)	Education and Pastoral
C H Hirst		Education and Pastoral, Remuneration
J E R Houghton		Finance and Estates
R M U Lambert		Finance and Estates
W J Morrison		Finance and Estates
L C Scott	(retired 26 April 2021)	Education and Pastoral
Bishop Nigel Stock		Education and Pastoral
M F Trimble		Finance and Estates, Remuneration, Appointments
Commodore J R A Woodard		Education and Pastoral

None of the Directors has any beneficial interest in the Company.

### Exemptions from disclosure

KST has not taken advantage of any exemption from disclosure in relation to trustee details.

# KING'S SCHOOLS TAUNTON LIMITED

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### AUDITORS

RSM UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

### DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS102. Under company law the Directors 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in business.

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

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

The Directors 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.

This Directors' Report (including the Strategic Report) was approved by the board of directors of King's Schools Taunton Limited on 9 December 2021 and signed on their behalf:



**L M Nash**  
Chair

# KING'S SCHOOLS TAUNTON LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KING'S SCHOOLS TAUNTON LIMITED YEAR ENDED 31 AUGUST 2021

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### Opinion

We have audited the financial statements of King's Schools Taunton Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the Consolidated and Charity Statements of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

### Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

### Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. 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

# **KING'S SCHOOLS TAUNTON LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KING'S SCHOOLS TAUNTON LIMITED YEAR ENDED 31 AUGUST 2021**

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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 Directors' Report and the incorporated Strategic Report prepared for the purpose of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report and the incorporated Strategic Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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**

As explained more fully in the Statement of Directors' responsibilities set out on page 23, 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 Directors are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

# KING'S SCHOOLS TAUNTON LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KING'S SCHOOLS TAUNTON LIMITED YEAR ENDED 31 AUGUST 2021

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### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Directors' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and donation income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and performing substantive test of details over donation income.

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

# KING'S SCHOOLS TAUNTON LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KING'S SCHOOLS TAUNTON LIMITED YEAR ENDED 31 AUGUST 2021

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### 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.

*RSM UK Audit LLP*

Kevin Barwick (Senior Statutory Auditor)  
For and on behalf of  
RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Hartwell House  
55-61 Victoria Street  
Bristol  
BS1 6AD

*21 December 2021*

# KING'S SCHOOLS TAUNTON LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (incorporating an Income and Expenditure Account)

YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<b>INCOME FROM:</b>					
<b>Charitable Activities</b>					
School fees receivable		12,846,580	-	12,846,580	12,407,317
Ancillary trading income	2	915,707	-	915,707	624,185
<b>Other trading activities</b>					
Non-ancillary trading income	3	189,349	-	189,349	228,266
Other activities	3	-	-	-	9,872
<b>Investments</b>					
Investment Income	4	26,913	-	26,913	36,165
Bank and other interest	5	511	-	511	12,411
<b>Voluntary sources</b>					
Appeal income and donations	6	360,591	211,063	571,654	786,667
<b>TOTAL INCOME</b>		<b>14,339,651</b>	<b>211,063</b>	<b>14,550,714</b>	<b>14,104,883</b>
<b>EXPENDITURE ON:</b>					
<b>Raising funds</b>					
Non-ancillary trading	7	24,973	-	24,973	30,047
Financing costs	7	(14,980)	-	(14,980)	(78,837)
Investment management	7	18,521	-	18,521	20,497
		<b>28,514</b>	<b>-</b>	<b>28,514</b>	<b>(28,293)</b>
<b>Charitable Activities</b>					
Education and grant making	7	14,529,554	19,200	14,548,754	14,208,853
<b>TOTAL EXPENDITURE</b>		<b>14,558,068</b>	<b>19,200</b>	<b>14,577,268</b>	<b>14,180,560</b>
<b>Net income and expenditure before transfers</b>		<b>(218,417)</b>	<b>191,863</b>	<b>(26,554)</b>	<b>(75,677)</b>
Realised gains/(losses) on investment assets	13	66,092	-	66,092	(28,468)
Unrealised gains on investment assets	13	219,017	-	219,017	53,813
<b>Net income</b>		<b>66,692</b>	<b>191,863</b>	<b>258,555</b>	<b>(50,332)</b>
Transfers between funds	21	875	(875)	-	-
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>67,567</b>	<b>190,988</b>	<b>258,555</b>	<b>(50,332)</b>
Fund balances at 1 September 2020		18,180,155	213,315	18,393,470	18,443,802
<b>FUND BALANCES at 31 August 2021</b>		<b>18,247,722</b>	<b>404,303</b>	<b>18,652,025</b>	<b>18,393,470</b>

In the prior year, all income and expenditure related to unrestricted funds, with the exception of £29,853 of voluntary income and £6,520 of grant making expenditure which related to restricted funds.

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 notes on pages 33 to 53 form part of these financial statements.

# KING'S SCHOOLS TAUNTON LIMITED

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES (incorporating an Income and Expenditure Account)

YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
		£	£	£	£
<b>INCOME FROM:</b>					
<b>Charitable Activities</b>					
School fees receivable		12,846,580	-	12,846,580	12,407,317
Ancillary trading income	2	915,707	-	915,707	624,185
<b>Other trading activities</b>					
Non-ancillary trading income	3	164,376	-	164,376	198,219
Other activities	3	-	-	-	9,872
<b>Investments</b>					
Investment Income	4	26,913	-	26,913	36,165
Bank and other interest	5	511	-	511	12,411
<b>Voluntary sources</b>					
Appeal income and donations	6	360,591	211,063	571,654	786,667
<b>TOTAL INCOME</b>		<b>14,314,678</b>	<b>211,063</b>	<b>14,525,741</b>	<b>14,074,836</b>
<b>EXPENDITURE ON:</b>					
<b>Raising funds</b>					
Financing costs	7	(14,980)	-	(14,980)	(78,837)
Investment management	7	18,521	-	18,521	20,497
		3,541	-	3,541	(58,340)
<b>Charitable Activities</b>					
Education and grant making	7	14,529,554	19,200	14,548,754	14,208,853
<b>TOTAL EXPENDITURE</b>		<b>14,533,095</b>	<b>19,200</b>	<b>14,552,295</b>	<b>14,150,513</b>
<b>Net income and expenditure before transfers</b>		<b>(218,417)</b>	<b>191,863</b>	<b>(26,554)</b>	<b>(75,677)</b>
Realised gains/(losses) on investment assets	13	66,092	-	66,092	(28,468)
Unrealised gains on investment assets	13	219,017	-	219,017	53,813
<b>Net income</b>		<b>66,692</b>	<b>191,863</b>	<b>258,555</b>	<b>(50,332)</b>
Transfers between funds	21	875	(875)	-	-
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>67,567</b>	<b>190,988</b>	<b>258,555</b>	<b>(50,332)</b>
Fund balances at 1 September 2020		18,180,155	213,315	18,393,470	18,443,802
<b>FUND BALANCES at 31 August 2021</b>		<b>18,247,722</b>	<b>404,303</b>	<b>18,652,025</b>	<b>18,393,470</b>

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.

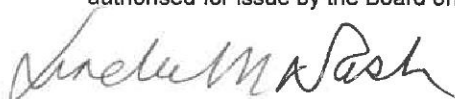
The notes on pages 33 to 53 form part of these financial statements.

# KING'S SCHOOLS TAUNTON LIMITED

## CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31 AUGUST 2021

	Notes	GROUP		CHARITY	
		2021 £	2020 £	2021 £	2020 £
<b>FIXED ASSETS</b>					
Tangible assets	12	15,235,322	15,506,882	15,235,322	15,506,882
Investments	13	2,724,114	2,249,599	2,724,114	2,249,599
Investments in subsidiaries	13	-	-	101	101
		<b>17,959,436</b>	<b>17,756,481</b>	<b>17,959,537</b>	<b>17,756,582</b>
<b>CURRENT ASSETS</b>					
Stocks		15,145	22,782	15,145	22,782
Debtors	14	675,459	678,743	1,376,795	1,285,986
Cash		6,761,413	5,911,109	6,055,298	5,280,509
		<b>7,452,017</b>	<b>6,612,634</b>	<b>7,447,238</b>	<b>6,589,277</b>
<b>CREDITORS: due within one year</b>	15	<b>(5,154,915)</b>	<b>(4,392,603)</b>	<b>(5,150,237)</b>	<b>(4,369,347)</b>
<b>NET CURRENT ASSETS</b>		<b>2,297,102</b>	<b>2,220,031</b>	<b>2,297,001</b>	<b>2,219,930</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>20,256,538</b>	<b>19,976,512</b>	<b>20,256,538</b>	<b>19,976,512</b>
<b>CREDITORS: due after more than one year</b>	16	<b>(1,604,413)</b>	<b>(1,582,942)</b>	<b>(1,604,413)</b>	<b>(1,582,942)</b>
<b>TOTAL NET ASSETS</b>		<b>18,652,125</b>	<b>18,393,570</b>	<b>18,652,125</b>	<b>18,393,570</b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	18	100	100	100	100
<b>FUNDS</b>					
Restricted funds	21	404,303	213,315	404,303	213,315
Unrestricted funds					
General	21	15,397,495	15,653,483	15,397,495	15,653,483
Designated	21	2,850,227	2,526,672	2,850,227	2,526,672
		<b>18,247,722</b>	<b>18,180,155</b>	<b>18,247,722</b>	<b>18,180,155</b>
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<b>18,652,125</b>	<b>18,393,570</b>	<b>18,652,125</b>	<b>18,393,570</b>

The notes on pages 33 to 53 form part of these financial statements. The financial statements were approved and authorised for issue by the Board on 9 December 2021 and signed on its behalf by



**L M Nash**  
Director

Company registration number 05084301

# KING'S SCHOOLS TAUNTON LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS AND NOTES TO THE CASH FLOW STATEMENT AS AT 31 AUGUST 2021

	2021 £	2020 £
<b>Cash flows from operating activities:</b>		
<b>Net cash provided by (used in) operating activities</b>	<b>1,230,678</b>	<b>44,322</b>
<b>Cash flows from investing activities:</b>		
Dividends, interest and rents from investments	27,424	48,576
Purchase of property, plant and equipment	(191,025)	(121,386)
Proceeds from sale of investments	1,866,357	490,102
Purchase of investments	(2,074,277)	(440,951)
<b>Net cash provided by (used in) investing activities</b>	<b>(371,521)</b>	<b>(23,659)</b>
<b>Cash flows from financing activities:</b>		
Financing costs	(8,853)	(9,943)
<b>Net cash provided by (used in) financing activities</b>	<b>(8,853)</b>	<b>(9,943)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>850,304</b>	<b>10,720</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>5,911,109</b>	<b>5,900,389</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>6,761,413</b>	<b>5,911,109</b>

### Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £	2020 £
<b>Net income/(expenditure) for period (as per the Statement of Financial Activities)</b>	<b>258,555</b>	<b>(50,332)</b>
<b>Adjustments for:</b>		
Depreciation charges	462,584	507,740
(Gains)/losses on investments	(285,116)	(25,345)
Dividends, interest and rents from investments	(27,424)	(48,576)
Financing costs	27,374	30,440
Decrease/(increase) in stocks	7,637	(1,314)
Decrease/(increase) in debtors	3,284	(84,081)
Increase/(decrease) in creditors	783,784	(284,210)
<b>Net cash provided by (used in) operating activities</b>	<b>1,230,678</b>	<b>44,322</b>

# KING'S SCHOOLS TAUNTON LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS AND NOTES TO THE CASH FLOW STATEMENT AS AT 31 AUGUST 2021

	2021 £	2020 £
<b>Analysis of cash and cash equivalents</b>		
Cash at bank and in hand	<u>6,761,413</u>	<u>5,911,109</u>
<b>Total cash and cash equivalents</b>	<u><b>6,761,413</b></u>	<u><b>5,911,109</b></u>

### Analysis of changes in Net Debt

	At 1st Sept 2020 £	Cash flows £	Other non- cash changes £	At 31st Aug 2021 £
<b>Cash and cash equivalents</b>				
Cash at bank and in hand	5,911,109	850,304	-	6,761,413
<b>Total</b>	<u>5,911,109</u>	<u>850,304</u>	<u>-</u>	<u>6,761,413</u>

# KING'S SCHOOLS TAUNTON LIMITED

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

---

### 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 accounts of the Group have been prepared under the Companies Act 2006 and in accordance with the Statement of Recommended Practice for Charities ('SORP (FRS102)') and with applicable UK accounting standards. They are drawn up on the historical cost accounting basis except that property and share investments held as fixed assets are carried at fair value.

King's Schools Taunton Limited 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.

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Further details are provided in note 33 and in the accounting policies for depreciation of fixed assets, for pensions and for bad debts. The financial statements are presented in Sterling (£) and the functional currency is sterling (£).

#### b) **Going Concern**

The accounts have been prepared on a going concern basis. The King's Schools' Board reviews the financial information for the company and the group and considers whether the group and company are a going concern for a period of at least 12 months from the date of approval of the accounts.

Having considered all factors and reviewing the available evidence, the directors have a reasonable expectation that the group will be able to continue operating for the foreseeable future and the financial statements have been prepared on a going concern basis.

The governing body has reviewed the impact of the global pandemic on school operations and finances. In the year to 31st August 2021, the financial impact was mitigated through use of the various elements of support provided by the Government including the Coronavirus Job Retention Scheme (furlough scheme) and by some reduced variable costs. The governing body recognise that the financial implications in 2020-21 brought about as a result of the pandemic will continue into 2021-22, and possibly beyond, and continues to rework plans for the coming year, to ensure the financial impact on the school continues to be mitigated in the most appropriate way.

#### c) **Group accounts**

The financial statements consolidate the financial statements of the Company, and all its subsidiary companies, charitable trusts and funds with all inter-company balances being eliminated. Entities are consolidated where King's Schools Taunton Limited exercises overall control either through ownership of shares, or through having common trustees with a common objective. Accounting policies are consistently applied between group companies.

#### 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, scholarships and other remissions by the school, but include contributions received from restricted funds for scholarships, bursaries and other grants. Fees in Advance Scheme Contracts are those fees received in advance of education to be provided in future years under a specific contract. The fees are either held as investments in interest bearing assets until taken to income to match liabilities in the term when used, or refunded, or they are held within the unrestricted reserves of the school. Any surplus of assets over liabilities is held within the fund as a buffer. Debts are provided for if not recovered within one term. Estimating amounts to provide against recovery of debts is a matter of judgement.

# KING'S SCHOOLS TAUNTON LIMITED

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

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### 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 shop 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 out of term time and rental from spare school buildings. 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.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

#### g) Coronavirus Job Retention Scheme (CJRS) Income

The CJRS grant is receivable as compensation for staff costs incurred and for the purpose of giving immediate financial support to the organisation with no future related costs. It is recognised as income in the period in which it becomes receivable within 'Other – Grants and Donations' (note 6).

#### h) 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 group 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.

#### i) Pension costs

The Company participates in The Teachers' Pensions Scheme, which is an unfunded Government scheme, and The Pensions Trust Growth Plan, both of which provide benefits based on final pensionable pay. The funds of the schemes are separate from the Company, although the Company share of the schemes cannot be identified as the schemes are multi-employer schemes, and so the pension costs are accounted for as a defined contribution scheme. The Company also contributes to other defined contribution pension schemes for non-teaching staff.

# KING'S SCHOOLS TAUNTON LIMITED

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

### 1. ACCOUNTING POLICIES (continued)

#### i) Pension costs continued

The Company historically offered membership of The Pensions Trust Growth Plan to employees other than the full-time academic staff. The Pensions Trust Growth Plan is a multi employer pension scheme where the scheme assets are pooled for investment purposes and cannot be attributed to individual employers. Benefits are paid from the total scheme assets. It is in most respects a money purchase arrangement, but has some guarantees. As a result it is not possible or appropriate to identify the assets and liabilities of the scheme which are attributable to the Company, though, due to the guarantees inherent in the scheme, the Company remains potentially liable for a debt on withdrawal from the scheme. In accordance with Financial Reporting Standard (FRS) 102 (section 28) therefore, the scheme is accounted for as if it were a defined contribution scheme, with contributions recorded as they become payable.

The Company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises. More detail is given in note 20.

#### j) Tangible fixed assets and depreciation

In accordance with Section 35.10 (d) of FRS102, King's Schools Taunton Limited 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 September 2014.

Tangible fixed assets are stated at cost less depreciation. Individual capital items, or projects, with a value greater than £10,000 are capitalised. Assets in the course of construction are stated at cost less any provision for impairment. They are transferred to completed assets when substantially all of the activities necessary to get the asset ready for use are complete. Where appropriate cost includes our own labour costs in relation to construction, and directly attributable overheads.

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

- Freehold land is not depreciated	
- Freehold buildings:	Variable according to the building and written off over the expected useful life (see paragraph below)
- Freehold improvements:	Over the useful economic life of the improvement
- Computer equipment	25% on cost
- Fixtures and fittings	4% - 50% on cost
- Plant and machinery	10% - 20% on cost
- Motor vehicles	25% on cost

The Company has reviewed its tangible assets, which comprise land, buildings and initial fixtures and fittings. The Company undertakes an annual review of all buildings assessing their useful economic life. In some cases the useful economic life of a building is anticipated to be of considerable length, often in excess of 100 years. The buildings are capitalised in the financial statements at historic cost. The Directors will continue to carry out annual assessments of the recoverable amount and the estimated useful life of all buildings and where the depreciation is a material value, it will be charged. The review is based on the Directors' assessments of the market value and the future economic benefit derived from an asset versus its carrying value in the financial statements.

When the company undertakes a significant refurbishment project that will have an economic benefit, the cost of the refurbishment is capitalised, recorded separately under 'Freehold Improvements', its useful life is estimated and it is depreciated over that useful life.

The Company exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

# KING'S SCHOOLS TAUNTON LIMITED

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

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### 1. ACCOUNTING POLICIES (continued)

#### k) Financial instruments

The Company 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.

#### l) Investments and Fees in Advance Investments

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

Realised and unrealised investment gains and losses are recognised as 'net gains/(losses) on investment assets' in the Statement of Financial Activities and are allocated to the appropriate fund according to the 'ownership' of the underlying assets.

#### m) Stocks

Stocks comprise raw materials, consumable stores and goods held for resale: they are valued at the lower of cost and net realisable value.

#### n) 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.

#### o) Fee Deposits

Refundable fee deposits are currently classified between long term and short term in the financial statements. These deposits are refundable in the event that the pupils leave a school on one term's notice and as such the deposit would be refunded to the parents at that point. However, the financial statements are prepared on a going concern basis and it is assumed that the majority of children will remain in school for their full years of education and therefore the deposit will be refunded to them when they leave school.

Short term deposits reflect those pupils that will be leaving a school within one year, and the longer-term element reflects those pupils that will be leaving a school after 12 months from the balance sheet.

#### p) Fund accounts

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.

Designated funds comprise funds which have been set aside at the discretion of the Directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

# KING'S SCHOOLS TAUNTON LIMITED

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

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### 1. ACCOUNTING POLICIES (continued)

#### q) Taxation

King's Schools Taunton Limited 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 no similar exemption for VAT, which is included in expenditure or in the cost of assets as appropriate.

The Company has two subsidiary companies that are subject to taxes including corporation tax and VAT in the same way as any commercial organisation. The corporation tax arising on the subsidiary companies' profit for the year is mitigated by the payment of Gift Aid by these entities to the School.

# KING'S SCHOOLS TAUNTON LIMITED

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

2 CHARITABLE ACTIVITIES - ANCILLARY TRADING INCOME		Group and Charity	
		2021	2020
		£	£
	Extra subjects	619,321	368,280
	Entrance and registration fees and fees in lieu of notice	93,672	88,730
	Commissions and other income	202,714	167,175
		915,707	624,185
3 OTHER TRADING ACTIVITIES		Group	
		2021	2020
		£	£
<b>Non-ancillary trading income</b>			
	Rents receivable and other sales	15,886	4,800
	WST Enterprises Limited	10,874	64,335
	King's College Schools International Limited	162,589	159,131
		189,349	228,266
		Charity	
		2021	2020
		£	£
<b>Non-ancillary trading income</b>			
	Rents receivable and other sales	15,886	4,800
	WST Enterprises Limited	5,027	50,242
	King's College Schools International Limited	143,463	143,177
		164,376	198,219
Other activities		Group and Charity	
		2021	2020
		£	£
	Interest on overdue fees	-	9,872
		-	9,872
4 INVESTMENTS - INVESTMENT INCOME		Group and Charity	
		Total	Total
		2021	2020
		£	£
<b>Securities investment income</b>			
	Unrestricted	Restricted	
	£	£	
	Equities	11,028	-
	Fixed interest	8,875	-
	Alternatives	7,010	-
		26,913	-
		26,913	36,165
5 INVESTMENTS - BANK AND OTHER INTEREST		Group and Charity	
		Total	Total
		2021	2020
		£	£
	Unrestricted	Restricted	
	£	£	
	Bank interest	511	-
		511	12,411
		511	12,411

# KING'S SCHOOLS TAUNTON LIMITED

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

### 6 VOLUNTARY SOURCES - GRANTS AND DONATIONS

	Unrestricted £	Restricted £	Group and Charity	
			Total 2021 £	Total 2020 £
Government Grant CJRS	244,548	-	244,548	618,531
Donations	116,043	211,063	327,106	168,136
	<u>360,591</u>	<u>211,063</u>	<u>571,654</u>	<u>786,667</u>

### 7 ANALYSIS OF EXPENDITURE

#### a) Total Expenditure

	Staff Costs (note 9) £	Support Costs £	Group Depreciation (note 12) £	Total 2021 £	Total 2020 £
<b>Costs of raising funds:</b>					
Non ancillary trading	648	24,325	-	24,973	30,047
Financing cost (note 8)	-	(14,980)	-	(14,980)	(78,837)
Investment management	-	18,521	-	18,521	20,497
<b>Total cost of raising funds</b>	<u>648</u>	<u>27,866</u>	<u>-</u>	<u>28,514</u>	<u>(28,293)</u>
<b>Charitable expenditure</b>					
Teaching	6,106,899	511,647	28,616	6,647,162	6,837,398
Welfare	718,562	1,203,549	4,707	1,926,818	1,656,591
Premises	858,637	2,027,240	272,755	3,158,632	2,821,739
School administration	1,116,918	1,233,810	156,507	2,507,235	2,658,743
Grants, awards and prizes (all from unrestricted funds)	-	6,038	-	6,038	11,255
Governance	-	283,669	-	283,669	216,607
Expenditure from restricted funds	-	19,200	-	19,200	6,520
<b>Total charitable expenditure</b>	<u>8,801,016</u>	<u>5,285,153</u>	<u>462,585</u>	<u>14,548,754</u>	<u>14,208,853</u>
<b>Total expenditure</b>	<u>8,801,664</u>	<u>5,313,019</u>	<u>462,585</u>	<u>14,577,268</u>	<u>14,180,560</u>

#### b) Governance included in support costs

King's Schools Taunton reimburses governors for out of pocket expenses including travel subsistence and accommodation, where a claim is made. Two trustees were reimbursed £1,017 during the year (2020: two were reimbursed a total of £837)

	Total 2021 £	Total 2020 £
Remuneration paid to auditor for audit services	23,010	21,900
Additional remuneration paid to auditors for prior year	-	610
Reimbursement of personal expenses to governors	1,017	837
	<u>24,027</u>	<u>23,347</u>

### 8 FINANCING COSTS

	Group and Company	
	2021 £	2020 £
Other interest paid	1,326	762
Bank charges	7,527	9,182
Provision for bad and doubtful debts	(23,833)	(88,781)
	<u>(14,980)</u>	<u>(78,837)</u>

Provision for bad and doubtful debts includes £10,872 recovered in the year relating to debts that had previously been provided for in full.

# KING'S SCHOOLS TAUNTON LIMITED

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

### 9 STAFF COSTS

The aggregate payroll costs for the year were:

	Group	
	2021	2020
	£	£
Wages and salaries	7,170,272	7,277,845
Social security costs	643,573	655,861
Teachers' pension contributions	871,339	901,318
Other pension contributions	111,462	113,924
Private Medical Insurance	5,018	4,066
	<b>8,801,664</b>	<b>8,953,014</b>

	Charity	
	2021	2020
	£	£
Wages and salaries	7,169,624	7,273,811
Social security costs	643,573	655,861
Teachers' pension contributions	871,339	901,318
Other pension contributions	111,462	113,924
Private Medical Insurance	5,018	4,066
	<b>8,801,016</b>	<b>8,948,980</b>

None of the governors received remuneration or other benefits from King's Schools Taunton or from any connected body.

	2021	2020
	£	£
Aggregate employee benefits of key management personnel	<b>394,807</b>	<b>413,922</b>

The Headmasters and the Director of Finance and Operations are classed by the School as being the Key Management Personnel.

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

	2021 (number)	2020 (number)
£ 60,001 - £ 70,000	2	3
£ 70,001 - £ 80,000	1	-
£ 80,001 - £ 90,000	1	1
£ 90,001 - £ 100,000	1	1
£ 100,001 - £ 110,000	1	-
£ 110,001 - £ 120,000	-	1

The average number of employees during the year calculated on a head count basis was:

	2021 (number)	2020 (number)
Teaching staff	129	130
Others	143	137
	<b>272</b>	<b>267</b>

Included in staff costs are redundancy or termination payments totalling £7,986 (2020: £28,038).  
The amount outstanding at the year-end was nil (2020:nil).

### 10 DIRECTORS

None of the directors (or any persons connected with them) received any remuneration during the year. Remissions of £11,813 were awarded to two children of one director attending the School (2020: £11,467).

# KING'S SCHOOLS TAUNTON LIMITED

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

### 11 TAXATION

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

### 12 TANGIBLE FIXED ASSETS

GROUP	Freehold Land & Buildings £	Plant & Equipment £	Furniture & Fittings £	Computer Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 September 2020	17,717,722	672,828	943,814	825,953	23,400	20,183,717
Additions	-	161,552	-	29,473	-	191,025
<b>At 31 August 2021</b>	<b>17,717,722</b>	<b>834,380</b>	<b>943,814</b>	<b>855,426</b>	<b>23,400</b>	<b>20,374,742</b>
<b>Depreciation</b>						
At 1 September 2020	2,807,505	391,443	882,769	579,795	15,323	4,676,835
Charge for the year	260,320	67,763	13,401	117,433	3,668	462,585
<b>At 31 August 2021</b>	<b>3,067,825</b>	<b>459,206</b>	<b>896,170</b>	<b>697,228</b>	<b>18,991</b>	<b>5,139,420</b>
<b>Net book value</b>						
<b>At 31 August 2021</b>	<b>14,649,897</b>	<b>375,174</b>	<b>47,644</b>	<b>158,198</b>	<b>4,409</b>	<b>15,235,322</b>
Net book value at 31 August 2020	14,910,217	281,385	61,045	246,158	8,077	15,506,882
<b>COMPANY</b>						
	Land & Buildings Freehold £	Plant & Equipment £	Furniture & Fittings £	Computer Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 1 September 2020	17,717,722	672,828	943,814	825,953	23,400	20,183,717
Additions	-	161,552	-	29,473	-	191,025
<b>At 31 August 2021</b>	<b>17,717,722</b>	<b>834,380</b>	<b>943,814</b>	<b>855,426</b>	<b>23,400</b>	<b>20,374,742</b>
<b>Depreciation</b>						
At 1 September 2020	2,807,505	391,443	882,769	579,795	15,323	4,676,835
Charge for the year	260,320	67,763	13,401	117,433	3,668	462,585
<b>At 31 August 2021</b>	<b>3,067,825</b>	<b>459,206</b>	<b>896,170</b>	<b>697,228</b>	<b>18,991</b>	<b>5,139,420</b>
<b>Net book value</b>						
<b>At 31 August 2021</b>	<b>14,649,897</b>	<b>375,174</b>	<b>47,644</b>	<b>158,198</b>	<b>4,409</b>	<b>15,235,322</b>
Net book value at 31 August 2020	14,910,217	281,385	61,045	246,158	8,077	15,506,882

All assets are used for charitable purposes.

# KING'S SCHOOLS TAUNTON LIMITED

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

### 13 SECURITIES INVESTMENTS

	2021	2020
	£	£
<b>Group investments</b>		
At 1 September 2020	2,496,655	2,457,180
New money invested	71,589	56,938
Reinvested income	26,913	36,165
Amounts extracted	(74,624)	(58,468)
Management fees	(18,521)	(20,505)
Realised gains on investments	66,092	(28,468)
Unrealised gains on investments	219,017	53,813
<b>Group investments at 31 August 2021</b>	<b>2,787,121</b>	<b>2,496,655</b>
Less: Investments classified as cash	<b>(63,007)</b>	<b>(247,056)</b>
<b>Group investments at 31 August 2021</b>	<b>2,724,114</b>	<b>2,249,599</b>
Investments in subsidiaries	<b>101</b>	<b>101</b>
<b>Company investments at 31 August 2021</b>	<b>2,724,215</b>	<b>2,249,700</b>
<b>Investments comprise:</b>		
<b>Listed investments</b>		
Fixed interest	250,568	631,907
Equities	1,541,762	1,159,403
<b>Alternative investments</b>		
Hedge funds	72,462	100,168
Commercial property funds	-	52,032
Commodities and other	859,322	306,089
<b>Group investments at 31 August 2021</b>	<b>2,724,114</b>	<b>2,249,599</b>
Investments in subsidiaries	<b>101</b>	<b>101</b>
<b>Company investments at 31 August 2021</b>	<b>2,724,215</b>	<b>2,249,700</b>

Securities and Investments were managed for King's Schools Taunton Limited by Cazenove Capital.

At 31 August 2021, three investments (2020: nil) had a carrying value equal to 5% or more of the value of the investment portfolio, being:

	£	
Black Rock ICS Institutional Sterling Liquidity Fund	300,000	11.01%
JP Morgan GBP Liquidity LVNAV Fund	300,000	11.01%
JP Morgan America Equity Fund	157,795	5.79%

The original cost of these investments were £707,991.

# KING'S SCHOOLS TAUNTON LIMITED

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

14 DEBTORS	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
School fees receivable	215,113	171,813	215,113	171,813
Trade debtors	11,281	123,749	-	-
Other debtors	66,158	36,347	65,775	36,347
Prepayments and accrued income	382,835	346,834	382,835	346,834
Amounts owed by group undertakings	-	-	713,000	730,992
Woodard Corporation	72	-	72	-
	<b>675,459</b>	<b>678,743</b>	<b>1,376,795</b>	<b>1,285,986</b>

15 CREDITORS: Amounts falling due within one year	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Deposits from parents	379,351	320,458	379,351	320,458
Fees received in advance of term	2,777,150	2,150,710	2,777,150	2,150,710
Trade creditors	834,238	884,181	833,160	884,181
Taxes and Social Security costs	160,866	208,443	160,866	188,487
Pension Scheme Deficit Recovery Plan	44,920	43,612	44,920	43,612
Other creditors	499,648	455,116	499,048	455,116
Woodard Corporation	-	62	-	62
Accruals	458,742	330,021	455,742	326,721
	<b>5,154,915</b>	<b>4,392,603</b>	<b>5,150,237</b>	<b>4,369,347</b>

### Summary of movement in deferred income

Balance at 1 September 2020	2,150,710
Amounts arising in the year	2,777,150
Amounts transferred to SOFA	(2,150,710)
Balance at 31 August 2021	<b>2,777,150</b>

Deferred income arises due to fee payments received in advance of the new financial year.

16 CREDITORS: Amounts falling due after one year	Group and Company	
	2021	2020
	£	£
Deposits from parents	1,491,970	1,426,339
Pension Scheme Deficit Recovery Plan	112,443	156,603
	<b>1,604,413</b>	<b>1,582,942</b>

Parents pay to the school a deposit in advance. The deposits are refunded on the pupils' last terms school bill.

# KING'S SCHOOLS TAUNTON LIMITED

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

### 17 COMMITMENTS UNDER OPERATING LEASES

The future minimum commitments under non-cancellable operating leases for vehicles and temporary buildings are:

#### Group and Company

	2021	2020
	£	£
within 1 year	104,204	50,843
within 1 to 5 years	153,530	94,236
after 5 years	-	-
	<b>257,734</b>	<b>145,079</b>

### 18 SHARE CAPITAL

#### Group and Company

	2021	2020
	£	£
<b>Authorised</b>		
100 Ordinary shares of £ 1 each	100	100
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £ 1 each	100	100

### 19 FINANCIAL INSTRUMENTS

#### Group and Company

	2021	2020
	£	£
<b>FINANCIAL ASSETS:</b>		
Investments held at FV through Profit and Loss	2,724,114	2,249,599

# KING'S SCHOOLS TAUNTON LIMITED

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

### 20 PENSION SCHEME DEFICIT RECOVERY PLAN

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

#### Deficit contributions

From 1 April 2019 to 31 January 2025:	£11,243,000 per annum (payable monthly and increasing by 3% on each 1 April)
---------------------------------------	--

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

#### Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% on each 1 April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% on each 1 April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Where the scheme is in deficit and where the Company has agreed to a deficit funding arrangement the Company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

#### Present Values of Provision

	2021	2020
	£	£
Present value of provision	157,363	200,215

#### Reconciliation of opening and closing provisions

	Period ending 31 August	
	2021	2020
	£	£
Provision at start of period	200,215	238,632
Unwinding of the discount factor (interest expense)	972	2,095
Deficit contribution paid	(43,612)	(42,342)
Remeasurements - impact of any change in assumptions	(212)	1,830
Remeasurements - amendments to the contribution schedule	-	-
<b>Provision at end of period</b>	<b>157,363</b>	<b>200,215</b>

# KING'S SCHOOLS TAUNTON LIMITED

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

### 20 PENSION SCHEME DEFICIT RECOVERY PLAN (continued)

<b>Income and expenditure impact</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Interest expense	972	2,095
Remeasurements - impact of any change in assumptions	(212)	1,830
Remeasurements - amendments to the contribution schedule	-	-
<b>Assumptions</b>	<b>2021</b>	<b>2020</b>
	<b>% per annum</b>	<b>% per annum</b>
Rate of discount	0.63	0.55

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

<b>Deficit contributions schedule</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Year 1	44,920	43,612
Year 2	46,268	44,920
Year 3	47,656	46,268
Year 4	20,200	47,656
Year 5	-	20,200
	<b>159,044</b>	<b>202,656</b>

The Company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the Company's balance sheet liability.

# KING'S SCHOOLS TAUNTON LIMITED

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

### 21 SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	At 1 Sep 2020	Incoming resources	Resources expended	Transfers and gains	At 31 Aug 2021 £
<b>GROUP AND CHARITY</b>					
<b>Restricted Funds</b>					
Michael J Baker travel fund	29,856	500	-	-	30,356
Library fund	101	-	-	-	101
Joan Sewell bequest fund	54,905	563	(18,200)	-	37,268
John Crabtree award	18,078	-	(1,000)	-	17,078
Foundation for Sport and the Arts - grant	16,625	-	-	(875)	15,750
New Sixth Form Centre	93,750	210,000	-	-	303,750
	<b>213,315</b>	<b>211,063</b>	<b>(19,200)</b>	<b>(875)</b>	<b>404,303</b>

The Michael Baker Travel Fund was set up in memory of Michael Baker who died in 1999. It is awarded to one or two leavers each year for travel outside of Europe for specific goals ie: helping local communities.

The Joan Sewell Bequest fund helps support various academic projects in the school, including essay prizes and educational trips.

The John Crabtree award is presented annually to the most gifted mathematician in the Lower Sixth Form.

The Foundation for Sport and the Arts Grant was a grant towards the construction of the sports hall. The figure is reduced annually as per the initial agreement.

KST committed to a timeline for the new Sixth Form Centre in October 2021 with completion due late Autumn 2022. Fundraising has previously been taking place and will continue to do so in 2021/22. This project will be for a Sixth Form Centre for the benefit of all at King's College. It will be multi-functional to further re-inforce, in particular, the support to and development of the Sixth Form pupils. It will include classrooms, a Careers and Enterprise Room, communal and study areas, and large function rooms.

#### GROUP

##### Unrestricted Funds

General reserves	15,653,483	13,570,799	(13,827,662)	875	15,397,495
Designated - Bursary	1,367,717	760,209	(138,212)	260,168	2,249,882
Designated - Pension Deficit	1,158,955	8,643	(592,194)	24,941	600,345
	<b>18,180,155</b>	<b>14,339,651</b>	<b>(14,558,068)</b>	<b>285,984</b>	<b>18,247,722</b>

#### CHARITY

##### Unrestricted Funds

General reserves	15,653,483	13,545,826	(13,802,689)	875	15,397,495
Designated - Bursary	1,367,717	760,209	(138,212)	260,168	2,249,882
Designated - Pension Deficit	1,158,955	8,643	(592,194)	24,941	600,345
	<b>18,180,155</b>	<b>14,314,678</b>	<b>(14,533,095)</b>	<b>285,984</b>	<b>18,247,722</b>

Bursary Fund - in 2015 £1m was allocated to this fund, the income from which will go to support KST's extensive bursary programme to support families who could otherwise not afford the full fees.

The Company has a contingent liability of some £476,150 in relation to a deficit on its Pension Trust Growth Plan scheme (see also note 20). In 2015 the Council set aside £1m towards this liability. As the Pension Deficit fund has grown and the overall deficit has reduced with the annual payments required by the pension trustees, the fund is now larger than the deficit. It is the Council's intention to buy-out the liability using the Pension Deficit fund. There is currently no timeline for this buy-out.

# KING'S SCHOOLS TAUNTON LIMITED

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

### 22 ANALYSIS OF NET ASSETS BETWEEN FUNDS

The Company's net assets belong to the various funds as follows:

	Fixed assets	Investments	Net current assets	Long term liabilities	Total
	£	£	£	£	£
Share capital	-	-	100	-	100
Restricted funds	-	-	404,303	-	404,303
Unrestricted funds					
General	15,235,322	101	1,766,457	(1,604,413)	15,397,467
Designated	-	2,724,114	126,141	-	2,850,255
<b>Company</b>	<b>15,235,322</b>	<b>2,724,215</b>	<b>2,297,001</b>	<b>(1,604,413)</b>	<b>18,652,125</b>
Trading subsidiary	-	(101)	101	-	-
<b>Group - 31 August 2021</b>	<b>15,235,322</b>	<b>2,724,114</b>	<b>2,297,102</b>	<b>(1,604,413)</b>	<b>18,652,125</b>

	Fixed assets	Investments	Net current assets	Long term liabilities	Total
	£	£	£	£	£
Share capital	-	-	100	-	100
Restricted funds	-	-	213,315	-	213,315
Unrestricted funds					
General	15,506,882	101	1,729,441	(1,582,942)	15,653,482
Designated	-	2,249,599	277,075	-	2,526,674
<b>Company</b>	<b>15,506,882</b>	<b>2,249,700</b>	<b>2,219,931</b>	<b>(1,582,942)</b>	<b>18,393,571</b>
Trading subsidiary	-	(101)	101	-	-
<b>Group - 31 August 2020</b>	<b>15,506,882</b>	<b>2,249,599</b>	<b>2,220,032</b>	<b>(1,582,942)</b>	<b>18,393,571</b>

# KING'S SCHOOLS TAUNTON LIMITED

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

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### 23 PENSION SCHEMES

#### 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 £1,053,731 (2020: £1,276,880) and at the year-end £86,888 (2020: £106,053) 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 has accepted three key proposals recommended by the Government Actuary and are aiming to implement these changes in time for the 2020 valuations.

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

Until the cost cap mechanism revision 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.

#### Pensions Trust Growth Plan

See note 20.

# KING'S SCHOOLS TAUNTON LIMITED

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

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<b>24 Reconciliation of net incoming resources to net cash inflow from operations</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Net income for the year ended 31 August 2021</b>	<b>258,555</b>	<b>(50,332)</b>
<b>Adjustments for</b>		
Depreciation charges	<b>462,585</b>	<b>507,740</b>
(Gains)Losses on investments	<b>(465,662)</b>	<b>54,246</b>
Financing costs	<b>(8,853)</b>	<b>(9,943)</b>
Purchase of tangible fixed assets	<b>(191,025)</b>	<b>(121,386)</b>
(Increase)/decrease in stocks	<b>7,637</b>	<b>(1,314)</b>
(Increase)/decrease in debtors	<b>3,284</b>	<b>(84,081)</b>
Increase/(decrease) in creditors	<b>783,783</b>	<b>(284,210)</b>
<b>Net Cash provided by (used in) operating activities</b>	<b>850,304</b>	<b>10,720</b>
<b>25 Analysis of cash and cash equivalents</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash in hand and at a bank	<b>6,761,413</b>	<b>5,911,109</b>

# KING'S SCHOOLS TAUNTON LIMITED

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

### 26 Consolidated Statement of Financial Activities - Comparative figures by fund type Year Ended 31 August 2020

	Notes	Unrestricted Funds	Restricted Funds	TOTAL 2020
		£	£	£
<b>INCOME FROM:</b>				
<b>Charitable Activities</b>				
School fees receivable		12,407,317	-	12,407,317
Ancillary trading income	2	624,185	-	624,185
<b>Other trading activities</b>				
Non-ancillary trading income	3	228,266	-	228,266
Other activities	3	9,872	-	9,872
<b>Investments</b>				
Investment Income	4	36,165	-	36,165
Bank and other interest	5	12,411	-	12,411
<b>Voluntary sources</b>				
Appeal income and donations	6	756,814	29,853	786,667
<b>TOTAL INCOME</b>		<b>14,075,030</b>	<b>29,853</b>	<b>14,104,883</b>
<b>EXPENDITURE ON:</b>				
<b>Raising funds</b>				
Non-ancillary trading	7	30,047	-	30,047
Financing costs	7	(78,837)	-	(78,837)
Investment management	7	20,497	-	20,497
		<b>(28,293)</b>	<b>-</b>	<b>(28,293)</b>
<b>Charitable Activities</b>				
Education and grant making	7	14,202,333	6,520	14,208,853
<b>TOTAL EXPENDITURE</b>		<b>14,174,040</b>	<b>6,520</b>	<b>14,180,560</b>
<b>Net income and expenditure before transfers</b>		<b>(99,010)</b>	<b>23,333</b>	<b>(75,677)</b>
Realised gains/(losses) on investment assets	13	(28,468)	-	(28,468)
Unrealised gains on investment assets	13	53,813	-	53,813
<b>Net income</b>		<b>(73,665)</b>	<b>23,333</b>	<b>(50,332)</b>
Transfers between funds	21	875	(875)	-
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>(72,790)</b>	<b>22,458</b>	<b>(50,332)</b>
Fund balances at 1 September 2019		18,252,945	190,857	18,443,802
<b>FUND BALANCES at 31 August 2020</b>		<b>18,180,155</b>	<b>213,315</b>	<b>18,393,470</b>

# KING'S SCHOOLS TAUNTON LIMITED

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

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### 27 SUBSIDIARIES

The Company owns all of the share capital of WST Enterprises Limited, a company incorporated in England/Wales. This company carries out trading activity on behalf of the School including commercial letting of the School's buildings and sports facilities.

WST Enterprises Limited (company number: 05181894) had a turnover of £10,874 (2020: £64,335), profit on ordinary activities of £5,027 (2020: £50,242), and a profit before tax and gift aid of £5,027 in the year ended 31 August 2021 (2020: £50,242). At 31 August 2021 the Company had shareholder's funds of £100 (2020: £100).

The Company owns all of the share capital of King's College Schools International Limited a company incorporated in England/Wales. This company carries out international activities on behalf of the School.

King's College Schools International Limited (company number: 09749938) had turnover of £162,589 (2020: £159,131), £143,463 profit on ordinary activities (2020: £143,177), and a profit before tax and gift aid of £143,463 (2020: £143,177) in the year ended 31 August 2021. At 31 August 2021 the Company had shareholder's funds of £1 (2020: £1).

Gross assets for WST Enterprises amount to £411,902 (2020: 456,861), and gross liabilities of £411,802 (2020: £456,761). King's College Schools International Limited (formerly KST International Ltd) had gross assets of £305,877 (2020: £297,489) and gross liabilities of £305,876 (2020: £297,489)

All subsidiaries have a common registered office with the school.

### 28 CONTINGENT LIABILITIES

King's Schools Taunton Limited has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Growth Plan, based on the Plan's financial position as at 30 September 2020. As of this date the estimated employer debt for King's Schools Taunton Limited was £476,150 (2020: £495,631) including Series 3 liabilities.

### 29 CAPITAL COMMITMENTS

As at 31 August 2021, the group had no contracted capital expenditure (2020: nil).

### 30 ULTIMATE CONTROLLING PARTY

The Woodard Corporation is the ultimate controlling party, a registered charity number 1096270, which is incorporated in England and Wales. Copies of the financial statements of the Woodard Corporation can be obtained from High Street, Abbots Bromley, Rugeley, Staffordshire, WS15 3BW. The accounts of King's Schools Taunton Limited are included within the consolidated financial statements of the Woodard Corporation Limited.

### 31 RELATED PARTIES

The Company is a wholly owned subsidiary of The Woodard Corporation, a registered charity number 1096270, which is incorporated in England and Wales. An amount of £87,766 (2020: £71,263) was paid in the period to the Corporation by way of a levy to meet Corporation running costs. At year end there was a balance of £72 owed by The Woodard Corporation to the Company.

The Company also controls two trading subsidiaries, WST Enterprises Limited and King's Schools College International Limited (formerly KST International Ltd). See note 27 above. WST Enterprises Limited makes use of the schools facilities for its principal activity of lettings, the schools made recharges of £1,094 (2020: £9,453) to WST Enterprises Limited for costs incurred to support these lettings such as catering and staff cost, the debtor balance with WST Enterprises Limited at 31 August 2021 was £409,402 (2020: £454,886). King's College Schools International Limited's principal activity is the promotion of education overseas, the schools receive income from King's College Schools International Limited and provide support and advice to our overseas partner schools. The schools recharged £7,102 (2020: £4,813) for costs incurred and the debtor balance with King's College Schools International Ltd at 31 August 2021 was £303,597 (2020: £276,107).

### 32 ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the financial statements, the directors are required to make estimates and judgements. The matters detailed below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported in the results of operations, financial position and cashflows. Accounting policies are shown at note 1 to the financial statements.

# KING'S SCHOOLS TAUNTON LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2021

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As explained at note 20, there is a deficit reduction plan in place in respect of King's Schools Taunton membership of the Pension Trust's Growth Plan. FRS 102 requires a liability to be recognised in respect of the present value of future contributions payable under the terms of the deficit recovery plan. The incorporation of this liability in the financial statements involves the exercise of judgement in a number of areas, including the selection of an appropriate discount rate.

### *Pension scheme contingent liability*

As explained at note 28, there is a contingent liability in the event that King's Schools Taunton Ltd were to withdraw its membership of the Pension Trust's Growth Plan. The independent qualified actuaries advising the Pensions Trust in respect of the contingent withdrawal liability exercise significant judgement in determining the amount of that liability. Judgement is exercised in a number of areas, including future changes in salaries and inflation, mortality rates and the selection of appropriate discount rates.

### *Provision for bad debts*

Debts are provided for if not recovered within one term. Estimating amounts to provide against recovery of debts is a matter of judgement.

### *Deposits*

Refundable deposits are currently classified between long term and short term in the financial statements. These deposits are refundable in the event that pupils leave the school on one term's notice and as such the deposit would be refunded to the parents at that point. However the financial statements are prepared on a going concern basis and it is assumed that the majority of children will remain in the school for their full years of education and therefore the deposit will be refunded to them when they leave the school. Short term deposits reflect those pupils that will be leaving the school within one year, and the long term element reflects those pupils that will be leaving the school after 12 months from the balance sheet date.