

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 2022

KING'S SCHOOLS TAUNTON LIMITED

CONTENTS

	Page
Company Information	1
Directors' Report (incorporating the Strategic Report)	3
Directors' Responsibilities Statement	21
Independent Auditor's Report	23
Consolidated Statement of Financial Activities	27
Charity Statement of Financial Activities	28
Consolidated and Charity Balance Sheet	29
Consolidated Cash Flow Statement	30
Notes to the Financial Statements	32

KING'S SCHOOLS TAUNTON LIMITED

COMPANY INFORMATION YEAR ENDED 31 AUGUST 2022

Directors	L M Nash BEd FIOD ISM (Chair and Custos) C H Hirst MA (Vice-Custos) C A Cavaghan-Pack BEd JP M D Featherstone MA PGCE M A Gunn MA (Ed) J E R Houghton MA J E Knill R M U Lambert MA W J Morrison BSc MRICS Bishop W N Stock BA, Dip Theol. M F Trimble BSc ACA FCSI R Wells-Cole BA (Hons) Commodore J R A Woodard BASC (Hons), MSc, PG Cert
Company Secretary	S C Worthy BA MBA
Charity Number	1103346
Company Number	05084301
Registered Office	20 Holway Avenue Taunton TA1 3AR
Principal Addresses	King's College Taunton South Road Taunton Somerset TA1 3LA King's Hall School Kingston Road Taunton Somerset TA2 8AA
Key Management Personnel	
Heads	M P Sloan, BA (King's College Taunton) Appointed 01/09/2022 R R Biggs, MA BSc (King's College Taunton) Retired 31/08/2022 J T S Chippendale, BSc (King's Hall School)
Director of Finance and Operations	S C Worthy BA MBA

KING'S SCHOOLS TAUNTON LIMITED

COMPANY INFORMATION YEAR ENDED 31 AUGUST 2022

Auditor	RSM UK Audit LLP Portland 25 High Street Crawley West Sussex RH10 1BG
Tax advisers	RSM UK Tax and Accounting Limited St Philips Point Temple Row Birmingham West Midlands B2 5AF
Bankers	National Westminster Bank plc 49 North Street Taunton TA1 1NB
Solicitors	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
Insurance Brokers	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 2022

The Directors present their report and financial statements for the year ended 31 August 2022 and confirm they comply with the requirements of the Charities Act 2011, including the Directors' and Strategic Reports, under 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 30 on page 50 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 chair 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.

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

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 21. 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. They attended one Education Day at King's College and one Education Day at King's Hall School.

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.

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 three times during the year.

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

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 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' Conference, the Independent Association of Preparatory Schools, the Independent Schools' Bursars

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

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.

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

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 21. 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, has been fundamental to continued success. Further information on King's continued success 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 Taunton 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

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

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.

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

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 £567,019 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 £1,434,131 (7.5% 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 128 pupils. In support of refugees and in partnership with Royal SpringBoard, seven of these received over 100% 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.

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

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

These accounts relate to the year to 31st August 2022, and therefore reflect the diminishing financial and operational impact on the education sector, and all of society, of the Coronavirus pandemic. King's Schools' pupil numbers increased this year, reflecting the excellent provision during the pandemic, which was widely regarded by parents as exceeding their hopes and expectations.

The pandemic had a direct impact on school financial health across two financial years, but there was significant recovery in 2021-22. Following earlier cuts in fees in order to reflect the impact of the various restrictions, King's Schools Taunton raised fees by an average of 3.8% in September 2021. King's Schools Taunton had to adapt to the situation, but we have been able to provide a full educational experience in 2021-22.

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, geography, mathematics, the sciences, languages and design technology. The new A level in psychology, introduced two years ago, has proved very popular and has entered candidates for A level examinations for the first time in Summer 2022.

Academic Results

At both GCSE and A level the academic results for the school were strong this year. For the first time in three years candidates sat formal public examinations. 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 77%. In all, 29 pupils gained three or more A or A*s. The great majority of pupils who had offers from universities have been accepted onto their first or second choice courses. King's leavers have started courses at universities including Cambridge, Imperial College, UCL, KCL, Durham, Nottingham, Manchester and Exeter.

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

Departments performing particularly well this year, based on their A* to B rates, include art (89%), BTEC Sport (100%), Chinese (100%), drama (100%), design technology (88%), economics (95%), further maths (86%), geography (93%), German (100%) and history (87%). Over a quarter of maths and economics candidates achieved A* grades.

The recent high-profile success for national women's sport was echoed in the King's College BTEC Sport results: All five female students taking the course achieved three starred distinctions, the highest grades possible.

King's year 11 pupils were entered for a mixture of GCSE and IGCSE courses, so grades are a mixture of numbers (9 to 1) and letters (A* to E). Grades 9, 8 and 7 at GCSE equate to A* and A grades.

Six pupils achieved nine or more grades of A*, 9 or 8: A further ten pupils achieved nine or more grades at A*, A, 9, 8 or 7.

In the UKMT Senior Maths Challenge, one pupil gained a gold certificate, 17 silver, and 37 bronze. One pupil achieved a Highly Commended in the Robson Essay Prize (Trinity College Cambridge).

In the Biology Challenge (for years 9 and 10) pupils gained four golds, six silver and 16 bronze awards.

Improving Facilities

Work began on the building of the new Sixth Form Centre, a £3.2million project due to open in winter 2022/23. A great deal of maintenance and refurbishment work was undertaken on site.

Arts, Music and Drama

Dramatic productions during the year included a play, *Checkmate*, written and directed by an Upper Sixth pupil. Lower Sixth drama students put on Pielmeier's *Agnes of God*. All drama scholars were involved in a production of *Macbeth*.

King's pupils achieved outstanding results in LAMDA examinations, including one Distinction at Gold Medal, grade 8, a Distinction at Silver Medal, Grade 7 and two Distinctions at Bronze Medal Acting.

Two leavers secured places at drama schools in the UK.

The number and range of musical events was significantly higher in the past year. New ensembles were created, including the Big Friendly Choir, a Cuban music group, a boys' and a girls' close harmony group and two piano trios. The Chapel choir remained as popular as ever, with over 50 members. A full symphony orchestra has been established, and includes musicians from a number of other local schools. A King's leaver has secured a place to study the trumpet at the Birmingham Music Conservatoire.

A number of leavers were successful in securing places at top art schools in the UK including UAL, Glasgow school of Art and Nottingham Trent.

Sport and Outdoor Pursuits

Our boys' 1st XI cricket once team once again reached the semi-finals of the national T20 Cup. The girls' 1st XI reached the quarter-finals.

A number of boys and girls competed at an international level in a range of sports, including athletics, cricket, water polo and badminton. Two King's cricketers played for the England U19 men's XI at the world cup finals in the West Indies.

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

The boys' U15 rugby XV reached the quarter-finals of the national cup.

Our girls' 1st VI tennis team were unbeaten all season.

In swimming, our boys' and girls' teams were second in the annual Meade-King Cup quadrangular gala.

Riding had a successful year this year. Eight riders represented the school at the National School Equestrian Association finals at Hickstead.

CCF

The school's Royal Marines section once again won the prestigious Sir Steurt Pringle Trophy at Lympstone, for the seventh time in twelve years.

The CCF biennial inspection was led by Commodore Jolyon Woodard RN. The CCF received a very positive report.

Ten Tors

King's once again entered three teams for the Ten Tors Challenge. During the event itself, and after a delay due to the pandemic, two members of staff, Pete Belfield and Ron Mason were formally, and finally, presented with their Ten Tors certificates of long service, for 15 and 30 years respectively.

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 an active member of the local Citizens UK branch, leading this year on a campaign for safer streets in Taunton, and in particular for a cycle path connecting Wellington and Taunton.

The school has taken the lead in supporting the teaching of Latin in local primary schools.

Facilities made available to the public

Facilities used by groups from outside the school have included the Chapel, the swimming pool, playing fields, astroturf pitches, squash courts, the indoor cricket facility and the theatre.

After 15 years of excellent service as Headmaster of King's College, Mr Richard Biggs retired at the end of the academic year. Having previously been selected following an extensive and comprehensive recruitment process, Mr Michael Sloan formally took on the role in September, 2022.

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.

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

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 Diabetes in children.

Academic Performance

Year 8 leavers gained eleven academic scholarships to senior schools. There was a 100% pass rate for all pupils who sat the Common Entrance examinations. Year 6 children gained six 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. In sporting competition outside of school, King's Hall children were successful. The boys U13 and U11 rugby teams had very positive seasons. The boys' and girls' hockey teams won the vast majority of their matches. All children, girls and boys, play cricket at the same time. The girls U13 cricket team were undefeated except in the County final. The boys U13, U12 and U11 cricket teams all won finals to become County Champions. The Under 11 boys went on to be regional champions and, following that, competed in the National Finals day. 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 in 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 U14 County squash champion and, in conjunction with the College, our Junior squash team are County Champions. Four children competed in the National Athletic finals with one gaining a Bronze medal.

Ten children gained sports scholarships to their senior schools and five won awards in Year 6 to 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. The Specialist Art group undertook a wide range of enrichment activities to extend their knowledge and understanding. The music department put on extremely high quality concerts. Involvement in festivals and competitions such as Taunton Music Festival was fulsome with impressive results. All children in Years 2, 3 and 4 have class lessons on the violin in Year 2, 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 a terrific production of *The Lion, The Witch and The Wardrobe*. An extremely high quality show with sound including radio microphones, lighting, set and costumes. December saw two excellent nativity productions from Pre-Prep. In March Year 6 produced energetic and vibrant performances of *'Shakespeare Rocks!'*. Year 4 performed outside in the Summer to two parental audiences. The Speech and Drama activity continues to thrive with many children taking part including the Taunton Drama Festival and LAMDA exams – with much success.

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 *'Puppetry and Animals'*. Workshops, trips, visiting artists, authors, storytellers and dance as well as some following the remarkable puppeteers.

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

Three music, four art, three DT and five 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 the dining room, some Pre-Prep classrooms, boarding accommodation, roofing in several areas and the cladding of 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

After numbers fell during the pandemic, numbers at the school in India are growing once again. A new Head took up post in the spring. Pupils who took their A levels last year have all moved on to universities or colleges, including in the UK.

Qatar

King's College Doha opened on 18 September 2016. It now has 750 children up to Year 10. 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. Construction is well progressed on a second site in Doha and it is hoped to be complete to allow for a March 2023 opening.

King's College Riyadh opened in September 2021 welcoming 169 pupils up to Year 3. It now has 360 children up to Year 4.

Future Schools

The launch of King's College Cairo has been announced and construction is underway for an opening in September 2024.

We are in discussions with our current and potential new partners about further opportunities overseas.

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.

Funds held as custodian trustee on behalf of others

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

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The net income for the year amounted to a surplus of £423,249. This is above expectations due to increased pupil numbers and additional capitalisation of some major engineering works. Although Covid-19 continued to have an impact on lettings, WST Enterprises Limited continued 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 national and international cricket festival returned in the summer 2022 with great success. WST Enterprises Limited contributed £127,473 to the Schools' operating results. King's College Schools International Limited contributed £216,665 to the Schools' operating results with turnover of £227,710 contributing to the Group results. The Equity Shareholders' Funds increased by £423,249.

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 £4.2 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 £1,309,179 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.

In common with most independent schools, and due to the having to fund their own capital investment plans, free reserves are at a negative balance illustrating the extent of the investment in our school. Although there is not a specific target, KST 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 school's total reserves of £19.08m at the year-end included £0.48m of restricted funds and £3.09m unrestricted designated funds. Fixed assets held for charity use totalled £17.22m, leaving free reserves of -£1.66m (2021: £0.16m). KST's financial viability does not depend on income reserves but in its ability to continue to trade at a surplus on an annual basis, and on the substantial portfolio of fixed assets held for operational use. The Schools do not have, and cannot rely on, permanent endowments.

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. In 2022, the decision was taken to move our investments to the Responsible Multi-Asset Fund. At 31 August 2022 the investments within this Bursary fund were valued at £2,065,229

Pension Deficit fund. The Company has a contingent liability of some £31,545 in relation to a deficit on its Pension Trust Growth Plan scheme (see also note 22). 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 2022 the investments within this Fund were valued at £602,586.

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

Investment Performance against Objectives

Bursary Fund

The portfolio, managed by Cazenove Capital, was valued at £2,065,229 on 31 August 2022 (31 August 2021: £2,186,776).

Over the period the portfolio return was -4.48%, 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.

Pension Deficit Fund

The portfolio, managed by Cazenove Capital, was valued at £602,586 on 31 August 2022 (31 August 2021: £600,345).

Over the period the portfolio return was 0.373%. There is currently no income drawn from the portfolio; income is re-invested.

N.B. Cazenove are currently also managing our Advance Fees Account valued at £579,711 on 31 August 2022 (31 August 2021: £0)

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

King's Schools Taunton 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;
- 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;
- 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

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

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 and through the KST (staff) Consultation Committee. 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.

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 at a time when all restrictions relating to the Covid 19 global pandemic had been removed, and activity had returned to normal with limited impact from the virus. 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.

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. With increased costs and following freezing fees in 2020 to support our parents, the governing body decided last year to increase the fees in September 2021 by an average of 3.8%. For September 2022, despite the significant financial impact from increased energy costs, the national insurance rise, and an extremely competitive local employment market, the governing body has limited fee changes to below inflation increases.

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

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
- the difficult economic conditions, locally, nationally and internationally; Directors and senior managers in the Schools keep abreast of economic and political 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

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

liquidity risk is minimised. The Company's investments are managed externally by a firm of professional investment managers.

GOING CONCERN

The governing body has continued to review any potential impact of the global pandemic on school operations and finances. As noted earlier in the report, all restrictions were lifted before the start of the 2021-22 academic year and there has been limited impact on the Schools from the virus. School managers and governors continue to work hard to ensure no detrimental impact to our pupils and to mitigate any potential financial impact.

Monitoring closely current and forecast economics and political decisions, having considered all factors and after 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 32.

FUTURE PLANS

King's Schools Taunton

The objectives set for the year were largely achieved or are ongoing.

Subject to confirmation at the 2022-23 Strategy Meeting, the key aims for 2022-23 are:

1. To continue the development of a culture of excellence with a relentless focus on improvement in a nurturing and creative environment
2. To ensure the sustainability of King's Schools in a volatile economic environment by maximising our international development contribution, being cost effective and working towards a 5% surplus
3. To provide support where required, to exploit opportunities and drive excellence with new KCT Head
4. To continue to focus on raising admissions, including establishing new markets, until full capacity is reached for both schools
5. Development of a 3-5-year strategy that reflects the volatile external environment and enables us to manage economic risks
6. To complete an overarching KST Education Strategy
7. In support of the Education Strategy, finalise the estates plan
8. To complete an overarching sustainability strategy covering both schools, produce Solar PV and LED plan, and ensure significant progress towards full LED lighting and increased renewable energy production (priority where greatest impact)
9. To demonstrate continued focus on the EDI agenda.

King's College

The objectives set for the year were largely achieved.

The key aims for 2022-23 are:

1. To complete the building and fitting of the Sixth Form Centre
2. To complete successful occupation and utilisation of the Sixth Form Centre, including identifying and addressing the rationalisation impact on the remaining estate.
3. To continue to focus on raising finances towards the Sixth Form Centre and future projects and for bursaries through donations.
4. To build on last year's academic success and to maintain positive value-added results in all departments
5. To work towards total numbers consistently at 480 and beyond in the College while maintaining downward pressure on remissions
6. With the support of the new community engagement role, to further explore and develop our connections and partnerships to ensure that the benefit of the school to the community continues to grow
7. To ensure a smooth takeover by new Headmaster in September 2022
8. To continue to ensure King's College is inspection-ready.

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

9. To ensure continuously improving focus on sustainability including reduction in energy use and carbon impact.
10. To ensure the sustainability of King's College by being cost effective and working towards a 5% KST surplus.

King's Hall

The objectives set for the year were largely achieved.

The key aims for 2022-23 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 and beyond in the school while maintaining downward pressure on remissions
4. To explore and propose future nursery models including possible expansion as appropriate
5. To further explore and develop our connections and partnerships to ensure that the benefit of the school to the community continues to grow
6. To continue to ensure King's Hall is inspection-ready.
7. To ensure continuously improving focus on sustainability including reduction in energy use and carbon impact.
8. To ensure King's is ready for name change of King's Hall School to King's College Prep
9. To ensure the sustainability of King's Hall School by being cost effective and working towards a 5% KST surplus.

GROUP STREAMLINED ENERGY AND CARBON REPORTING

	2021-22	2020-21
Energy consumption used to calculate emissions (kWh)	4,448,158.86	5,147,376.56
Energy consumption break down (kWh):		
• gas	3,528,554.62	3,887,998.50
• electricity	-	-
• transport fuel	267,195.74	167,915.43
• Delivery Vehs Diesel	14,707.38	8,974.86
• Fuel – Garden Machinery	10,167.16	8,702.57
• burning oil	-	-
• gas oil	667,533.96	1,073,785.20
Scope 1 emissions in metric tonnes CO ₂ e		
Gas consumption	648.80	714.88
Owned transport – mini-buses	52.43	34.89
Delivery Vehs	3.81	2.36
Other Passenger Vehicles	3.33	3.79
Garden Machinery	2.89	2.47
Burning Oil	-	-
Gas Oil	171.41	275.72
Total Scope 1	882.66	1,034.11

KING’S SCHOOLS TAUNTON LIMITED

DIRECTORS’ REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	-	-
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee-owned vehicles	6.90	4.94
Total gross emissions in metric tonnes CO2e	889.56	1,039.05
Intensity ratio Tonnes CO2e per pupil	1.14	1.38

Note: The figures were incorrectly reported in the 2020/21 Directors’ Report (purchased electricity from renewable sources should not be included). The correct figures for 2020/21 are in the above table.

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 2020/21 was artificially high due to Covid-mitigation measures being 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 also had a negative carbon impact. Many of these measures have been removed or reduced during the 21/22 year.

Measures taken to improve efficiency

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

- Continuing 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 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;
- Creation of King’s Green Team to promote sustainability thinking and action;
- 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.

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

- 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 new 6th Form Centre (due for completion Winter 2022) 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;

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

- 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
- Reinvigoration of KCT Sustainability group and appointment of Sustainability Champions in departments and houses.

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)	(retired 31 December 2021)	All committees
C A Cavaghan-Pack		Education and Pastoral
C A Cooper	(retired 31 August 2021)	Finance and Estates
M D Featherstone		Education and Pastoral
M A Gunn	(appointed 17 March 2021)	Education and Pastoral
C H Hirst (Vice-Custos)	(Vice-Custos from 1 Jan 2022)	Education and Pastoral, Remuneration (All committees from 1 Jan 2022)
J E R Houghton		Finance and Estates
R M U Lambert		Finance and Estates
W J Morrison		Finance and Estates
Bishop Nigel Stock		Education and Pastoral
M F Trimble		Finance and Estates, Remuneration, Appointments
Commodore J R A Woodard RN		Education and Pastoral Finance and Estates (from July 2022)

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.

AUDITOR

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:

KING'S SCHOOLS TAUNTON LIMITED

DIRECTORS' REPORT (incorporating the STRATEGIC REPORT) YEAR ENDED 31 AUGUST 2022

- 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 8 December 2022 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 2022

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 2022 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 2022 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 2022

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 pages 21-22, 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 2022

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 2022*

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.

Zoe Longstaff-Tyrrell (Senior Statutory Auditor)
For and on behalf of
RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Portland
25 High Street
Crawley
West Sussex
RH10 1BG

KING'S SCHOOLS TAUNTON LIMITED

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

YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
INCOME FROM:					
Charitable Activities					
School fees receivable	2	15,056,201	-	15,056,201	12,846,580
Ancillary trading income	3	1,440,822	-	1,440,822	915,707
Other trading activities					
Non-ancillary trading income	4	579,491	-	579,491	189,349
Other activities	4	3,996	-	3,996	-
Investments					
Investment Income	5	43,845	-	43,845	26,913
Bank and other interest	6	2,618	-	2,618	511
Voluntary sources					
Appeal income and donations	7	21,229	93,565	114,794	571,654
TOTAL INCOME		17,148,202	93,565	17,241,767	14,550,714
EXPENDITURE ON:					
Raising funds					
Non-ancillary trading	8	214,503	-	214,503	24,973
Financing costs	8	(29,842)	-	(29,842)	(14,980)
Investment management	8	14,871	-	14,871	18,521
		199,532	-	199,532	28,514
Charitable Activities					
Education and grant making	8	16,486,659	20,415	16,507,074	14,548,754
TOTAL EXPENDITURE		16,686,191	20,415	16,706,606	14,577,268
Net income and expenditure before transfers		462,011	73,150	535,161	(26,554)
Realised (losses)/gains on investment assets	14	(164,181)	-	(164,181)	66,092
Unrealised gains on investment assets	14	52,269	-	52,269	219,017
Net income		350,099	73,150	423,249	258,555
Transfers between funds	23	875	(875)	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		350,974	72,275	423,249	258,555
Fund balances at 1 September 2021		18,247,722	404,303	18,652,025	18,393,470
FUND BALANCES at 31 August 2022		18,598,696	476,578	19,075,274	18,652,025

In the prior year, all income and expenditure related to unrestricted funds, with the exception of £211,063 of voluntary income and £19,200 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 32 to 51 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 2022

	Notes	Unrestricted Funds	Restricted Funds	Total 2021	Total 2021
		£	£	£	£
INCOME FROM:					
Charitable Activities					
School fees receivable	2	15,056,201	-	15,056,201	12,846,580
Ancillary trading income	3	1,440,822	-	1,440,822	915,707
Other trading activities					
Non-ancillary trading income	4	364,988	-	364,988	164,376
Other activities	4	3,996	-	3,996	-
Investments					
Investment Income	5	43,845	-	43,845	26,913
Bank and other interest	6	2,618	-	2,618	511
Voluntary sources					
Appeal income and donations	7	21,229	93,565	114,794	571,654
TOTAL INCOME		16,933,699	93,565	17,027,264	14,525,741
EXPENDITURE ON:					
Raising funds					
Financing costs	8	(29,842)	-	(29,842)	(14,980)
Investment management	8	14,871	-	14,871	18,521
		(14,971)	-	(14,971)	3,541
Charitable Activities					
Education and grant making	8	16,486,659	20,415	16,507,074	14,548,754
TOTAL EXPENDITURE		16,471,688	20,415	16,492,103	14,552,295
Net income and expenditure before transfers		462,011	73,150	535,161	(26,554)
Realised (losses)/gains on investment assets	14	(164,181)	-	(164,181)	66,092
Unrealised gains on investment assets	14	52,269	-	52,269	219,017
Net income		350,099	73,150	423,249	258,555
Transfers between funds	23	875	(875)	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		350,974	72,275	423,249	258,555
Fund balances at 1 September 2021		18,247,722	404,303	18,652,025	18,393,470
FUND BALANCES at 31 August 2022		18,598,696	476,578	19,075,274	18,652,025

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 32 to 51 form part of these financial statements.

KING'S SCHOOLS TAUNTON LIMITED

CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31 AUGUST 2022

	Notes	GROUP		CHARITY	
		2022 £	2021 £	2022 £	2021 £
FIXED ASSETS					
Tangible assets	13	17,224,982	15,235,322	17,224,982	15,235,322
Investments	14	2,924,130	2,724,114	2,924,130	2,724,114
Investments in subsidiaries	14	-	-	101	101
		20,149,112	17,959,436	20,149,213	17,959,537
CURRENT ASSETS					
Stocks		21,171	15,145	21,171	15,145
Debtors	15	709,142	675,459	1,765,655	1,376,795
Cash		6,570,922	6,761,413	5,309,443	6,055,298
		7,301,235	7,452,017	7,096,269	7,447,238
CREDITORS: due within one year	16	(6,177,448)	(5,154,915)	(5,972,583)	(5,150,237)
NET CURRENT ASSETS		1,123,787	2,297,102	1,123,686	2,297,001
TOTAL ASSETS LESS CURRENT LIABILITIES		21,272,899	20,256,538	21,272,899	20,256,538
CREDITORS: due after more than one year	17	(2,197,525)	(1,604,413)	(2,197,525)	(1,604,413)
TOTAL NET ASSETS		19,075,374	18,652,125	19,075,374	18,652,125
CAPITAL AND RESERVES					
Called up share capital	20	100	100	100	100
FUNDS					
Restricted funds	23	476,578	404,303	476,578	404,303
Unrestricted funds					
General	23	15,510,618	15,397,495	15,510,618	15,397,495
Designated	23	3,088,078	2,850,227	3,088,078	2,850,227
		18,598,696	18,247,722	18,598,696	18,247,722
EQUITY SHAREHOLDERS' FUNDS		19,075,374	18,652,125	19,075,374	18,652,125

The notes on pages 32 to 51 form part of these financial statements. The financial statements were approved and authorised for issue by the Board on 8 December 2022 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 2022

	2022	2021
	£	£
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	2,513,674	1,230,678
Cash flows from investing activities:		
Dividends, interest and rents from investments	46,463	27,424
Purchase of property, plant and equipment	(2,420,851)	(191,025)
Disposal of property, plant and equipment	8,580	-
Proceeds from sale of investments	2,135,570	1,866,357
Purchase of investments	(2,462,369)	(2,074,277)
Net cash provided by (used in) investing activities	(2,692,607)	(371,521)
Cash flows from financing activities:		
Financing costs	(11,558)	(8,853)
Net cash provided by (used in) financing activities	(11,558)	(8,853)
Change in cash and cash equivalents in the year	(190,491)	850,304
Cash and cash equivalents at the beginning of the year	6,761,413	5,911,109
Cash and cash equivalents at the end of the year	6,570,922	6,761,413

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

	2022	2021
	£	£
Net income/(expenditure) for period (as per the Statement of Financial Activities)	423,249	258,555
Adjustments for:		
Depreciation charges	422,611	462,584
Losses/(Gains) on investments	111,912	(285,116)
Dividends, interest and rents from investments	(46,463)	(27,424)
Financing costs	26,429	27,374
(Increase)/decrease in stocks	(6,026)	7,637
(Increase)/decrease in debtors	(33,683)	3,284
Increase/(decrease) in creditors	1,615,645	783,784
Net cash provided by (used in) operating activities	2,513,674	1,230,678

KING'S SCHOOLS TAUNTON LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS AND NOTES TO THE CASH FLOW STATEMENT AS AT 31 AUGUST 2022

	2022 £	2021 £
Analysis of cash and cash equivalents		
Cash at bank and in hand	<u>6,570,922</u>	<u>6,761,413</u>
Total cash and cash equivalents	<u>6,570,922</u>	<u>6,761,413</u>

Analysis of changes in Net Debt

	At 1st Sept 2021 £	Cash flows £	Other non- cash changes £	At 31st Aug 2022 £
Cash and cash equivalents				
Cash at bank and in hand	<u>6,761,413</u>	<u>(190,491)</u>	-	<u>6,570,922</u>
Total	<u>6,761,413</u>	<u>(190,491)</u>	-	<u>6,570,922</u>

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

1 ACCOUNTING POLICIES

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

a) **Basis of accounting**

The 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 31 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.

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 2022

1. ACCOUNTING POLICIES (continued)

e) Ancillary and non-ancillary trading income

Ancillary trading income represents amounts from activities to generate funds within the charitable objects for example, school 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 7).

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 which provide benefits based on final pensionable pay. The Company also contributes to defined contribution pension schemes for teaching and non-teaching staff.

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

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 22.

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. Assets in the course of construction are not depreciated.

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 2022

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 2022

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.

r) **Termination Payments**

The best estimate of the expenditure required to settle an obligation for termination benefits, is recognised immediately as an expense, when the Group is demonstrably committed to terminate the employment of an employee, or to provide termination benefits.

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

2	SCHOOL FEES			Group and Charity	
				2022	2021
	(a) The Schools' fees income comprises:			£	£
	Gross fees			19,228,692	17,860,037
	Less: Total scholarships, bursaries, etc			(4,172,491)	(5,013,454)
				15,056,201	12,846,582
3	CHARITABLE ACTIVITIES - ANCILLARY TRADING INCOME			Group and Charity	
				2022	2021
				£	£
	Extra subjects			1,078,555	619,321
	Entrance and registration fees and fees in lieu of notice			90,653	93,672
	Commissions and other income			271,614	202,714
				1,440,822	915,707
4	OTHER TRADING ACTIVITIES			Group	
				2022	2021
				£	£
	Non-ancillary trading income				
	Rents receivable and other sales			20,850	15,886
	WST Enterprises Limited			330,931	10,874
	King's College Schools International Limited			227,710	162,589
				579,491	189,349
				Charity	
				2022	2021
				£	£
	Non-ancillary trading income				
	Rents receivable and other sales			20,850	15,886
	WST Enterprises Limited			127,473	5,027
	King's College Schools International Limited			216,665	143,463
				364,988	164,376
				Group and Charity	
				2022	2021
				£	£
	Other activities				
	Interest on overdue fees			5,376	-
	Loss on sale of fixed asset			(1,380)	-
				3,996	-
5	INVESTMENTS - INVESTMENT INCOME			Group and Charity	
				Total	Total
				2022	2021
				£	£
	Securities investment income	Unrestricted	Restricted		
		£	£		
	Equities	11,659	-	11,659	11,028
	Fixed interest	2,339	-	2,339	8,875
	Alternatives	29,847	-	29,847	7,010
		43,845	-	43,845	26,913
6	INVESTMENTS - BANK AND OTHER INTEREST			Group and Charity	
				Total	Total
				2022	2021
				£	£
	Bank interest	2,618	-	2,618	511
		2,618	-	2,618	511

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

7 VOLUNTARY SOURCES - GRANTS AND DONATIONS

	Unrestricted £	Restricted £	Group and Charity	
			Total 2022 £	Total 2021 £
Government Grant CJRS	-	-	-	244,548
Donations	21,229	93,565	114,794	327,106
	<u>21,229</u>	<u>93,565</u>	<u>114,794</u>	<u>571,654</u>

8 ANALYSIS OF EXPENDITURE

a) Total Expenditure

	Staff Costs (note 9) £	Support Costs £	Group		Total 2022 £	Total 2021 £
			Depreciation (note 12) £			
Costs of raising funds:						
Non ancillary trading	64,474	150,029	-		214,503	24,973
Financing cost (note 9)	-	(29,842)	-		(29,842)	(14,980)
Investment management	-	14,871	-		14,871	18,521
Total cost of raising funds	<u>64,474</u>	<u>135,058</u>	<u>-</u>		<u>199,532</u>	<u>28,514</u>
Charitable expenditure						
Teaching	6,553,988	872,877	32,308		7,459,173	6,647,162
Welfare	784,930	1,587,831	4,707		2,377,468	1,926,818
Premises	875,065	2,523,649	270,810		3,669,524	3,158,632
School administration	1,111,697	1,624,517	114,786		2,851,000	2,507,235
Grants, awards and prizes (all from unrestricted funds)	-	10,681	-		10,681	6,038
Governance	-	118,813	-		118,813	283,669
Expenditure from restricted funds	-	20,415	-		20,415	19,200
Total charitable expenditure	<u>9,325,680</u>	<u>6,758,783</u>	<u>422,611</u>		<u>16,507,074</u>	<u>14,548,754</u>
Total expenditure	<u>9,390,154</u>	<u>6,893,841</u>	<u>422,611</u>		<u>16,706,606</u>	<u>14,577,268</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 a total of £1,774 during the year (2021: two were reimbursed a total of £1,017).

	Total 2022 £	Total 2021 £
Remuneration paid to auditor for audit services	26,100	23,010
Additional remuneration paid to auditors for prior year	-	-
Reimbursement of personal expenses to governors	1,774	1,017
	<u>27,874</u>	<u>24,027</u>

9 FINANCING COSTS

	Group and Company	
	2022 £	2021 £
Other interest paid	2,470	1,326
Bank charges	9,088	7,527
Provision for bad and doubtful debts	(41,400)	(23,833)
	<u>(29,842)</u>	<u>(14,980)</u>

Provision for bad and doubtful debts includes £46,616 recovered in the year relating to debts that had previously been provided for in full (2021: £10,872).

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

10 STAFF COSTS

	Group	
	2022	2021
	£	£
The aggregate payroll costs for the year were:		
Wages and salaries	7,672,051	7,170,272
Social security costs	690,405	643,573
Teachers' pension contributions	905,297	871,339
Other pension contributions	115,866	111,462
Private Medical Insurance	6,535	5,018
	9,390,154	8,801,664
	Charity	
	2022	2021
	£	£
Wages and salaries	7,607,577	7,169,624
Social security costs	690,405	643,573
Teachers' pension contributions	905,297	871,339
Other pension contributions	115,866	111,462
Private Medical Insurance	6,535	5,018
	9,325,680	8,801,016

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

	2022	2021
	£	£
Aggregate employee benefits of key management personnel	431,752	394,807

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:

	2022	2021
	(number)	(number)
£ 60,001 - £ 70,000	1	2
£ 70,001 - £ 80,000	-	1
£ 80,001 - £ 90,000	1	1
£ 90,001 - £ 100,000	1	1
£ 100,001 - £ 110,000	1	1
£ 110,001 - £ 120,000	1	-

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

	2022	2021
	(number)	(number)
Teaching staff	132	129
Others	145	143
	277	272

Included in staff costs are termination payments and payments in lieu of notice totalling £32,059 (2021: £7,986). The amount outstanding at the year-end was nil (2021:nil).

11 DIRECTORS

None of the directors (or any persons connected with them) received any remuneration during the year. Remissions of £13,763 were awarded to two children of one director attending the School (2021: £11,813).

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

12 TAXATION

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

13 TANGIBLE FIXED ASSETS

GROUP	Freehold Land & Buildings £	Under Construction £	Plant & Equipment £	Furniture & Fittings £	Computer Equipment £	Motor Vehicles £	Total £
Cost							
At 1 September 2021	17,717,722	-	834,380	943,814	855,426	23,400	20,374,742
Additions	16,280	2,063,751	191,149	-	149,671	-	2,420,851
Disposals	-	-	(18,719)	-	-	-	(18,719)
At 31 August 2022	17,734,002	2,063,751	1,006,810	943,814	1,005,097	23,400	22,776,874
Depreciation							
At 1 September 2021	3,067,825	-	459,206	896,170	697,228	18,991	5,139,420
Charge for the year	259,715	-	56,428	12,644	90,884	2,940	422,611
Disposals	-	-	(10,139)	-	-	-	(10,139)
At 31 August 2022	3,327,540	-	505,495	908,814	788,112	21,931	5,551,892
Net book value At 31 August 2022	14,406,462	2,063,751	501,315	35,000	216,985	1,469	17,224,982
Net book value at 31 August 2021	14,649,897	-	375,174	47,644	158,198	4,409	15,235,322
COMPANY	Land & Buildings Freehold £	Under Construction £	Plant & Equipment £	Furniture & Fittings £	Computer Equipment £	Motor Vehicles £	Total £
Cost							
At 1 September 2021	17,717,722	-	834,380	943,814	855,426	23,400	20,374,742
Additions	16,280	2,063,751	191,149	-	149,671	-	2,420,851
Disposals	-	-	(18,719)	-	-	-	(18,719)
At 31 August 2022	17,734,002	2,063,751	1,006,810	943,814	1,005,097	23,400	22,776,874
Depreciation							
At 1 September 2021	3,067,825	-	459,206	896,170	697,228	18,991	5,139,420
Charge for the year	259,715	-	56,428	12,644	90,884	2,940	422,611
Disposals	-	-	(10,139)	-	-	-	(10,139)
At 31 August 2022	3,327,540	-	505,495	908,814	788,112	21,931	5,551,892
Net book value At 31 August 2022	14,406,462	2,063,751	501,315	35,000	216,985	1,469	17,224,982
Net book value at 31 August 2021	14,649,897	-	375,174	47,644	158,198	4,409	15,235,322

All assets are used for charitable purposes.

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

14 SECURITIES INVESTMENTS

	2022	2021
	£	£
Group investments		
At 1 September 2021	2,787,121	2,496,655
New money invested	640,246	71,589
Reinvested income	43,845	26,913
Amounts extracted	(96,904)	(74,624)
Management fees	(14,871)	(18,521)
Realised gains on investments	(164,181)	66,092
Unrealised gains on investments	52,269	219,017
Group investments at 31 August 2022	3,247,525	2,787,121
Less: Investments classified as cash	(323,395)	(63,007)
Group investments at 31 August 2022	2,924,130	2,724,114
Investments in subsidiaries	101	101
Company investments at 31 August 2022	2,924,231	2,724,215
Investments comprise:		
Listed investments		
Fixed interest	174,734	250,568
Equities	1,633,978	1,541,762
Alternative investments		
Hedge funds	-	72,462
Commercial property funds	163,958	-
Commodities and other	951,460	859,322
Group investments at 31 August 2022	2,924,130	2,724,114
Investments in subsidiaries	101	101
Company investments at 31 August 2022	2,924,231	2,724,215

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

At 31 August 2022, three investments (2021: three) had a carrying value equal to 5% or more of the value of the investment portfolio, being:

	£	
SUTL Cazenove Charity Responsible Fund	2,271,860	77.69%
Black Rock ICS Institutional Sterling Liquidity Fund	300,000	10.26%
J P Morgan Liquidity Funds	300,000	10.26%

The original cost of these investments were £2,866,986.

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

15 DEBTORS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
School fees receivable	201,347	215,113	201,347	215,113
Trade debtors	56,427	11,281	-	-
Other debtors	61,023	66,158	58,879	65,775
Prepayments and accrued income	389,238	382,835	385,837	382,835
Amounts owed by group undertakings	-	-	1,118,485	713,000
Woodard Corporation	1,107	72	1,107	72
	709,142	675,459	1,765,655	1,376,795

16 CREDITORS: Amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Deposits from parents	321,360	379,351	321,360	379,351
Fees received in advance of term	2,845,235	2,777,150	2,845,235	2,777,150
Trade creditors	1,153,121	834,238	1,150,320	833,160
Taxes and Social Security costs	207,737	160,866	178,984	160,866
Pension Scheme Deficit Recovery Plan	283,909	44,920	283,909	44,920
Other creditors	785,299	499,648	622,172	499,048
Accruals	580,787	458,742	570,603	455,742
	6,177,448	5,154,915	5,972,583	5,150,237

Summary of movement in deferred income

	2022	2021
Balance at 1 September 2021	2,777,150	2,150,710
Amounts arising in the year	2,845,235	2,777,150
Amounts transferred to SOFA	(2,777,150)	(2,150,710)
Balance at 31 August 2022	2,845,235	2,777,150

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

17 CREDITORS: Amounts falling due after one year

	Group and Company	
	2022	2021
	£	£
Deposits from parents	1,475,910	1,491,970
Fees In Advance	721,615	-
Pension Scheme Deficit Recovery Plan	-	112,443
	2,197,525	1,604,413

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

18 Fees In Advance

	Group and Company	
	2022	2021
	£	£
After 5 years	300,110	-
Within 2 - 5 years	374,450	-
Within 1 to 2 years	47,055	-
Due after more than one year	721,615	-
Within 1 year	18,600	-

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

19 COMMITMENTS UNDER OPERATING LEASES

Group and Company

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

	2022	2021
	£	£
within 1 year	100,109	104,204
within 1 to 5 years	77,201	153,530
	177,310	257,734

20 SHARE CAPITAL

Group and Company

	2022	2021
	£	£
Authorised		
100 Ordinary shares of £ 1 each	100	100
Allotted, called up and fully paid		
100 Ordinary shares of £ 1 each	100	100

21 FINANCIAL INSTRUMENTS

Group and Company

	2022	2021
	£	£
FINANCIAL ASSETS:		
Investments held at FV through Profit and Loss	2,924,130	2,249,599

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

22 PENSION SCHEME DEFICIT RECOVERY PLAN

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 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 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. 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 2022 to 31 January 2025:	£3,312,000 per annum (payable monthly)
---------------------------------------	--

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 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 asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 30 September 2025:	£11,243,000 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.

Present Values of Provision

	2022	2021
	£	£
Present value of provision	-	157,363

Reconciliation of opening and closing provisions	Period ending 31 August	
	2022	2021
	£	£
Provision at start of period	157,363	200,215
Unwinding of the discount factor (interest expense)	-	972
Deficit contribution paid on withdrawal	(157,363)	(43,612)
Remeasurements - impact of any change in assumptions	-	(212)
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	-	157,363

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

22 PENSION SCHEME DEFICIT RECOVERY PLAN (continued)

Income and expenditure impact	2022	2021
	£	£
Interest expense	-	972
Remeasurements - impact of any change in assumptions	-	(212)
Remeasurements - amendments to the contribution schedule	-	-
Assumptions	2022	2021
	% per annum	% per annum
Rate of discount	4.46	0.63

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.

Deficit contributions schedule	2022	2021
	£	£
Year 1	-	44,920
Year 2	-	46,268
Year 3	-	47,656
Year 4	-	20,200
Year 5	-	-
Year 6	-	-
Year 7	-	-
Year 8	-	-
Year 9	-	-
Year 10	-	-
	-	159,044

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. It is these contributions that have been used to derive the Company's balance sheet liability at 31 August 2021.

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 £315,455 (2021: £476,150) including Series 3 liabilities. King's Schools Taunton Limited have settled 90% of the estimated debt Oct 2022 leaving an estimated liability of £31,545, see note 23 and note 27.

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

23 SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	At 1 Sep 2021	Incoming resources	Resources expended	Transfers and gains	At 31 Aug 2022 £
GROUP AND CHARITY					
Restricted Funds					
Michael J Baker travel fund	30,356	-	(1,700)	-	28,656
Library fund	101	-	-	-	101
Joan Sewell bequest fund	37,268	2,250	(17,715)	-	21,803
John Crabtree award	17,078	-	(1,000)	-	16,078
Foundation for Sport and the Arts - grant	15,750	-	-	(875)	14,875
New Sixth Form Centre	303,750	91,315	-	-	395,065
	404,303	93,565	(20,415)	(875)	476,578

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 Winter 2022. Fundraising has previously been taking place and will continue to do so in 2022/23. 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	15,397,495	16,686,664	(16,574,416)	875	15,510,618
Designated - Bursary	2,249,882	459,297	(111,775)	(111,912)	2,485,492
Designated - Pension Deficit	600,345	2,241	-	-	602,586
	18,247,722	17,148,202	(16,686,191)	(111,037)	18,598,696

CHARITY

Unrestricted Funds

General reserves	15,397,495	16,472,161	(16,359,913)	875	15,510,618
Designated - Bursary	2,249,882	459,297	(111,775)	(111,912)	2,485,492
Designated - Pension Deficit	600,345	2,241	-	-	602,586
	18,247,722	16,933,699	(16,471,688)	(111,037)	18,598,696

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 £31,545 in relation to a deficit on its Pension Trust Growth Plan scheme (see also note 22). 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 became larger than the deficit. It was and is the Council's intention to buy-out the liability using the Pension Deficit fund. KST withdrew from the scheme with effect from 1st September, 2021 and payment for 90% of the full provisional buy-out took place October, 2022. There is currently a court case pending (decision Q4 2024 at the earliest) which will impact liabilities. Should liabilities increase as a result of the Court case, KST's employer debt would increase. It should be noted that individual debt estimates will be recalculated as at the actual date of exit – 1st September, 2021. After the Court case, the revised amount will be calculated and The Pension Trust will then request the remaining balance. KST will maintain the Pension Deficit fund to cover the 10% currently remaining plus expected sufficient contingency to cover the future court decision.

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

24 ANALYSIS OF NET ASSETS BETWEEN FUNDS

The Group'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	-	-	476,578	-	476,578
Unrestricted funds					
General	17,224,982	101	45,354	(2,197,525)	15,072,912
Designated	-	2,924,130	163,948	-	3,088,078
Company	17,224,982	2,924,231	685,980	(2,197,525)	18,637,668
Trading subsidiary	-	(101)	101	-	-
Group - 31 August 2022	17,224,982	2,924,130	686,081	(2,197,525)	18,637,668

	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
Company	15,235,322	2,724,215	2,297,001	(1,604,413)	18,652,125
Trading subsidiary	-	(101)	101	-	-
Group - 31 August 2021	15,235,322	2,724,114	2,297,102	(1,604,413)	18,652,125

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

25 PENSION SCHEMES

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for some of its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,065,462 (2021: £1,053,731) and at the year-end £86,219 (2021: £86,888) was accrued in respect of contributions to this scheme. The scheme was closed to new entrants from October 2021.

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

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

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

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

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

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

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

Pensions Trust Growth Plan

See note 22.

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

25 Consolidated Statement of Financial Activities - Comparative figures by fund type Year Ended 31 August 2021

	Notes	Unrestricted Funds	Restricted Funds	TOTAL 2020
		£	£	£
INCOME FROM:				
Charitable Activities				
School fees receivable	2	12,846,580	-	12,846,580
Ancillary trading income	3	915,707	-	915,707
Other trading activities				
Non-ancillary trading income	4	189,349	-	189,349
Other activities	4	-	-	-
Investments				
Investment Income	5	26,913	-	26,913
Bank and other interest	6	511	-	511
Voluntary sources				
Appeal income and donations	7	360,591	211,063	571,654
TOTAL INCOME		14,339,651	211,063	14,550,714
EXPENDITURE ON:				
Raising funds				
Non-ancillary trading	8	24,973	-	24,973
Financing costs	8	(14,980)	-	(14,980)
Investment management	8	18,521	-	18,521
		28,514	-	28,514
Charitable Activities				
Education and grant making	8	14,529,554	19,200	14,548,754
TOTAL EXPENDITURE		14,558,068	19,200	14,577,268
Net income and expenditure before transfers		(218,417)	191,863	(26,554)
Realised gains/(losses) on investment assets	14	66,092	-	66,092
Unrealised gains on investment assets	14	219,017	-	219,017
Net income		66,692	191,863	258,555
Transfers between funds	21	875	(875)	-
NET MOVEMENT IN FUNDS FOR THE YEAR		67,567	190,988	258,555
Fund balances at 1 September 2020		18,180,155	213,315	18,393,470
FUND BALANCES at 31 August 2021		18,247,722	404,303	18,652,025

KING'S SCHOOLS TAUNTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2022

26 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 £330,931 (2021: £10,874), profit on ordinary activities of £127,473 (2021: £5,027), and a profit before tax and gift aid of £127,473 in the year ended 31 August 2022 (2021: £5,027). At 31 August 2022 the Company had shareholder's funds of £100 (2021: £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 £227,710 (2021: £162,589), £216,665 profit on ordinary activities (2021: £143,463), and a profit before tax and gift aid of £216,665 (2021: £143,463) in the year ended 31 August 2022. At 31 August 2022 the Company had shareholder's funds of £1 (2021: £1).

Gross assets for WST Enterprises amount to £779,133 (2021: £411,902), and gross liabilities of £779,033 (2021: £411,802). King's College Schools International Limited (formerly KST International Ltd) had gross assets of £544,318 (2021: £305,877) and gross liabilities of £544,317 (2021: £305,876).

All subsidiaries have a common registered office with the school.

27 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 £315,455 (2021: £476,150) including Series 3 liabilities. King's Schools Taunton Limited have settled 90% of the estimated debt Oct 2022 leaving an estimated liability of £31,545.

28 CAPITAL COMMITMENTS

As at 31 August 2022, the group had contracted capital expenditure in relation to the construction of the new Sixth Form Centre of £1,497,399 including VAT (2021: nil).

29 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.

30 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 £102,657 (2021: £87,766) 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 £1,107 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 26 above. WST Enterprises Limited makes use of the schools facilities for its principal activity of lettings, the schools made recharges of £215,179 (2021: £1,094) 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 2022 was £738,527 (2021: £409,402). 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 £2,741 (2021: £7,102) for costs incurred and the debtor balance with King's College Schools International Ltd at 31 August 2022 was £379,958 (2021: £303,597).

31 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 2022

As explained at note 22, 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 27, 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.