

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

**COMPANY NUMBER: 04252305**

**CHARITY NUMBER: 1088057**

**DIRECTORS' REPORT  
AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 AUGUST 2020**

**INDIVIDUALLY NURTURED  
EXCEPTIONAL TOGETHER**

Myton Road, Warwick, CV34 6PP  
Tel: 01926 735400  
Fax: 01926 735406  
Email: [governors@warwickschools.co.uk](mailto:governors@warwickschools.co.uk)  
Chair of Governors: D B Stevens BA (Hons)  
Clerk to the Governors: A Flanagan

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

### DIRECTORS, OFFICERS AND ADVISORS

#### Governors, Directors and Charity Trustees

The Governors of Warwick Independent Schools Foundation ("the Company", "the Foundation", "the Group", "the Charity") are the Directors and members of the Company and trustees of the Charity and have all served in office throughout the financial year except where indicated. Those who have served during the year are shown below.

The total number of elected Governors comprises four nominated and 20 co-opted Governors. Nominations are subject to approval by the Board. All Governors may serve up to three terms of four years. In addition, the Lord-Lieutenant of Warwickshire and the Mayor of Warwick have the right to be ex-officio Governors should they choose to take up the position.

The Foundation merged with The Kingsley School effective 10<sup>th</sup> March 2021, to bring it into the Warwick Independent School Foundation family of schools. More details are provided in the post-balance sheet event section.

#### ***Governors nominated by the following bodies:***

The Charity of Sir Thomas White, Warwick	- Mr D B Stevens (Chair)
The King Henry VIII Endowed Trust, Warwick	- Mr R M B Griffiths (to 31 August 2020)
	- Mr S J Jobburn (from 1 September 2020)
University of Warwick	- Prof D Griffin
Warwick Town Council	- Mrs M-A Grainger

#### ***Co-opted Governors:***

Mrs M B Ashe	A F Keeling, QC (from 1 January 2020)
Mrs S M Austin	Mr T H Keyes
Prof S A Barnes (from 1 September 2020)	Mr J D Loudon (from 10 March 2021)
Ms J L Broughton (from 1 January 2020)	Mr N M Peall (from 1 January 2020)
Mr R N Button (from 10 March 2021)	Mrs C Robbins (from 10 March 2021)
Mr J P Cavanagh (to 30 September 2019)	Mrs C A I Sawdon
Dr A D Cocker (Vice-Chairman)	Mrs P A Snape (to 31 August 2020)
Mr A C Firth	Mr J W Strain (from 10 March 2021)
Mr C R Gibbons	Mr J N Wallis
Mrs L M Greaves (from 10 March 2021)	Mrs R A Weeks
Mrs M P Hicks (from 10 March 2021)	Mrs A E Wilson

The Lord-Lieutenant of Warwickshire	- Mr T B Cox
Mayor of Warwick	- [Not taken up]

#### ***Officers:***

Foundation Principal	- Mr R Nicholson
Foundation Secretary and Clerk to the Governors*	- Mr S T Jones (to 11 December 2020)
Director of Operations and Clerk to the Governors*	- Mr A E Flanagan (from 18 January 2021)
Head Master, Warwick School	- Dr D A Smith (to 07 June 2020)
	- Mr J S Barker (from 08 June 2020)
Head Master, King's High School for Girls	- Dr S J Burley (from 1 January 2021)
Headmistress, Warwick Preparatory School	- Mrs H Dodsworth
Headmaster, Warwick Junior School	- Mr A Hymer

\*(Company Secretary)

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020

## Addresses

### **Principal Address and Registered Office:**

Warwick Independent Schools Foundation  
Myton Road  
WARWICK  
CV34 6PP

### **Schools**

King's High School Banbury Road Warwick CV34 6YE	<i>Day, girls 11–18</i>	Warwick Preparatory School Bridge Field Banbury Road WARWICK CV34 6PL	<i>Day, boys 3–7 girls 3–11</i>
Warwick School Myton Road WARWICK CV34 6PP	<i>Day, boys 11–18  Boarding, boys 13–18</i>	Warwick Junior School Myton Road WARWICK CV34 6PP	<i>Day, boys 7–11</i>

## Advisers

### **Bankers**

Lloyds Bank Plc 12 Swan Street WARWICK CV34 4BJ	HSBC 6th Floor 120 Edmund Street BIRMINGHAM B3 2QZ
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### **Solicitors**

Veale Wasbrough Vizards  
Narrow Quay House  
Narrow Quay  
BRISTOL  
BS1 4QA

### **Insurers**

Marsh Brokers  
Capital House  
1-5 Perrymount Road  
HAYWARDS HEATH  
West Sussex  
RH16 3SY

### **Investment Advisers**

Smith & Williamson Investment Management  
3rd Floor  
9 Colmore Row  
BIRMINGHAM  
B3 2BJ

### **Auditors**

Crowe U.K. LLP  
Carrick House  
Lypiatt Road  
CHELTENHAM  
GL50 2QJ

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

The Directors of the Company present their annual report for the year ended 31 August 2020, together with the financial statements for the year, which have been prepared in accordance with Company Law and in compliance with the Charities SORP 2015.

## Reference and Administrative Information

The Company was incorporated on 13<sup>th</sup> July 2001 and is registered in England under Company Number 04252305. It is also a Charity, registered with the Charity Commission under Charity Number 1088057, and is the Corporate Trustee of the Warwick Schools Foundation Trust (“the Trust”). The Directors and Governors of Warwick Independent Schools Foundation and the executive officers are listed on page 2 and the principal addresses and professional advisers are listed on page 3.

## Structure, Governance and Management

### Governing Document

In 1875, a scheme was approved by the Endowed Schools Commission for the amalgamation of certain educational charities in Warwick, under the name King’s School Foundation. The Scheme provided for the re-establishment of the old King’s School in new buildings, to be called the Grammar School (for boys), a Middle School (for day boys to the age of 15), and a school for girls. A number of local charities contributed the whole, or a portion, of their annual income.

A Charity under the name Warwick Schools was registered with the Charity Commissioners for England and Wales (registration number 528775) and was regulated by Schemes signed on 23<sup>rd</sup> December 1981, 26<sup>th</sup> November 1991, 13<sup>th</sup> June 1995, and 16<sup>th</sup> September 1998. On 29<sup>th</sup> August 2001, this Charity changed its name to Warwick Schools Foundation Trust. Under the Charity Commission Scheme made on 29<sup>th</sup> August 2001 all trust funds other than the Trust’s permanent endowment of the Schools’ land were transferred to a new Charity known as Warwick Schools, as property of the Company, and the Trust itself was made a subsidiary Charity of the Company as its Corporate Trustee.

On 11<sup>th</sup> March 2003 the Charity and the Company changed its name from Warwick Schools to Warwick Independent Schools Foundation. At that time, the Company was governed by its Memorandum and Articles of Association dated 13<sup>th</sup> July 2001 and amended by special resolution on 28<sup>th</sup> March 2012. A further review was then carried out which has resulted in a full update of the Articles of Association in order to incorporate additional amendments and bring them up to date with current Companies and Charity Laws. The changes were adopted by the Foundation at its AGM on 12<sup>th</sup> February 2015 and were agreed by the Charity Commission on 6<sup>th</sup> October 2015, and have since been amended on 1<sup>st</sup> September 2016, 14<sup>th</sup> December 2018 and 11<sup>th</sup> December 2020.

### Governing Body

The Governors listed on page 2 are appointed as Governors of the Foundation and have overall responsibility for the operation of two Schools, namely King’s High School for Girls (incorporating Warwick Preparatory School, which has separate DfE registration) and Warwick School (incorporating Warwick Junior School). From 10<sup>th</sup> March 2021, a third School was added, namely The Kingsley School. Subsidiary Committees of Governors have been established, one for each School, with Governors spread evenly across the School Committees. There are also three Strategic Committees, each comprising one-third of the Governors. In this way, Governance is delivered to the individual Schools within an overall Foundation

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020

framework. The benefits of the approach are robust, inclusive governance, with all Governors taking equal responsibility for the effective running of the Charity.

The full Board of Governors plus one ex-officio Governor are also the Directors and Members of the Limited Company and Trustees of the Charity. They are responsible for the overall management and control of the Company and meet three times a year. On 1<sup>st</sup> September 2020, the management structure was changed with the appointment of a Foundation Principal as a single point of executive lead. He is supported by a Principal's Group comprising the School Heads and Director of Operations, the latter role replacing the former Foundation Secretary role. In his capacity as Foundation Principal, he has ultimate responsibility for the management of the individual schools and subsidiary trading company. He reports to the Trustees and to various sub-Committees.

Since the year end, the full board increased to 24 governors due to the merger with Kingsley, plus one ex officio Governor. It will revert to 18 Governors (plus ex-officio) effective 1<sup>st</sup> September 2021.

### Organisational Management

**School Committees** are responsible for overseeing the educational business and financial management of each individual School within the broader strategic outline provided by the Foundation Governors. Any matters with implications for the Foundation and/or the other Schools are referred to the Education and/or Resources and Estates and/or Finance and Regulatory Committees as appropriate. It should be noted that from 1<sup>st</sup> September 2020, School Committees are chaired by the Foundation Principal instead of a Governor.

The **Education Committee** is responsible for considering all matters pertaining to the educational side of the Foundation's business and has the power to make any decisions as it feels are necessary to fulfil its responsibilities. The Committee is also responsible for liaising with the Resources Committee and the Finance and Regulatory Committee in ensuring robust and collective governance is delivered.

The **Resources and Estates Committee** is responsible for ensuring the effective delivery of the operational and capital resources required for educational and business activities, including oversight of the central Estates and Operations function. It has the power to make any decisions as it feels are necessary to fulfil its responsibilities. The Committee is also responsible for liaising with the Finance and Regulatory Committee in ensuring that robust and collective governance is delivered.

The principal purpose of the **Finance and Regulatory Committee** is to advise and provide recommendations to the full Board of Foundation Governors on finance and regulatory matters. It has delegated powers to act on behalf of the Foundation Governors in financial matters should the need arise. It can also make any decisions necessary to ensure compliance with current regulation and legislation.

The **Appointments Committee** is responsible for discussing and recommending to the full Board of Foundation Governors the appointment of Governors and the Foundation Principal. The Foundation Principal is responsible, with appropriate support and oversight from Governors, for appointing the Heads, the Director of Operations and such other employees as are deemed necessary or expedient from time to time. The Appointments Committee meets termly and consists of the Chair and Vice-Chair of the Foundation, Chairs of the three Strategic Committees and two other Governors. Until 31<sup>st</sup> August 2020, the remaining posts would have been the Chairs of the School Committees; from 1<sup>st</sup> September 2020, these places are filled by any Governors deemed appropriate for the Foundation's priorities at any given time.

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020

### Remuneration

Remuneration is set by the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the Foundation's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including references to comparisons with other independent schools to ensure that the Foundation remains sensitive to the broader issues of pay and employment conditions elsewhere.

Delivery of the Foundation's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

### Employment Policy

The Foundation is an equal opportunities employer, which treats all prospective and existing staff without favour. The Foundation is fully committed to providing the opportunity for people with disabilities to be employed whenever suitable work is available and to be able to fulfil their career potential. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made which are likely to affect their interests. Communication with employees continues through normal management channels in a variety of methods to inform staff of current issues.

### Group Structure and Relationships

The Company has a wholly-owned subsidiary, Warwick Schools Enterprises Limited (WSEL), which carries out a number of trading activities to generate funds for the Schools. WSEL retains a small surplus each year so as to build up working capital, but thereafter any surplus remaining is gift-aided back to the main Charity.

### Governor Recruitment, Induction and Training

Nominated Governors are selected by their respective Nominating Bodies (see page 2) but must then be approved by the Governing Body. Co-opted Governors are selected having regard to the particular skills required on the Governing Body at the time of appointment. All Governors follow an induction programme on appointment including meetings with the Foundation Principal, School Heads, Director of Operations and relevant Chairs. All Governors are encouraged to attend external training courses to complement internal training provided. As standard, all Governors receive annual Child Protection and Safeguarding training.

## **Objects, Aims, Objectives and Activities**

### Charitable Objects

The Objects of the Charity are set out in the Articles of Association and are "to advance education by carrying on in or near Warwick day and boarding schools for boys and girls". Within these Objects, the Charity and the Trust have various permanent endowments and unendowed trust funds held for special purposes in connection with the development of the Schools' facilities and for scholarships, bursaries, prizes, and other educational purposes.



# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020

### Objectives for the Year

The start of the new academic year in September 2019 saw King's High School moving to its magnificent new home on Banbury Road, the 'Spirit of King's' having been carried from the old school with a ceremonial march at the end of the preceding summer term and immortalised in a stunning sculptural installation at the front door. Pupils and staff quickly felt at home on the new campus, with one pupil reporting that the light and space made pupils feel liberated in body, mind and soul. As the academic year got under way, Governors and the Executive were working towards the key tactical and operational objectives listed below, some of which fell at least partially into abeyance with the Covid-19 lock-down from 23<sup>rd</sup> March 2020.

- The final phase of Project One Campus was to complete the King's High and Warwick Prep School Music Block and revisions to the on-site traffic flow to take all vehicles to the edges of the site, creating beautiful outdoor spaces among the campus buildings for the enjoyment of pupils, staff and visitors alike. Warwick School kindly provided interim music facilities for King's High during the year by bringing forward by a year plans to develop additional music rooms. The music block works were on target to meet the handover deadline of mid-July 2020, when they were suspended during lockdown. The contractor diverted their resources to works that could be done whilst maintaining social distancing, mainly being outdoor works, and as lock-down eased we were delighted to find ourselves only 4 weeks behind schedule. Whilst this gave our Estates team a tight turnaround to fit out the new building by the start of the academic year and complete preparation of the new driveways and visitor parking, it proved possible and the start of the 2020/21 Academic Year saw Project One Campus fully delivered bar a few minor works which were finished within weeks of the start of Autumn Term.
- The fundraising campaign continued apace until lockdown and then slowed down as the national economic climate was felt by potential donors. This means some of the additional works desired to augment Project One Campus had to be delayed. The Governors have commissioned an updated Estates Master Plan to be developed during 2020/21 to scope those works and start planning for their eventual delivery.
- This year sees the end of our Vision 2020 strategy published in 2015, and Governors continued during the start of the year to work on a new Strategy 2025 for the Foundation, focussing on educational outcomes with particular emphasis on technological advancement and its impact on pupils in our care, as well as the wider world. We had hoped to publish this at the start of the 2020/21 academic year, but the intervention of the Covid-19 crisis has put this on hold. However, Governors will be picking it back up at its annual Strategy Day at the start of the Autumn Term.
- In December 2019, Governors decided to change the executive management structure and appoint a Foundation Principal with overall responsibility for running the Foundation. The successful candidate out of a strong field was our own Mr Richard Nicholson, Head Master of King's High School, who formally commenced his new position in September 2020. The wisdom of this decision was proven as the Covid-19 crisis took hold, as Mr Nicholson was able to start providing a single point of executive decision-making from the start of Summer Term to allow us to respond effectively to the situation. In this, Governors are grateful for the hard work and support from the executive: Dr Smith and Mr Barker at Warwick School, Mrs Renton at King's High, Mr Hymer at Warwick Junior School and Mrs Dodsworth at Warwick Prep School.
- Sadly, on 8<sup>th</sup> June we had to announce that Dr Smith was leaving the Foundation to take a complete break and re-evaluate his options going forward. In his letter to staff and parents, the Chair of Warwick School, Mr Firth, affirmed the admiration and gratitude of the whole community for the impact Dr Smith had made in the short period of time in leadership at Warwick School. With Mr Nicholson moving on from his position as Head Master of King's High to take up the Foundation Principal role, the Deputy Heads at both schools served as acting heads pending recruitment during 2020/21. The recruitment resulted in Mr Barker being appointed Head Master of Warwick School and Dr Burley Head Master of King's High.

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020

- Last but not least, the year has seen us having to unexpectedly deal with the Covid-19 crisis. Governors cannot begin to report on this without first thanking all in the Foundation community – pupils and their families, teaching and support staff – for the way in which they have managed this tumultuous year. In response to the pandemic, Governors made the decision to offer financial assistance to those most challenged in covering School fees and to apply fee discounts across the board for the Summer Term. In addition, they also decided that fees would be frozen for the 2020/21 academic year. The 2019/20 accounts carried assurances that this did not threaten the Foundation's going concern status, although it would adversely affect the investment return targets. The investment return targets are set in line with sector best practice to protect the long-term financial stability of the Foundation and safeguard bursary funding. Whilst these have been impacted, we must emphasise that the Foundation remains in a sound financial position and there is no risk to it not continuing to flourish in the years ahead.

### Strategies to Achieve the Year's Objectives and Support Long Term Goals

Warwick Independent Schools Foundation is a leading educational charity in the Midlands, providing education to over 2,500 pupils from ages 3 to 18. Our fundamental aim is to enable each individual pupil to achieve personal fulfilment and success, and we seek to develop intelligent, responsible, resilient and compassionate young people of character to succeed in a changing world. Our vision is to create a world-class educational establishment based in the heart of Warwick, able to contribute to our community and society.

The long-term strategic aims and priorities set within 'Vision 2020' remain in place, as follows, with our core values driving our priorities particularly as we develop Strategy 2025:

#### *Strategic Aims:*

- *To oversee and develop outstanding interdependent schools, each with its own unique character and ethos, as part of one supportive community.*
- *To deliver the 'best of both worlds' in education through single-sex teaching and learning alongside appropriately integrated extra-curricular activities and social development.*
- *To provide an equal opportunity for all pupils to develop their full potential through outstanding facilities and resources across the Foundation.*
- *To promote social and cultural diversity by facilitating access to talented pupils from all backgrounds through the provision of means-tested bursaries and scholarships.*
- *To create an environment in which inspirational education can develop and grow.*
- *To 'future proof' the Foundation educational model against future change through the creation of a world class educational campus by 2026.*

#### *Core Values:*

- *Inspirational teaching inside and outside the classroom.*
- *A caring environment in which everyone can feel safe, nurtured and valued as an individual.*
- *Academic excellence together with breadth of opportunity.*
- *Close links to parents, former pupils and the wider community.*
- *Traditional values of respect, tolerance and integrity.*
- *A forward-looking Foundation which 'seeks for higher things'.*

Core to successful delivery of these objectives are a number of overarching strategies. Strategic application of estates master planning is complemented by robust strategic financial planning in the form of a regularly updated ten-year plan, incorporating sound arrangements for bursary funding. Furthermore, Governors are ever mindful of the challenges of both providing the outstanding education offered and fee affordability, thereby ensuring accessibility to the Schools for the maximum possible number of pupils. A clear pricing



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## STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020

strategy has been adopted to achieve this delicate balance. This is further aided by termly consideration of risks and opportunities. Last, but probably most importantly given the importance of staff to our organisational success, focussed HR strategies are being rolled out to ensure the employment and development of first-class educational leaders and classroom practitioners.

### Principal Activities of the Year

During 2019/20, Warwick School had 967 (2018/19: 977) boys in the Senior School, of whom 60 (2018/19: 60) were boarders, and 252 (2018/19: 249) boys in the Junior School. King's High School for Girls had 714 (2018/19: 652) girls and Warwick Preparatory School had 457 (2018/19: 428) children in the main School and 50 (2018/19: 60) children in the Nursery School. All the Schools continue to be popular choices amongst local parents and demand for places remains strong.

### Public Benefit Aims and Intended Impact

Having been a significant participant in the Government Assisted Places scheme and its forerunner, the Direct Grant system, the Foundation has always operated with a strong emphasis on providing education to pupils from a wide range of social backgrounds. Our aim is that pupils from all backgrounds are able to benefit from the excellent education provided, irrespective of the ability to pay full fees. The Trustees of the Foundation are determined to maintain the philosophy of providing the rounded education synonymous with the Schools to as wide a pupil base as possible, including those pupils who do not possess the means to afford fees. A robust means tested bursary scheme is operated to ensure the effective and charitable delivery of this aim, with an annual review of the scheme carried out to ensure appropriate distribution of available resources.

Although the main focus for bursary support ensures that free places are offered to a large number of recipients, the scheme also provides the opportunity for pupils with parents of moderate income to attend the Schools. This is managed through the provision of a number of part-funded, means-tested places, thereby further widening access to potential beneficiaries. In addition to providing public benefit through the provision of bursaries, the Foundation is committed to playing a significant role within the local community, through a number of outreach initiatives. These include the sharing of facilities, running holiday clubs and revision courses that are open to pupils from all around Warwickshire and its bordering counties.

Across the Foundation there are 119 (2018/19: 124) pupils in receipt of means-tested bursaries, who between them achieve some outstanding academic results, with an overwhelming majority of boys and girls reaching the very highest grades on offer. With ever increasing financial pressures on parents we are doing more and more to generate further funds over the coming years, with the Development Office planning to actively target fundraising for means-tested support.

Offering financial support to those otherwise unable to afford to enjoy the education our Schools offer is, however, just one way in which we offer public benefit. The Schools have an important role to play in their wider community, achieved through outreach work and the provision of facilities for local clubs and associations, as well as the wider public. Many of these activities incorporate educational benefits to our own and wider pupil bodies. Individual members of staff serve in a variety of capacities for the benefit of the public, including as public examination examiners, sports coaches, school governors, and volunteers with local charities and in local churches. In addition, our teaching staff have made links with their peers in the

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## STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020

maintained sector to exchange expertise, resources and best practice ideas through local forums and social media groups, particularly in Politics, Food and IT departments.

Partnership activities using the Foundation facilities continued up until the COVID-19 Pandemic closed our schools to the majority of pupils. A number of these were, naturally and unavoidably, cancelled or postponed from 20 March 2020.

Ahead of the pandemic, there was continued wide-ranging use of the Foundation facilities by the local community, and we intend to continue and/or develop them as life resumes beyond the pandemic:

- Our 5 for 5 programme, which includes workshops on languages, science, sport, art and DT, music, English speaking and union debating skills and is open to Year 5 pupils from across the region.
- The Young Scholars programme from Clare College, Cambridge, which is open to Year 5 and Year 10 children from local schools as well as our own, with well over a hundred pupils taking part.
- Celebration cookery mornings which are open to pupils from local primary Schools.
- Opening up our mock University Interviews and Oxbridge Preparation work to older pupils from nearby Campion, Aylesford and Myton schools, and hosting Morpeth School (London) sessions on exam technique.
- The long-running Sprint Finish Revision programme offered at Easter free of charge to local state school children at GCSE, AS or A level.
- Offering Work Experience placements to local pupils from outside the Foundation.
- Heavily subsidised and free use of facilities for Warwickshire Children's Chorus and The County Music Service, reaching over 100 children in the local community. We continue to seek to strengthen our links here. Alongside this, the Head of Music at Warwick Junior School has been developing an outreach programme. Through these initiatives, we are able to contribute to music and performing arts provision during a time when public funding is understandably constrained.
- The Kick 25 swimming scheme, under which we offer use of our pool free of charge to local primary Schools. We are keeping in touch with our swim school families in the hope that we will be able to resume post-Covid.
- Offering outreach PE teaching to local primary schools for a modest fee to cover the cost of releasing our Activities Operations Manager's time. Between the start of the 2019 Autumn Term and lockdown, 91 hours of teaching was provided. This is enormously appreciated.
- Regular use of our facilities by the community on a free or discounted basis, including making our car parks and the BHT available free of charge for charity events and local schools' end of term performances and prize giving events.
- Running at the Bridge House Theatre (BHT) a programme of plays throughout the year, at zero net cost or a small profit, thereby serving the local community, including a number of productions specifically aimed at children and families.
- Opening our School Sports Centre to members of the public and local organisations. The facilities, including the pool, gym and squash courts are available through various membership schemes to the local community. Over 50 external community clubs regularly use our sports facilities. Discounted rates are offered to charitable bodies.

Despite Covid, we were still able to offer our Holiday Action programmes for children aged 4-13, albeit with reduced numbers to ensure Covid-safety. During the Easter holiday and May half term break 2020, this was provided free of charge for Foundation key worker families, and Summer Action 2020 was offered at reduced

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## STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020

rates. Never before has this been so important, as parents balance working at home with home schooling, a particular challenge for younger age groups. We routinely offer 30 funded places to non-Foundation pupils living in the CV34 postcode area who are nominated by their primary schools.

We are always proud of the sense of social purpose we foster in our pupils and the resulting enthusiastic fundraising and awareness initiatives, some of which also include our parent associations as well. Even during lockdown, fundraising efforts were maintained, with the Schools raising a total of £50,039 from charitable activities, distributed to a wide range of beneficiary charities, with a strong emphasis on children. Donations were made to local, regional, national and international charities. These included Cancer Research, Children in Need, Macmillan, Myton Hospice, Sport Relief, a number of smaller local charities and supporting children in Africa. Our pupils continued to support people in our local hospital and nursing homes whilst unable to visit in person through sending letters, pictures and written materials in the post. Pupils also sought out ways of offering 'random acts of kindness' near their homes during the long 2020 lockdown. The Schools continue to be strongly involved in "Kissing It Better", with two King's High pupils winning prizes in their art and poetry competition. The Prep has introduced 'Charity Champions' this year to recognise individual and group achievements in this regard.

The Foundation was also glad at the start of the March 2020 lockdown to offer its PPE to critical care staff during a period of national shortage. Warwick School took a particular lead in this, as detailed in their report, and many of their pupils found active ways to raise significant donations for the NHS.

In the furtherance of these aims, the Foundation Governors, as the Charity Trustees, consider that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant subsector guidance concerning the operation of the Public Benefit requirement under that Act.

### Grant-Making Policy

During the year, the value of scholarships, Foundation Awards, and Bursaries totalled £2.107m (2018/19: £1.763m). Of this, the amount of unrestricted funds totalled £1.485m (2018/19: £1.388m) with a further £622k (2018/19: £375k) contributed from restricted funds. The Foundation Governors' policy is to increase further the means tested awards when opportunities arise and £1.558m (2018/19: £1.267m) of the total was awarded on this basis. 356 (2018/19: 354) pupils benefited from these regular grants and awards, and a further 74 (2018/19: 0) pupils benefitted from exceptional hardship awarded during the pandemic, with the result that one in five pupils at the senior Schools receives some form of financial assistance.

The Foundation Award Scheme, which was introduced in 1999, is a means-tested scheme and enables Governors to widen access to as broad a group of pupils as possible. There are currently 62 (2018/19: 73) pupils attending the Schools who pay no tuition fees at all (as well as those who pay reduced fees). The Schools also operate scholarship schemes awarded on academic merit.

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020

## Review of Achievements and Performance for the Year

### Operational Performance of the Schools

#### *King's High School*

The School has enjoyed another year of outstanding success and was shortlisted for the 'Girls School of the Year' by the Independent Schools of the Year 2020, the Whole School Community Initiative of the Year award by Times Educational Supplement (TES) and was named 'Independent Secondary School of the Year West Midlands 2019' by the Times Educational Supplement.

In September 2019, King's moved into its new School buildings on the Foundation's campus, completing the second phase of the £43.5 million strategic plan. The final phase, the King's High and Warwick Prep Music School, was completed in August 2020.

The School's academic results in August 2020 were superb. This year was truly exceptional in many ways, especially so with the cancellation of public examinations due to Covid-19. Since then, we have been on a considerable journey to arrive at the final results, following the government's decision to revert to Centre Assessed Grades. Nonetheless, the year's GCSE and A Level group have registered truly exceptional results, which are a fitting reflection of their talent, ability and hard work. At A Level, students achieved 76.1% A\*-A grades, and 93.6% A\* - B grades. At GCSE, 91.0% achieved grades 9-7, with 70.4% at grades 8 or 9. In addition, 93% of Upper Sixth students gained entry to their first choice institution, with 73% to Russell Group institutions and 10% to Oxbridge. Every student holding an offer at Oxford or Cambridge achieved their offers and were admitted. This year, the most popular university destinations were Bristol (8), Oxford (4), Liverpool (4) and Nottingham (4). There was an even split of around half reading Arts and Humanities and half reading Science subjects.

Our academic enrichment programme has continued to develop and flourish. Our Inspire programme comprises: lectures (three per year), dinners (two per year) and trips (six or more per year). In addition, the Inspire Homework in Years 7, 8 and 9, the Create Programme in Year 10 and 11, and our research focus (including EPQ) in the Sixth Form. All of these have expanded further. Academic societies continue to flourish, with two new groups set up this year: a student-led Extension History group and a Wildlife Conservation group. We have continued to run for KS3 the Shell Bright Ideas Challenge, the Queen's Commonwealth Essay Competition and Inspire Essay Competition. Students in Year 10 have completed Create Projects, those in Year 11 started their EPQ research projects. In addition, we hosted a weekly TRIZ course run by Professor Jonathan Wheals and a team of Ricardo Engineers, which was attended by over 80 students from across the Foundation. Weekly Inspire challenges for KS3 on a range of topics, including foreign languages, poetry and design have been organised, as well as the provision of cross-curricular courses in science, humanities and The Arts for Year 11 and Upper Sixth in the absence of public exams. We have launched the Prism Writing Magazine, a new venture showcasing the best creative writing from Year 10 and above and continued to promote our Spiritus Magazine, where entries are chosen by the student Head of Scholars.

The programme in support of Oxbridge, Law, Medicine, Allied Sciences, and all competitive academic courses has continued, with weekly subject mentoring sessions, fortnightly thinking skills sessions, and a pre-admissions test mock.

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A Peer Teaching Programme for Year 11 and Upper Sixth has been set up, which involves older students sharing their tips for thriving academically as younger students move through school; this has involved live teaching sessions led by the older students.

We have developed a Creative Thinking Learning Wheel that will be launched in Departments in Spring 2021 and this will represent part of our second stage in moving towards becoming a Centre for Creative Thinking and it builds on the extensive work we have done through the enrichment programme. We continue to work with New College of the Humanities on the accreditation of our Create Certificate and on developing a formal way of accrediting King's High as a Centre for Creative Thinking.

We have focussed on developing our leadership programme and created a leadership wheel to complement the creative thinking wheel, so students can review and extend their leadership skills, but also focus on getting involved in and developing our social enterprise programme.

King's went into lockdown on 20 March 2020, and the IT strategy became central to the delivery of teaching and learning to pupils working remotely at home. The school had already brought in a BYOD strategy for Years 8-13 in September 2019 (with a focus on digital competencies as well as innovating the learning experience), so Monday 23 March saw a full timetable of remote curriculum lessons being taught. Over 14000 lessons were delivered remotely over the Summer Term 2020, as well as over 35 co-curricular activities and twice weekly pastoral meetings. Summer internal exam week was replaced with a week of online internal assessments and we held successful online speaker and workshop days for Wellbeing and Entrepreneurship as well as two UCAS days and a sports day online.

Over forty outside speakers joined us to talk online to the girls in our Academic Enrichment programme of events during lockdown – far more than we might have had in “normal circumstances”. We ran a series of Academic Talks, with experts from UCL, Edinburgh, Warwick, Ontario, Sheffield, Cambridge to name just a few with talk about Space Science, Literature, Ocean Biogeochemistry, Medicine, Law, Neuroscience, History, Game Theory, Classics, AI, Cognitive Psychology, The Arts, Ethics, Medical Imaging. Over four hundred students attended these talks.

In addition, careers talks, focusing on Employability Skills, working in A & E, studying Natural Sciences, working in business, studying at Russell Group Universities, Oxford University, Gap Years, studying in London, Studying Psychology, Student Unions, Studying Dietetics, Careers in Publishing, and Careers in Medicine were remotely delivered. In total, in lockdown thirty-six academic enrichment and Careers talks were held.

Lockdown also saw us develop a “Beyond the Classroom” booklet at the start of remote learning to support students who wanted extra challenge and clear guidance on where to find excellent educational resources. This included acceleration courses for students keen to get ahead in the absence of exams; advanced Personal Statement sessions for Lower Sixth, and an optional programme of Pre-University preparation for Upper Sixth. The new Year 6 students also received a virtual induction programme with more than fifteen online workshops available for them.

In order to fully support students over the long holiday months, an online virtual summer school was set up and over five hundred students attended one or more of the forty one subjects on offer such as ballet, violin technique, textiles, creative photography, nRich maths, history detectives, spanish conversation, chemicals that changes lives, alternative medicine, ecocriticism.



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Wellbeing is at the heart of everything we do at King's and our fifty Wellbeing Ambassadors, formally trained by the Diana Award have led both form and co-curricular activities including Wellbeing Club, as well as provided mentoring and pastoral support to students across the year groups. In addition, they have shared their expertise with other students in primary school settings. This is wellbeing in action rather than it just being a teacher led exercise.

The Wellbeing programme at King's is achieved through setting aside time to allow students to undertake set projects as well as participate in and even lead initiatives. The students have visited other schools in our foundation to compose joint anti-bullying photographic messages during national anti-bullying week, travelled to a school in Solihull to help train peer mentors as they established their new programme of pupil support and reached out to our sister school in Australia with messages of support during lockdown.

Their contributions only intensified over the School lockdown period with an increase in the number of projects undertaken, allowing the students to focus not only on maintaining their own good mental health but to support further that of others. Students have worked on projects such as "VE Day project", "The Isolation Symphony" and the "Positivity Tree" and have become skilled anti-bullying ambassadors, cyber mentors and rainbow ambassadors, the latter promoting equality, with a particular emphasis on LGBTQ+ needs. In addition, in March, sixteen pupils were invited to evaluate the work our Wellbeing Ambassadors are doing in hour-long interviews with Demo market researchers who were working on behalf of Diana Award.

Our girls continue to excel across the board in their sports with both team and individuals reaching not only county level standard but also regional and national levels. Our U13 were cross country National Finalists, U18 Swimmers Warwick 100 Champions, U13 ISGA Gymnasts 4 Piece were placed 3rd nationally, our U15 Waterpolo team reached national finals as did our Biathlon team. In addition, our teams won multiple county championships or were regional finalists across a range of age groups in hockey and netball. Individual students have been selected across a range of disciplines for regional and national training and to represent their country for example in Lawn Tennis Association Grade 2 National Championships, English Hockey U18, Senior England Rounders, National Cross Country, British Dressage, National Swimming relays, Waterpolo England Academy pathways to name just a few.

During lock down all games lessons were taught virtually and live to the girls. Senior sports team ran a charity run during the last half term covering 10km per person per week to collectively run to South Africa with over £1,000 raised. A virtual sports day was held with pre-recorded and live events on the day for years 7-11. Weekly challenges set including climbing the equivalent of the Eiffel tower up sets of stairs every day for a week.

The artistic life of the school continued to flourish with a great variety of concerts held from classical, to jazz to rock and pop with, for the finale of our 140th Birthday celebrations, a magnificent concert of a specially commissioned Oratorio "A Warwickshire Will" by Brendan Ashe. This saw over four hundred children perform including choirs from five local primary schools and this rose to over one thousand as the audience sang in the final movement. In addition, students have had the opportunity to participate in the "Musical Horizons" concerts series with around fifteen concerts per year featuring different instrument groups. Our girls also featured strongly in a Foundation Percussion Concert and our resident pop band, Mach 4 performed at Jazz at the Bridge as well as featuring on local radio.

Students individually excelled at ABRSM with 100% success rate at practical exams from grade 1 all the way up to grade 8 (70% Distinction and Merit) and a sixth former won the Junior Composers Award at the Junior



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Royal College of Music. In addition, across year groups, girls represented the school in National Ensembles including National Children's Orchestra of Great Britain, National Children's Brass Band of Great Britain, National School's Symphony Orchestra and the Ex-Cathedra Academy.

Drama has also continued to thrive, although the Key Stage 3 production was postponed due to the pandemic. Some 147 girls sat LAMDA examinations, achieving a total of 116 distinctions and 31 merits between them.

Students began the year with access to an amazing variety of activities with over 130 activities available in a week. Even in lockdown staff worked hard to provide remote co-curricular activities from drama to origami to creative writing and cookery. Our students never fail to impress us with what they can achieve.

King's students continued to raise money for local, national and international charities this year and still raised £7,800 in spite of only one and half terms of fund-raising. Notable events have included an entertaining sponsored race/walk around the site for the four house charities and a group of sixth formers who arranged a cookery event for Year 6 students.

Covid-19 meant that we were unable to visit Warwick Hospital or local nursing homes from late February. However, we continued our involvement by writing letters, poems and sending drawings and photographs to these organisations to lift the spirits of patients and residents. We compiled booklets to commemorate VE day and made bunting for a range of local nursing homes. Two of our students, Gigi (Year 11) and Lucy (Year 9) won a 'Kissing it Better' Lockdown art and poetry competition. Gigi's poem and Lucy's art work have been published in a booklet which the Foundation financially supported. In house assemblies, students were challenged to 'make a difference in their communities' and they did this by performing random acts of kindness, litter picking, ringing elderly neighbours, baking for health workers to name but a few.

The Autumn and Spring terms saw our outreach programme provide a diverse range of workshops from psychology, to music, to languages to space science for Year 5 aged pupils from local primary schools as well as a Year 5 Young Scholars programme run with Clare College Cambridge.

### *Warwick Preparatory School*

The school has achieved great success in many areas during the course of 2019/20. Nineteen girls were offered scholarships and awards (academic, music, sport, art and drama) when they transferred to King's High School. Forty-one boys transferred successfully to Warwick Junior School from Year 2. The school has continued to be highly successful in increasing its roll during 2019/20 to 507 and the number of registrations for entry in 2020 and 2021 remains high. The planned expansion of the school from September 2019 in Years 5 and 6 has been hugely successful and a third form of entry to Year 4 was added from September 2020.

In response to the Covid-19 pandemic, we adopted Microsoft Teams and Seesaw as the two main platforms for delivering lessons remotely. Staff worked incredibly hard to learn these new technologies resulting in a virtual school which combined live sessions, videoed lessons and instant feedback to all the children from Nursery to Year 6.

In sport, we reached the IAPS national finals in swimming and football, with our U10 hockey team winning the county festival and our U11 football squad are county champions for the second year running. Both the

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U11 hockey and netball teams won the plate at the IAPS tournaments. For the first time, we established two biathlon teams (U9 and U11) who both reached the national finals in their inaugural year. Our gymnastics squad competed in the ISGA national finals and we celebrated the achievements of one of our pupils who finished 1st in her year group.

Musical activities continue to flourish with children taking part in singing workshops, 'Young Voices' at the Genting Arena as well as performing in a special concert marking the 140th Birthday celebrations for King's High, a specially commission Oratorio "A Warwickshire Will" by Brendan Ashe.

The second year of a project for all children in Year 2 to learn a stringed instrument was highly successful, resulting in a surge in demand for individual instrumental lessons. Nearly 80% of our girls in the Prep department take instrumental lessons and of the Associated Board examinations taken, 66% were awarded a merit or distinction.

In English and Drama we enjoyed tremendous success in LAMDA examinations with 55% of entries being awarded distinction and 45% of entries awarded merit.

In Art, the children's work was exhibited in Warwick Hall as part of the annual 'Young Artists' exhibition, but unfortunately other events scheduled for the summer term had to be cancelled.

The extra-curricular life of the School continues to flourish with over seventy-five clubs for children to attend each week, with new clubs added to meet the needs of our children. To meet the needs of working parents, the school's After-School provision continues to operate with over one hundred children in attendance at different sessions across the week.

Unfortunately, our residential visits could not take place but children from Nursery through to Year 6 enjoyed a rich programme of educational visits and visitors during the autumn and spring terms.

Our facilities continue to be hired out to local community groups, including the Warwickshire Children's Chorus. This organisation alone reaches approximately one hundred children in our local community. In addition, we continued to offer work experience placements to pupils both inside and outside the Foundation.

The school has supported a variety of local, national and international charities through fund raising activities and special charity days. This year has seen the Introduction of our 'Charity Champions' initiative which recognises the individual and group achievements of children in supporting charitable work outside of the school day. Funds were also raised by the school and Parents Association for Macmillan Cancer Research, Children in Need, Myton Hospice and the Leamington Food bank.

During the period of school closure, our children embraced the opportunity to care for their local communities through generous charitable acts. Items were designed for our frontline workers in the NHS, local deliveries were provided to neighbours who were shielding, as well as a vast array of sales and sponsored events.

### *Warwick School*

2020 has so far been a year like no other, and it has been particularly challenging for our students in public examination years. Despite the challenges over recent months, we are immensely proud of our Upper Sixth pupils and all they have achieved through their time at the Foundation schools. Overall, 74.9% of all grades awarded at Warwick School were A\*-A, and 91% A\*-B.

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We know that many of our pupils were frustrated that they were denied the opportunity to sit their examinations, but we have been amazed by the resilience and determination of students to do their best, despite the difficult circumstances. All the staff at Warwick School have been impressed by the way that the students have navigated the challenges of the past few months, and they have shown incredible maturity when faced with the confusion and uncertainty around the awarding of their results. We are incredibly proud of the achievements of all our Upper Sixth pupils, who have been an asset to their school, and we wish them the best of luck for the next stage of their lives.

Year 11 pupils were awarded the higher of their Centre Assessed Grades or their calculated grade for their GCSEs. After a hugely challenging and unusual time, our pupils demonstrated impressive resilience, flexibility and positivity. We saw just how hard our pupils have studied throughout their time at Warwick School and we are delighted that this has been recognised in the grades that have been awarded. Overall 82% of boys were awarded A\*-A grades and 92% were awarded A\*-B. The boys have done incredibly well and are looking forward to beginning their choice of A-level programme.

Teaching and Learning has undergone a significant transformation due to the Covid-19 Pandemic. The immediacy of needing to provide an online learning solution in early March following the indications of a national lockdown, meant a significant amount of work was undertaken reviewing possible IT platforms. We adopted Microsoft Teams and One Note as two main platforms for delivering lessons and work remotely, which became the normal way of working from late March. Intensive staff training and migration of resources from the Shared Drive to the cloud, ensured staff were able to work and deliver lessons from home. By the time lockdown began, staff were ready to deliver live lessons to all their classes and had the tools and knowledge to be able to set assignments, quizzes and collaborative tasks. They were also trained on how to deliver videoed lessons.

By the end of the summer term, not only had the majority of lessons been delivered 'live', pupils had undertaken online internal examinations sitting over 4,000 papers in total. Moreover, unlike so many schools nationally, departments reported they were actually ahead in terms of specification coverage and that online learning had created greater opportunities for consolidation and revision before next year's GCSE and A-Level examinations. While the return to school was anything but normal, the boys arrived back in September to find that not only had the school responded to the challenges presented by lockdown, but in many ways had risen to them with unexpected benefits and was able to provide pupils with the characteristic advantage (if arrived at by a different route) that a Warwick school education provides.

The Music Department delivered 850 weekly instrumental lessons, over 60 weekly ensemble rehearsals and termly concerts showcasing numerous bands and ensembles across all age groups. As the school went into Lockdown the Department ensured that the music continued with an impressive number of House Music competitions which included the light-hearted Long Note Competition and the Homemade Instrument Competition as well as the Composition Competition. The range of talent was most impressive and there were examples of every style of music imaginable. For the Performance Competition, our musicians submitted a two-minute video of themselves performing a piece of music of their choice. It was a joy to see so many boys take part in this competition and reassuring to hear that our musicians have kept their skills sharpened while school has been closed.

In addition to these light-hearted challenges, there have been some poignant moments too. During lockdown we commemorated the 75th anniversary of VE day, and to celebrate, a virtual concert featuring some of our advanced musicians was recorded remotely and sent to local care homes. Inspired by the NHS Clap, several

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Warwick School boys took their music to the streets, lifting neighbours' spirits with renditions of Somewhere Over the Rainbow, Jerusalem, The White Cliffs of Dover and other much-loved tunes.

Sport remains a key element of the wider education of our boys. Experience beyond the classroom is very much a part of school life. In the autumn and spring terms boys took part in and represented the school across all year groups in the main sports of rugby and hockey. The 1st XV secured a place in the National Schools Cup, for an impressive 4th year in a row. (Sadly, this final was never played due to the Covid-19 lockdown). Many boys represented the school in many other sports such as swimming, sailing, clay pigeon shooting and golf.

Covid-19 brought sport to a shuddering halt and the Warwick Sports Fields have been eerily quiet despite the record-breaking sunshine. However, a great number of boys participated in the weekly Games afternoon challenges. These consisted of quizzes on the history and rules of our summer sports as well as physical challenges covering the components of fitness, cardiovascular endurance, muscular strength and endurance, agility, speed, balance and coordination.

Boys, parents, family members and staff all took part in an incredible virtual Sports Day. Overall there were 1,692 entries, with 10,034 squats, 5,448 press ups, 5,219 burpees and an incredible 580,335 metres run.

The last three months have been challenging for everyone. However there have been several initiatives which have made a positive contribution to the wider community, through volunteering, fundraising, acts of kindness and a general commitment to help other people in what has been an unprecedented time for all.

There have been some great fundraising efforts. This included some inspiring stories of boys raising money for a hardship fund to support frontline NHS staff and working with the non-profit organisation "Covid-19 Mission" to raise over £5,000. One pupil ran and cycled 100Km across 10 days with a weighted vest in order to raise money for the NHS. He has managed to raise £1,300. A family of brothers raised over £1,200 by walking the equivalent of the length of Wales, a great achievement.

The annual Year 7 sleep out continued virtually with the boys sleeping in cardboard boxes at home, despite the wind and rain. The night was a huge success, with everyone having fun completing challenges with their friends and families on Microsoft Teams. The event raised over £3,000 for the Helping Hands Community Project in Leamington.

Concerned about the ongoing shortage of PPE for critical care staff in the UK, the parents of our International Boarders joined together to help. They collected vast quantities of PPE between them, and in total sent 3,880 disposable face masks, 7,500 pairs of disposable gloves, 21 surgical gowns and 1,040 N95 masks to Warwick School for distribution in the local community.

There has been significant media coverage that Hospices and Care Homes have been unable to accommodate visits from family and friends during lockdown, resulting in feelings of loneliness and isolation amongst their residents. Our Kissing it Better group created a superb Activity Pack full of poems, stories, quizzes and pictures to entertain people in this situation. One pupil recorded songs and produced a YouTube playlist which was sent to Myton Hospice for them to play to the residents on their individual devices. This was so successful that it is now being sent to care homes across Warwickshire.

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The Summer has seen the completion of 'Project One Campus', creating a beautiful campus for all our pupils from 3-18, and we look forward to the huge impact this unique development will have on their educational journey.

### *Warwick Junior School*

As lockdown began, Warwick Junior School was enjoying another successful year in all areas of school life. Pupils benefitted from a range of opportunities allowing them to achieve high standards in the classroom and develop as individuals. Our experienced and committed staff were ambitious for our pupils, ready to support and challenge both individuals and cohorts throughout their time in school. With outstanding opportunities to enjoy a breadth of co-curricular activities, our boys have been fully engaged in school life.

Throughout lockdown, our pupils continued to benefit from a full curriculum with lessons moving online. They valued the daily contact with form teachers and the opportunity to engage with school assemblies. Both staff and pupils responded magnificently to the challenges along the way, learning many skills to serve them well beyond this period of remote learning. We were delighted to welcome back Year 6 pupils in the second half of the Summer term with opportunities for all our pupils to return to complete their year spending time as a form.

Following a similar pattern to previous years, all our Year 6 pupils were able to continue their journey through the Foundation following success in the Senior School entrance exams. Six Junior School pupils received the offer of academic scholarships to the Senior School with a further two honorary scholarships awarded. In addition, three received the offer of a music exhibition.

The Arts continue to flourish in the Junior School. With regular informal concerts and full concerts at the end of each term, pupils have many opportunities to perform as individuals or as part of a group. When school was closed due to lockdown, we continued to provide remote opportunities to perform, with pupils contributing to a massed ensemble in the Summer Term. Our Year 4 pupils delighted audiences with their production of Ali Baba and the Bongo Bandits in the Lent term. Earlier in the year, Years 5 and 6 enjoyed another successful visit from the Young Shakespeare Company with their workshop and production of Romeo and Juliet.

Our outreach programme offering our inspirational Head of Music to local schools continued to develop. Whilst the lockdown brought an end to our workshops for local schools, we hope to be able to resume our work helping promote opportunities in our wider community.

Our measure of a successful sporting year remains how many pupils have an opportunity to represent the School. All have an opportunity to play for our teams. We seek schools able to offer fixtures across the year group, matching pupils of similar ability and experience. At October half term we took 36 pupils on a sporting tour to Jersey playing several fixtures and enjoying visits to attractions across the island. During lockdown, pupils were given sporting challenges each week to help maintain fitness and core skills.

Years 4 and 6 enjoyed residential opportunities heading off to Blackwell Court and to Plas-y-Brenin. The Year 6 visit to Plas-y-Brenin, the National Mountain Centre in Wales, was one of the highlights of the year. Groups went underground, enjoyed stream walking, navigation, night challenges and all climbed a mountain. One of our groups found themselves roped up climbing through thick snow. All were able to experience a sense of achievement as they completed challenges throughout the week.



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The Warwick Junior School Diploma, now in its second year, helps underpin and encourage boys to take part in all aspects of school life. Bronze, Silver, Gold and Platinum Awards are presented to boys who provide evidence of participation and commitment in four key areas of school life: Aiming for Higher Things, Exploring the Arts, Getting Active and Serving Our Community. Pupils provide evidence of engagement in all four areas earning credits towards fulfilling the criteria at each level. Pupils continued to work towards these whilst in lockdown. Many earned credits towards serving their community by helping distribute food to shielding neighbours or raising much-needed funds through sponsored challenges. A significant number earned their Bronze Diploma with some achieving their Silver Award. A few very dedicated pupils have already achieved Gold.

### Collaboration

The Foundation remains committed to single sex education from 7-18. Having said that, Project One Campus provides a unique opportunity to collaborate in order to provide pupils with the 'best of both worlds'.

Key areas where collaboration has been taking place during the year include:

- National Teaching Training in Physics and Mathematics Scheme (NMAPS) which saw King's High and Warwick School delivering a training programme for trainee teachers in Physics, with the Foundation being asked to host the national training day for the DfE.
- Two major productions involving King's High and Warwick School: Little Shop of Horrors and Mary Poppins Jnr.
- Children from five local primary schools joined choirs from across the Foundation and the choir of The Collegiate Church of St. Mary. Musicians in the Prep department have had the opportunity to perform in the King's High 'Musical Horizons' concert series as well as performing in regular 'Morning Melodies' and tea-time Concerts.
- Friday Afternoon Activities Programme
- Joint Induction and team building programme for the Lower Sixth.
- Oxbridge preparation and interview programme
- Sprint Finish revision programme
- Open invitations to Sixth Form academic society meetings in respective schools
- Junior Research Day
- Drama and Music staging many joint events and running of the Saturday morning drama club

During the national school closures, the Schools worked hard to maintain co-curricular provision, and this included making the most of any collaborative opportunities. In particular, music helped to bring the Foundation community together, including remote "White Cliffs of Dover" performances to mark VE Day. The Foundation Music Festival involved creating a video concert featuring musicians from Nursery up to Sixth Form age, with well over 140 videos submitted. The "Foundation Composition: The Isolation Symphony" was a full scale work composed by using clips of music made in isolation, again attracting impressive levels of engagement from all pupils with hundreds of sound and video clips submitted for each movement. Both videos are available to view on YouTube.

As the 2020/21 Academic Year gets underway, the restructure of the organisation under the Foundation Principal as a single point of executive leadership will serve to enhance the collaborative focus.



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### Financial Review and Results for the Year

The Foundation achieved an investment surplus (the widely recognised and benchmarked performance measure in the sector) for the year of £1.735m (2018/19: £3.184m). The finance cost in respect of the derivative has been excluded from the calculation of this benchmark. Owing to the accounting adjustment required in relation to the FRS102 for the pension valuation, the net movement in funds for the year is minus £1.898m (2018/19: minus £2.336m).

Governors strive to ensure that fee increases are maintained at the lowest possible level, whilst mindful of the importance of generating sufficient returns for the development of facilities to ensure the continuous improvement of teaching and learning in the Foundation schools.

The Foundation is grateful to the Trustees of The King Henry VIII Endowed Trust, Warwick and The Charity of Sir Thomas White, Warwick, for income provided exclusively for funding means tested bursaries to pupils residing within the town of Warwick, and also to the Trustees of Old Warwickian Trust for income provided exclusively for bursaries to pupils attending Warwick School.

The trading subsidiary (Warwick Schools Enterprises Ltd – WSEL) continued to hire out the Foundation's facilities where possible during the year. It contributed £Nil (2018/19: £Nil) to the investment surplus. Infrastructure resources were invested in during 2018/19 that were expected to generate increased revenues in future years as the sales base grows, but naturally Covid-19 has had an impact on opportunities to generate additional income.

### Reserves

Largely as a result of the continued capital spend on Project One Campus during the year, the Foundation's Free Reserves at 31 August 2020 were in deficit by £26.983m, with unrestricted and designated funds standing at £62.390m at the end of the year. Unrestricted funds were made up of £75.111m representing funds deployed as part of the Schools' premises and £14.521m as Bursary Funds, with the balancing minus £259k being within the subsidiary company. Restricted funds were £1.793m at the end of the year. The Foundation's share of the Local Government Pension Fund deficit has to be shown in the Balance Sheet. At 31 August 2020, this deficit stood at £5.853m (2018/19: £5.250m).

The Directors are satisfied that the Schools' operating cash flows and external finance facilities are sufficient to meet the Schools day-to-day working capital requirements.

### Investment Policy and Objectives

Under the Charity's Articles of Association, the Trustees have powers to invest in such securities or property as they may think fit, subject to the appropriate legal considerations. In practice, the Board of Governors has delegated responsibility to the Finance and Regulatory Committee to make such decisions on its behalf. The Finance and Regulatory Committee in turn appoints an investment manager to oversee funds under investment.

The Board's investment objectives remain to achieve, over the long term, an annual income yield of 3%, with 3% capital growth, within a medium risk profile.

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As at 31 August 2020, the Foundation had a total of £12.781m invested for the long term with an investment objective of achieving a balance of income and capital growth. In the year to 31 August 2020, the total return generated by the Foundation's main portfolio was -0.70% compared with -2.13% for the agreed benchmark.

### Fundraising Performance

Progress was made towards the Foundation's fundraising goals despite the challenges of the Covid-19 pandemic. The One Campus Plus campaign continued to raise funds for unrestricted added extras for the new campus in the first half of the academic year, including the funding of an historic organ for the new music school. Some elements of the campaign were revised, including new plans for a Sports Clubhouse.

Most new fundraising activities ceased after the Government lockdown in March due to an uncertain economic environment. From this point, our focus was to steward our supporters and ensure existing regular income. The Foundation experienced very few cancellations of support during this time, with income continuing to be received for the Warwick Hall Campaign and Warwick School Bursary Fund.

### Risk Management

The Board of Governors is responsible for the management of the risks faced by the Company. Risks are assessed and controls established throughout the year. A formal review of the Company's risk management processes is undertaken by the Finance & Regulatory Committee on an annual basis.

The key controls used by the Company include:

- formal agendas for all Committee and Board activity;
- detailed Terms of Reference for each Committee;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational structure and lines of reporting;
- formal written policies;
- clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

The most significant risks considered during the year were as follows:

<i>Risk</i>	<i>Mitigation</i>
a) fee affordability and increased competition from other local schools, leading to a potential fall in student numbers and/or demand for places	Robust budgeting, tight cost controls and strong marketing presence to ensure continued growth or at least static position of pupil roll. Strong academic performance.
b) diminishing investment returns applying pressure to supported places	A balanced portfolio through a respected and trusted investment partner. Regular reviews.
c) the increasing and unpredictable cost of the final salary pension scheme for support staff	Retention of actuarial advisors to control and negotiate proposed triennial increases. Scheme closed to new entrants in 2015.
d) the financing of a significant major building project costing, now completed.	Regular briefing reports to Governors at termly Finance & Regulatory Committee.
e) the risk of a major attack on our IT systems	There are a range of mitigation in place, network security, malware prevention, removable media controls, secure configuration of devices and

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## STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020

<i>Risk</i>	<i>Mitigation</i>
	software, managing user privileges, multi factor authentication, incident management and monitoring, user education and awareness and cyber security risk management.
f) the continuing financial pressure being applied through central government policy, via pensions, teacher pay and the threat of loss of charitable business rate relief – of particular concern is recent central Government policy around teachers' pensions, with an imposed uplift of around 43% for the 2019/20 budget	Long-term financial planning in the form of a 10-year cash-flow, including horizon scanning for central government cost increases and the impact on price and demand for places. Membership of GSA and HMC.
g) pandemic affecting school finances and fee affordability	Debtors constantly reviewed and procedures followed. All costs reviewed as mitigation.
h) pandemic affecting schools opening and international travel for school trips	Specific pandemic risk assessment map looking at potential impact on fee income and reputation, Communicable Disease Policy in place and currently under review, promotion of good hygiene practices within School at all times, advice to parents and staff about managing sickness, development of remote learning package in case of schools closure, development of detailed H&S risk assessment in case of re-opening with additional operational restrictions required, ensuring robust supply lines of PPE/hygiene products.

Through the risk management processes established for the Schools, the Governors are satisfied that the major risks identified have been adequately managed, with further mitigation applied to each of the key risks. However, it is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

### Future Plans

Two of the three-year programme of building for 'Project One Campus' project being complete, the focus for the 2019/20 academic year was the successful occupation of the main building of King's High, the new Sport, Arts, and Technology suites, and the shared Sixth Form building for pupils at King's High and Warwick School. This process was progressing with great success, until the closure of schools to most pupils owing to the COVID-19 pandemic.

'Project One Campus' was the core element of the Foundation's Vision 2020 strategy, a five-year plan published in 2015. Whilst acknowledging the magnitude of decisions taken in recent years, Governors and the Executive recognise that facilities are merely the beginning of the delivery of the opportunities for further excellence promised by the relocation. The start of the new academic year will see the development of a new Strategy 2025 document, featuring a strong emphasis on the core objective of the Charity, the education of pupils, seeking to consolidate the changes already made and ensure continuing success now that our schools share a site. Financial stability remains a given, but the focus of the new strategy will be on educational outcomes in a rapidly changing world, bearing in mind the adjustments required for political, economic, sociological and perhaps most importantly, technological advancements.

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020

### **Section 172(1) statement**

The Trustees have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the Foundation for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

In discharging their duties above, the Trustees carefully consider, amongst other matters, the impact on and interest of other stakeholders in the Foundation and factor these into their decision-making process.

### Pupils

All our pupils benefit from the Foundation schools' outstanding academic, pastoral, and co-curricular provision. Pupils are actively encouraged to offer suggestions on developing their school experience, for example through School Council or Pupil Voice committees. The voice of pupils is always actively considered in decision-making processes.

The pupil-centric focus continued during the Government-mandated closure and the move to remote learning, recognising the challenges faced by pupils during lockdown. More information as to how this was introduced and developed during the year is included by School under the 'Review of Achievements and Performance for the Year'.

### Employees

The Foundation recognises that the qualities, skills and commitment of its employees play a major role in the Foundation's success. More information as to how the Foundation ensures the interests of employees are considered is outlined in the Employment Policy on page 6.

### Parents

The Foundation embraces engagement with parents, through both formal and informal means. For example, that may be via formal feedback events on pupil progress, or through parents' association events. Surveys are also undertaken to support strategic developments. Most recently, owing to the COVID-19 pandemic, means of communication have transferred to 'virtual' methods, for example through parents events via Microsoft Teams. Feedback from parents has also enabled the development of the online learning provision.

### Community

The Foundation is proud of its place in the local community and more information about the engagement and partnership activities that have taken place are outlined under 'Public Benefit Aims and Intended Impact' on pages 9 and 10. The Foundation endeavours wherever possible to enable local schools and sports clubs to benefit from its academic and co-curricular facilities. During the national COVID-19 lockdown, staff and pupils created new ways in which they could support the local community via fundraising and by providing PPE for key workers.

Central to Strategy 2025 we appointed a Foundation Principal with effect from 1<sup>st</sup> September 2020. As well as creating a single point of executive accountability to the board and a focus on strategic opportunities, this role will also release the individual Heads to focus more on the individual Schools under their stewardship.

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020

### UK greenhouse gas emissions and energy use data from 1 September 2019 to 31 August 2020

We took the following measures during the year to improve energy efficiency:

- The new buildings in the second phase of Project One Campus were constructed in accordance with the approved Sustainable Building Statement and phasing scheme and met all the necessary energy requirements, including the use of efficient lighting, ventilation and heating systems.
- Due to the COVID-19 pandemic, on-site operations over the last year have been reduced with remote learning during the lockdown period. The increased level of working from home significantly reduced the Foundation's energy usage, as not all parts of the site were occupied during that period.

Type of emission	Activity	2019-20	2019-20	2019-20
		kWh	tCO2e	% of total
Scope 1	Natural Gas	5,538,098	42	3%
	Transport (Minibus)	174,000	1,018	65%
	<b>Sub Total</b>	<b>5,712,098</b>	<b>1,060</b>	<b>68%</b>
Scope 2	Electricity (Imported)	2,160,202	504	32%
	Electricity (Generation)	78,735	-	0%
	<b>Sub Total</b>	<b>2,238,937</b>	<b>504</b>	<b>32%</b>
<b>Total Gross emissions</b>		<b>7,951,036</b>	<b>1,564</b>	<b>100%</b>
Intensity metric:				
Number of pupils		2,440		
Tonnes of CO2e per pupil		0.64		

Energy usage is calculated with reference to gas and electricity meter readings.

### Post Balance Sheet Event

On 4 February 2021, it was announced that the School would be merging with The Kingsley School, who would be joining the Warwick Independent School Foundation family of schools. The assets, liabilities, employees and trading activities of The Kingsley School were transferred to The Warwick Independent Schools Foundation on 10 March 2021. The Kingsley School is a day school, in Leamington, providing day schooling to girls and boys from the ages of 3 to 11 and girls from 11 to 18. The Governors believe that both Schools share a similar ethos. Warwick Independent Schools Foundation is in a strong position to help Kingsley's ambitions for teaching and learning, extra-curricular provision and improvements to facilities. The Kingsley School will retain its own identity, name, uniform and distinctiveness. The Headmistress of The Kingsley School reports directly to the Principal of Warwick Independent Schools Foundation. Six of Kingsley's Governors have transferred to the governing body of Warwick Independent Schools Foundation.

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

COMPANY NUMBER: 04252305

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

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 Charity and the Group and of the surplus or deficit of the Group for that year. In preparing these financial statements, the Directors are required to:

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



The Directors are responsible for ensuring that adequate accounting records are maintained that are sufficient to show and explain the Charity's and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and the 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 Charity and the Group and ensuring their proper application in accordance with Charity Law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Directors is aware, at the time this report is approved:

- there is no relevant audit information of which the Company's auditors are unaware;
- the Directors have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report, incorporating the Strategic Report, was approved by the Trustees as Directors of Warwick Independent Schools Foundation.

Approved by the Board of Directors of Warwick Independent Schools Foundation on 26 March 2021 and signed on its behalf by:

	DIRECTOR	<u>D.B. STEVENS</u>
		(print name)
	DIRECTOR	<u>M-B. ASHE</u>
		(print name)



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WARWICK INDEPENDENT SCHOOLS FOUNDATION**

We have audited the financial statements of Warwick Independent Schools Foundation for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes numbered 1 to 0, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 Company's Members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable Company's affairs as at 31 August 2020 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other Information**

The Trustees 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 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.

## **Opinion on Other Matter Prescribed by the Companies Act 2006**

In our opinion based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

## **Matters on Which we are Required to Report by Exception**

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' report included within the trustees' annual report.

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

- the parent company has not kept adequate accounting records; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of Trustees**

As explained more fully in the Directors' responsibilities statement set out on page 26, the Trustees (who are also the Directors of the charitable Company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

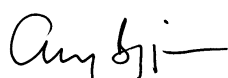
In preparing the financial statements, the Trustees are responsible for assessing the group or the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



**Guy Biggin**  
**Senior Statutory Auditor**  
**for and on behalf of**  
**CROWE U.K. LLP**  
Chartered Accountants and Statutory Auditors

Crowe U.K. LLP  
Carrick House  
Lypiatt Road  
Cheltenham  
GL50 2QJ

Dated: 12 May 2021

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

COMPANY NUMBER: 04252305

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME & EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds		Restricted Funds	Endowed Funds	Total Funds	Total Funds
		Schools	Other			31 Aug 2020	31 Aug 2019
		£'000	£'000	£'000	£'000	£'000	£'000
INCOME FROM:							
Donations		2	-	1,159	-	1,161	1,734
Charitable Activities							
• School fees	2	28,680	-	-	-	28,680	29,355
• Other income	3	3,886	-	-	-	3,886	3,382
Other Trading Activities							
• Trading turnover: WSEL	4	-	467	-	-	467	653
Investment Income	5	-	397	-	-	397	443
<b>Total Income</b>		<u>32,568</u>	<u>864</u>	<u>1,159</u>	<u>-</u>	<u>34,591</u>	<u>35,567</u>
EXPENDITURE ON:							
Raising Funds							
• Cost of Development Office		369	-	-	-	369	426
• Cost of trading activities: WSEL		-	599	-	-	599	616
• Other activities		-	44	-	-	44	55
Charitable Activities							
• Schools and grant-making	7	33,658	4	858	27	34,547	34,885
<b>Total Expenditure</b>		<u>34,027</u>	<u>647</u>	<u>858</u>	<u>27</u>	<u>35,559</u>	<u>35,982</u>
Net gains/(losses) on investments		-	-330	-	-	-330	631
Net income/(expenditure)		-1,459	-113	301	-27	-1,298	216
Transfers between funds	15	1,459	-1,459	-	-	-	-
Pension Scheme actuarial (loss)/gain	20		-600	-	-	-600	-2,552
<b>NET MOVEMENT IN FUNDS</b>		<u>-2,172</u>	<u>301</u>	<u>-27</u>	<u>-1,898</u>	<u>-2,336</u>	
Balance brought forward at 1 September 2019			58,220	1,492	2,816	62,528	64,864
<b>FUND BALANCES at 31 August 2020</b>		<u>56,048</u>	<u>1,793</u>	<u>2,789</u>	<u>60,630</u>	<u>62,528</u>	

All activities relate to continuing operations.

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



# WARWICK INDEPENDENT SCHOOLS FOUNDATION

COMPANY NUMBER: 04252305

## CHARITY AND CONSOLIDATED BALANCE SHEET AT 31 AUGUST 2020

	Notes	Group		Charity	
		31 Aug 2020 £'000	31 Aug 2019 £'000	31 Aug 2020 £'000	31 Aug 2019 £'000
<b>FIXED ASSETS</b>					
Tangible assets	<b>8</b>	76,106	71,459	75,811	71,133
Investments	<b>9</b>	15,546	16,808	15,546	16,808
		<u>91,652</u>	<u>88,267</u>	<u>91,357</u>	<u>87,941</u>
<b>CURRENT ASSETS</b>					
Stock	<b>10</b>	12	79	5	-
Debtors	<b>11</b>	2,045	3,017	2,620	3,541
Cash at bank and in hand		2,600	7,739	2,551	7,570
		<u>4,657</u>	<u>10,835</u>	<u>5,176</u>	<u>11,111</u>
CREDITORS: due within one year	<b>12</b>	-8,104	-9,648	-8,069	-9,545
<b>NET CURRENT ASSETS</b>		<u>-3,447</u>	<u>1,187</u>	<u>-2,893</u>	<u>1,566</u>
<b>TOTAL NET ASSETS before pension deficit</b>		<u>88,205</u>	<u>89,454</u>	<u>88,464</u>	<u>89,507</u>
CREDITORS: due after more than one year	<b>12</b>	-21,722	-21,676	-21,722	-21,676
Pension Scheme funding deficit	<b>20</b>	-5,853	-5,250	-5,853	-5,250
<b>TOTAL NET ASSETS</b>	<b>15</b>	<u>60,630</u>	<u>62,528</u>	<u>60,889</u>	<u>62,581</u>
<b>ENDOWED FUNDS</b>	<b>15(a)</b>	2,789	2,816	2,789	2,816
<b>RESTRICTED FUNDS</b>	<b>15(b)</b>	1,793	1,492	1,793	1,492
<b>UNRESTRICTED FUNDS</b>					
Designated & general funds	<b>15(c)</b>	62,390	63,913	62,649	63,966
Revaluation Reserve	<b>15(c)</b>	1,233	1,233	1,233	1,233
Pension Reserve (Deficit)	<b>20</b>	-5,853	-5,250	-5,853	-5,250
Derivative Reserve		-1,722	-1,676	-1,722	-1,676
Net Unrestricted Funds		<u>56,048</u>	<u>58,220</u>	<u>56,307</u>	<u>58,273</u>
<b>TOTAL FUNDS</b>		<u>60,630</u>	<u>62,528</u>	<u>60,889</u>	<u>62,581</u>

Approved by the Board on 26 March 2021 and signed on its behalf by:

 DIRECTOR D. B. STEVENS  
 (print name)  
 DIRECTOR M-B. ASHE  
 (print name)

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

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

COMPANY NUMBER: 04252305

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020	2019
		£'000	£'000
CASH FLOWS FROM OPERATING ACTIVITIES	21	1,407	4,817
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income & bank interest		397	442
Other interest paid		-566	-421
Purchase of property, plant and equipment		-7,328	-21,201
Proceeds from sale of tangible fixed assets		25	8,986
Proceeds from sale of investment property		-	423
Purchase of investments		-3,502	-2,383
Proceeds from sale of investments		3,254	2,438
(Increase)/decrease in bank deposits		1,174	-917
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		-6,546	-12,633
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from new loan drawdown		-	10,000
Repayments of borrowing		-	-
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		-	10,000
CHANGE IN CASH & CASH EQUIVALENTS IN THE REPORTING PERIOD		-5,139	2,184
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD		7,739	5,555
CASH IN HAND		2,600	1,734
NOTICE DEPOSITS		-	6,005
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		2,600	7,739

**Note:** Charity Law requires separate administration of the cash flow of endowed and other restricted funds of the Charity. This constraint has not adversely affected Group cash flows as stated above.

The notes on pages 26 to 45 form part of these accounts.



# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

### 1. Statement of Accounting Policies

#### (a) Charity Status

Warwick Independent Schools Foundation is a Charitable Company limited by guarantee (registered number 04252305), which is registered in England & Wales. Its Charity registration number is 1088057. The registered office and principal place of business is Warwick School, Myton Road, Warwick, CV34 6PP.

Its principal activity is the provision of day and boarding schooling.

#### (b) Basis of Accounting

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015. The date of transition to FRS 102 was 1 September 2014. Warwick Independent Schools Foundation meets the definition of a public benefit entity under FRS 102.

The functional currency of the Charity is considered to be GBP because that is the currency of the primary economic environment in which the Charity operates.

The accounts present the consolidated statement of financial activities (SOFA) and the Charity consolidated balance sheets comprising the consolidation of the Charity and the Company and its wholly owned subsidiary Warwick Schools Enterprises Limited (Company no: 03617592). The results of the subsidiary are consolidated on a line by line basis.

The Charity became the Corporate Trustee of the Trust on 29 August 2001 and the accounts, therefore, include the Trust as a subsidiary Charity for the accounting period commencing 1 September 2001.

Under the Charity Commission Scheme of 29 August 2001 all trust funds other than the Trust's permanent endowment of the Schools land were transferred to the new Charity known as Warwick Independent Schools Foundation, as property of the Company, and the Trust itself was made a subsidiary Charity of the Company as its Corporate Trustee.

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

The Charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

#### (c) Going Concern

Having reviewed the funding facilities available to the Schools together with the expected ongoing demand for places and the Schools' future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Charity's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Directors' Responsibilities on page 26.

#### (d) Basis of Consolidation

The financial statements consolidate the accounts of Warwick Independent Schools Foundation and its subsidiary Warwick Schools Enterprises Limited.

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

The Charity has taken advantage of the exemption contained within Section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account. The deficit for the year dealt with in the accounts of the Charity was £-1,645,420 (2019: £-604,044).

### (e) Charitable Income and Donations

Voluntary incoming resources including legacies are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Charity is considered probable. Charitable income and donations received for the general purposes of the Charity are credited to "other unrestricted funds" to distinguish them from direct school income. Grants given for specific purposes are treated as income in the year of receipt and are taken to "restricted funds". Unspent restricted income is included under restricted funds as it is fully committed. Income received from the charities of The King Henry VIII Endowed Trust, Warwick and The Charity of Sir Thomas White, Warwick is accounted for on a receivable basis.

Government grants are credited to the consolidated statement of financial activities as the related expenditure is incurred.

Investment income is recognised when receivable.

### (f) Fees and Similar Income

Fees receivable and charges for services and use of premises are accounted for in the year in which the service is provided. Fees receivable include contributions received from Restricted Funds for Bursaries and Awards. Trading income is exclusive of Value Added Tax and trade discounts.

### (g) Resources Expended

Resources expended are accounted for on an accruals basis. Certain expenditure is apportioned to cost categories based on the estimated amount attributable to that activity in the year. Teaching, welfare and premises costs are derived from activities classified in cost departments that are directly for the pupils' benefit. Support costs consist of the administration costs of running the Schools, Marketing & Recruitment costs for the Schools and expenditure in relation to school expeditions. Governance costs comprise the costs of running the Charity (including strategic planning for its future development), external audit, legal advice for the Governors and all costs of complying with statutory requirements. Liabilities are recognised when they can be measured reliably and there is a legal or constructive obligation committing the Charity to the expenditure.

### (h) Operating Leases

Rentals payable are charged on a time basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

### (i) Pension Schemes

The Schools participate in a multi-employer pension scheme, the Government's Teachers Pension Defined Benefits Scheme (TPS), for their teaching staff. The pension liability is the responsibility of the Teachers' Pension Scheme. As a result, it is not possible to identify the assets and liabilities of the scheme that are attributable to the Schools. Accordingly, under FRS 102 the scheme is accounted for as if it were a defined contributions scheme.

The Charity also participates in a multi-employer pension scheme, the Local Government Pension Scheme (LGPS), for its non-teaching staff, which is administered by Warwickshire County Council. The Charity is able to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis. Accordingly, the scheme is treated as a defined benefit scheme under FRS 102. The scheme is being accounted for under FRS 102, with the annually calculated notional surplus or deficit on the funding of the

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

Scheme shown in the accounts as a designated fund entitled "Pensions Reserve", which is deducted from Unrestricted Funds in the balance sheet.

The Charity auto-enrols employees into the National Employment Savings Trust (NEST), an independently run defined contribution scheme.

Pension costs form part of staff costs and are allocated directly across activities and between restricted and unrestricted funds on the basis of time spent.

### (j) School Buildings and Equipment

#### *Capitalisation and Replacement*

The original land and buildings endowed to the Schools together with all subsequent additions recorded by the Trust were professionally re-valued as at 31 August 2001. On 1 September 2001, all land and buildings, other than the original endowed property, were transferred to the Charity. In these accounts these transfers are treated as being at cost to the Charity. The Charity is also responsible for keeping the original building in fit and useful condition and these costs are written off as incurred. Buildings improvements and extensions and furniture and equipment costing more than £5,000 individually are capitalised and carried in the balance sheet at historical cost.

#### *Depreciation*

Depreciation is calculated on a straight line basis to write off the cost, less estimated residual value of fixed assets, over their estimated useful economic lives. These rates are currently as follows:

• Buildings	20 - 50 years
• Sports constructions	20 - 25 years
• Furniture, fixtures & equipment	3 - 10 years
• Motor vehicles	4 years

No depreciation is charged on freehold land or assets under the course of construction. Depreciation is charged when assets become in use.

### (k) Investments

Investments, which include listed investments and investment properties, are stated at market value.

Investment properties are valued every five years and reviewed for impairment annually.

Unit trust investments are stated at mid-market price.

Realised gains and losses on investments, calculated as the difference between the sale proceeds and their market value at the start of the year, or subsequent cost, are credited or charged to the SOFA in the year of gain or loss.

Unrealised gains and losses representing the movement in market values during the year are credited or charged to the SOFA in the year of gain or loss.

### (l) Stock

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

### (m) Liquid Resources

The Charity includes fixed term deposits of less than one year as liquid resources.

### (n) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered.

### (o) Creditors

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### (p) Financial Instruments

Basic financial instruments are initially measured at transaction value and subsequently measured at amortised cost with the exception of investments which are held at market value. Financial assets held at amortised cost comprise cash at bank and in hand, together with all debtors other than prepayments. A specific provision is made for any debts for which recoverability is in doubt.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and fees received in advance.

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the Statement of Financial Activities in finance costs or finance income as appropriate. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

### (q) Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objects of the Charity. Unrestricted funds are identified as either Designated Funds or General Funds. Designated Funds represent funds that the Trustees have set aside for defined purposes. Certain elements of the Designated Bursary Funds are subject to restrictions set out in the Memorandum and Articles of Association. Each Designated Fund is disclosed separately in the notes to the financial statements. There is a commitment to use these monies in future years, as designated. General Funds represent accumulated surpluses/deficits to date, after transfers to Designated Funds.

Restricted Funds are funds subject to specific restrictions imposed by the donors.

The Endowment Funds are permanent endowment funds, i.e. the donors have stated that the funds are to be held as capital.

### (r) Significant Accounting Estimates and Judgements

The Charity makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

### 2. Fees Receivable

	2020	2019
	£'000	£'000
Fees	33,643	31,883
Less Teachers Fee Remission	-779	-765
Less Scholarships and Bursaries	-2,107	-1,763
Less Fee Discount	-2,077	-
	<u>28,680</u>	<u>29,355</u>

### 3. Other Income

	2020	2019
	£'000	£'000
<b>Charitable Activities</b>		
Other educational charitable activities		
• Entrance and registration fees	53	59
• Music tuition fees	551	730
• Holiday Action and Swim School	256	494
• Other	863	1,241
	<u>1,723</u>	<u>2,524</u>
Other ancillary activities		
• Insurance income	35	23
• Excursions	416	835
• Grant income	1,712	-
	<u>3,886</u>	<u>3,382</u>

### 4. Income from Subsidiary's Trading Activities

The Charity owns the whole of the £1 ordinary share capital of Warwick Schools Enterprises Limited. The principal activity of the Company is that of letting the school facilities and the operation of a school clothing shop. The trading results for the year, extracted from the audited accounts, are summarised below:

	2020	2019
	£'000	£'000
Turnover	467	653
Operating costs	-673	-710
(Loss)/Profit from continuing activities	<u>-206</u>	<u>-57</u>
Covenanted donation gross	-	-
Balance carried forward	<u>-206</u>	<u>-57</u>

Warwick Schools Enterprises Limited normally makes a gift aid donation of any surplus earned to its parent, Warwick Independent Schools Foundation. This amounted to £Nil (2019: £Nil) to the Charity during the year.

	2020	2019
	£'000	£'000
Assets	504	732
Liabilities	-763	-785
Net assets	<u>-259</u>	<u>-53</u>

The net liabilities of Warwick Schools Enterprises Limited at 31 August 2020 amounted to £258,931 (2019: net assets of £-52,633)

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

### 5. Investment Income

	2020			2019
	Unrestricted	Restricted	Total	Total
	£'000	£'000	£'000	£'000
UK Fixed Interest	37	-	37	3
UK Equities	256	-	256	320
COIF Property Fund	-	-	-	-
Bank Interest	29	-	29	42
Investment property	75	-	75	78
	<u>397</u>	<u>-</u>	<u>397</u>	<u>443</u>

### 6. Expenditure

	2020	2019
	£'000	£'000
<b>Charitable expenditure includes:</b>		
Auditors' remuneration		
• For audit	39	34
• For audit of subsidiaries	2	2
• For other services	34	13
Operating Leases payable		
• For Motor Vehicles	50	47
• For Property	59	158
Profit on sale of fixed assets	6	74
Depreciation	2,657	1,923
Bank Loan interest payable	<u>566</u>	<u>421</u>
<b>Total staff costs comprised:</b>		
Wages and salaries	18,249	17,202
Social security costs	1,657	1,531
Pension contributions	3,577	2,866
Compensation for Loss of Office	241	134
	<u>23,724</u>	<u>21,733</u>
<b>Aggregate employee benefits of key management personnel</b>	<u>1,224</u>	<u>981</u>

During the year there were termination payments made which amounted to £241,291 (2019: £134,497). There was £45,099 outstanding at the year end.

The average number of the Charity's employees during the year calculated on an average headcount basis was 755 (2019: 754).

	2020	2019
Teaching	337	341
Support	418	413
	<u>755</u>	<u>754</u>

Neither the Governors nor persons connected with them received any remuneration or other benefits from the Schools or any connected organisation, other than one Governor whose son is in receipt of a Scholarship. Travelling and course expenses amounting to £2,732 (2019: £2,935) were reimbursed to 4 Governors (2019: 4).



# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

The number of higher paid employees was as follows, all of whom are accruing benefits under Defined Benefit Pension Schemes totalling £249,655 (2019: £172,263).

	2020	2019
£60,000 - £70,000	5	6
£70,000 - £80,000	3	5
£80,000 - £90,000	2	-
£90,000 - £100,000	1	-
£100,000 - £110,000	-	-
£110,000 - £120,000	-	-
£120,000 - £130,000	1	1
£130,000 - £140,000	-	-
£140,000 - £150,000	1	1
£150,000 - £160,000	-	1
£300,000 - £310,000	1	-

### 7. Analysis of Total Resources Expended

	2020			2019	
	Staff Costs £'000	Other £'000	Depreciation £'000	Total £'000	Total £'000
Costs of Generating Funds					
• Other Activities	-	33	11	44	55
• Cost of Development Office	258	111	-	369	426
<b>Total for Charity</b>	258	144	11	413	481
Trading Costs of the Subsidiary	261	289	49	599	616
<b>Total for Group</b>	519	433	60	1,012	1,097
Charitable Activities					
• Teaching	17,845	2,674	-	20,519	18,955
• Welfare	1,287	766	-	2,053	2,309
• Premises	2,146	2,243	2,597	6,986	6,325
• Support Costs and Governance	2,188	1,927	-	4,115	4,945
Bank/Pension Interest	-	870	-	870	2,347
& Other Financing					
Prizes & Other Awards	-	4	-	4	4
<b>Sub-Total</b>	23,466	8,484	2,597	34,547	34,885
<b>Total Resources expended Group</b>	23,985	8,917	2,657	35,559	35,982
<b>Charity</b>	23,724	8,628	2,608	34,960	35,366

### Governance Costs included in support costs

	2020 £'000	2019 £'000
Auditors remuneration	39	34
Liability insurance	82	85
	121	119

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

### 8. Tangible Fixed Assets

	Land & Buildings £'000	Furniture, Fittings & Equipment £'000	Motor Vehicles £'000	Assets in Course of Construction £'000	Charity Total £'000
<b>COST</b>					
At 1 September 2019	51,567	5,751	124	29,536	86,978
Additions	168	682	57	6,403	7,310
Disposals	-	-30	-	-	-30
Transfer to investments	-	-	-	-	-
Reclassification	27,606	448	-	-28,054	-
At 31 August 2020	<u>79,341</u>	<u>6,851</u>	<u>181</u>	<u>7,885</u>	<u>94,258</u>
<b>DEPRECIATION</b>					
At 1 September 2019	12,090	3,664	91	-	15,845
Charge for year	1,688	885	35	-	2,608
Transfer to investments	-	-	-	-	-
On Disposals	-	-6	-	-	-6
At 31 August 2020	<u>13,778</u>	<u>4,543</u>	<u>126</u>	<u>-</u>	<u>18,447</u>
<b>NET BOOK VALUES</b>					
At 31 August 2020	<u>65,563</u>	<u>2,308</u>	<u>55</u>	<u>7,885</u>	<u>75,811</u>
At 31 August 2019	<u>39,477</u>	<u>2,087</u>	<u>33</u>	<u>29,536</u>	<u>71,133</u>

	Charity Total £'000	Subsidiary Total £'000	Group Total £'000
<b>COST</b>			
At 1 September 2019	86,978	599	87,577
Additions	7,310	18	7,328
Disposals	-30	-	-30
Transfer	-	-	-
At 31 August 2020	<u>94,258</u>	<u>617</u>	<u>94,875</u>
<b>DEPRECIATION</b>			
At 1 September 2019	15,845	273	16,118
Charge for year	2,608	49	2,657
Transfer	-	-	-
On Disposals	-6	-	-6
At 31 August 2020	<u>18,447</u>	<u>322</u>	<u>18,769</u>
<b>NET BOOK VALUES</b>			
At 31 August 2020	<u>75,811</u>	<u>295</u>	<u>76,106</u>
At 31 August 2019	<u>71,133</u>	<u>326</u>	<u>71,459</u>

Included in the net book value of land and buildings is £476,062 (2019: £595,140) in respect of long leasehold buildings. The remainder is freehold.

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

### 9. Investments

	Unrestricted Designated £'000	Endowed Funds £'000	Total £'000	2019 £'000
<b>Group:</b>				
Balance at 1 September 2019	16,808	-	16,808	15,619
Additions	3,502	-	3,502	2,383
Disposals at opening market value	-3,254	-	-3,254	-2,438
Movements in cash deposits	-1,175	-	-1,175	917
Transfer of property from fixed assets	-	-	-	119
Disposal of property	-	-	-	-423
Revaluation gains	-	-	-	260
Net unrealised gains	-335	-	-335	371
Balance at 31 August 2020	15,546	-	15,546	16,808
Securities Listed on the Stock Exchange	12,324	-	12,324	12,701
Property	2,765	-	2,765	2,475
Cash deposits	457	-	457	1,632
	15,546	-	15,546	16,808
Listed Securities comprise:				
UK Fixed Interest	599	-	599	593
UK Equities	10,750	-	10,750	11,257
Property Fund	632	-	632	509
S & W Investment Funds	343	-	343	342
	12,324	-	12,324	12,701

**Charity:** as above

Investment in subsidiary company (see note 4)

#### Reconciliation of opening and closing investments by class

	Securities Listed on Stock Exchange £'000	Property £'000	Cash Deposits £'000	Total £'000
<b>Group:</b>				
Balance at 1 September 2019	12,701	2,475	1,632	16,808
Additions	3,212	290	-	3,502
Transfer from fixed assets	-	-	-	-
Disposals	-3,254	-	-	-3,254
Revaluation	-	-	-	-
Movement in cash deposits	-	-	-1,175	-1,175
Net unrealised gains	-335	-	-	-335
Balance at 31 August 2020	12,324	2,765	457	15,546

The investment properties were valued in August 2015 by Margetts Chartered Surveyors at £2,115,000. A valuation in November 2019 confirmed that the properties are not materially mis-stated and an impairment review undertaken during 2020 confirms the properties are not materially misstated as at August 2020.

The Foundation acquired a property as part of a legacy; this was assented to the charity on 1<sup>st</sup> June 2020 at a value of £290,000.

All investments are held to provide a return and all are held in the UK.

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

### 10. Stocks

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Goods for resale and consumables	12	79	5	-

Stocks recognised as an expense in the Statement of Financial Activities during the year were £163,289 (2019: £211,773).

### 11. Debtors

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
School fees	187	382	187	382
Trade debtors	65	63	9	-
Other debtors	134	139	37	59
Prepayments and accrued income	1,659	2,433	1,659	2,418
Amount due from subsidiary undertaking	-	-	728	682
	<u>2,045</u>	<u>3,017</u>	<u>2,620</u>	<u>3,541</u>

### 12. Creditors

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Due within one year:				
Fees received in advance and deposits	3,260	3,294	3,260	3,294
Bank overdraft	934	436	934	436
Trade creditors	940	1,191	927	1,153
Other creditors	806	358	784	293
Taxation and social security	532	435	532	435
Accruals and deferred income	1,632	3,934	1,632	3,934
	<u>8,104</u>	<u>9,648</u>	<u>8,069</u>	<u>9,545</u>
Due after one year:				
Bank loan	20,000	20,000	20,000	20,000
Derivative financial instruments	1,722	1,676	1,722	1,676
	<u>21,722</u>	<u>21,676</u>	<u>21,722</u>	<u>21,676</u>

A loan for £20m was taken out with HSBC to support delivery of Project One Campus in August 2017. An interest rate swap arrangement was entered into to pay a fixed rate of 3% (1.6% interest rate and 1.4% margin) over £20m of the outstanding loan balance. The date of termination of the agreement is August 2027.

HSBC has security over the Shares held by the School through a Memorandum of Deposit made between both parties, dated 14 September 2017.

The Bank Loan falls due as follows:

	2020	2019
	£'000	£'000
Between two and five years	3,999	2,666
Over five years	16,001	17,334
	<u>20,000</u>	<u>20,000</u>

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

### 13. Deferred Income - Group

	<b>£'000</b>
Balance at 1 September 2019	510
Released in the year	-510
Deferred in current period	206
Balance at 31 August 2020	<u>206</u>

Income has been deferred where cash has been received before the year end but the event (mainly school trips) takes place in the next financial year.

### 14. Financial Instruments - Group

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Financial assets measured at amortised cost	1,023	1,670
Financial assets measured at fair value	18,146	24,547
Financial liabilities measured at amortised cost	-26,426	-27,292
Financial liabilities measured at fair value	-1,722	-1,676
Net financial assets measured at amortised cost	<u>-8,979</u>	<u>-2,751</u>

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Total investment gains for financial assets measured at fair value through income and expenditure	-336	371
Impairment gains/(losses) on financial assets measured at amortised cost	<u>66</u>	<u>6</u>

Included in financial assets measured at amortised cost are school fee debtors, trade debtors, other debtors and accrued income. Included in financial assets measured at fair value are cash at bank and in hand and investments. Included in financial liabilities measured at amortised cost are bank loans, fees received in advance, fee deposits, trade creditors, other creditors and accruals.

Included in financial liabilities measured at fair value are derivative financial instruments (interest rate swaps). The group has entered into an interest rate swap to receive interest at LIBOR and pay interest at a fixed 1.6%. The swap is based on a principal amount of £20m and matures in 2027 on the same date as the loans. The fair value of the interest rate swap is £1,722,216 (2019: £1,676,283).

Impairment of trade debtors during the year totalled £315,728 (2019: £270,966).

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

### 15. Net Assets of the Funds of the Charity

The net assets are held for the various funds as follows:

	Fixed Assets	Investments	Net Current Assets	Long Term Liabilities	Total
	£'000	£'000	£'000	£'000	£'000
Endowed funds	2,086	703	-	-	2,789
Restricted funds	21	-	1,772	-	1,793
Unrestricted funds					
• Bursary funds	-	15,881	-	-	15,881
• Other	73,704	-1,038	-4,665	-27,575	40,426
<b>Charity</b>	<b>75,811</b>	<b>15,546</b>	<b>-2,893</b>	<b>-27,575</b>	<b>60,889</b>
Subsidiary Reserves	295	-	-554	-	-259
<b>Group</b>	<b>76,106</b>	<b>15,546</b>	<b>-3,447</b>	<b>-27,575</b>	<b>60,630</b>

#### (a) Endowed Funds: Movements in the Year

	Balance at 1 Sept 2019	Income	Expenditure	Transfers & Investment Gains	Balance at 31 Aug 2020
	£'000	£'000	£'000	£'000	£'000
Exhibitions & prizes fund	202	-	-	-	202
Legacy funds	501	-	-	-	501
Fixed assets fund	2,113	-	-27	-	2,086
	<u>2,816</u>	<u>-</u>	<u>-27</u>	<u>-</u>	<u>2,789</u>

Legacy, Exhibitions & Prizes – These Funds represent the capital value of amounts originally donated for the purpose of generating income to be distributed as prizes.

Fixed Assets – The Endowed funds represent the value of land and buildings originally endowed to the Schools of the Charity.



# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

### (b) Restricted Funds: Movements in the Year

	Balance at 1 Sept 2019	Income	Expenditure	Transfers	Balance at 31 Aug 2020
	£'000	£'000	£'000	£'000	£'000
Donations from Friends of Warwick School*	36	8	-4	-	40
Donations from WPSA*	-	1	-1	-	-
Donations for Project One*	-	292	-231	-	61
Borough Bursary Fund	635	739	-622	-	752
Warwick Scholarship Trust	31	-	-	-	31
Income from Legacy Funds & Prizes	790	119	-	-	909
	<u>1,492</u>	<u>1,159</u>	<u>-858</u>	<u>-</u>	<u>1,793</u>

\*These Funds represent the money donated to the Schools by the Parents' Association of Warwick School, a contribution from the Parents' Association of Warwick Preparatory School and accumulated funds resulting from campaigns run by the Schools' Development Office. These funds must be applied to the projects specified by the donor.

The Borough Bursary Fund relates to the funds received from two charitable bodies, which must be used to help pupils who attend the School and live within the old borough of Warwick. An additional one off distribution was received from one of these charitable bodies, which will be used to support and benefit the children of the borough.

### (c) Unrestricted Funds

	Balance at 1 Sept 2019	Income	Expenditure	Transfers	Investment Gain/ (Loss)	Balance 31 Aug 2020
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Designated Funds</b>						
Bursary Fund	14,469	335	-1,219	665	-336	13,914
• Mary Hall Legacy	477	-	-	-	-	477
• Other Legacy	130	-	-	-	-	130
Fixed Assets	69,815	-	-	4,925	6	74,746
Repairs & Maintenance Fund	322	58	-15	-	-	365
<b>Unrestricted Funds</b>						
Free Reserves	-21,247	32,572	-32,792	-5,516	-	-26,983
<b>Charity</b>	63,966	32,965	-34,026	74	-330	62,649
Subsidiary Trading Funds	-53	467	-599	-74	-	-259
	<u>63,913</u>	<u>33,432</u>	<u>-34,625</u>	<u>-</u>	<u>-330</u>	<u>62,390</u>
Revaluation Reserve	1,233	-	-	-	-	1,233
Pension Reserve Deficit	-5,250	-	-3	-	-600	-5,853
Derivative Reserve	-1,676	-	-	-	-46	-1,722
<b>Group</b>	<u>58,220</u>	<u>33,432</u>	<u>-34,628</u>	<u>-</u>	<u>-976</u>	<u>56,048</u>

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

**Bursary Funds** – These funds enable the Governors to provide such number of free and assisted places in the Schools of the Charity as they shall determine, for the benefit of pupils who are in need of financial assistance. A number of unrestricted legacies were received during the year. There were transfers during the year from the Schools' free reserves into the Bursary Fund of £665,189. Governors have designated these funds to be used for means-tested Bursaries.

**Fixed Assets** – These represent the net book value of the un-endowed assets available for use by the Charity, excluding assets funded out of Bursary Funds.

**Repairs and Maintenance Fund** – This fund is being accumulated from net rental income to finance future repairs and maintenance.

### Net Assets of The Funds of the Charity as at 31 August 2019

	<b>Fixed Assets</b>	<b>Investments</b>	<b>Net Current Assets</b>	<b>Long Term Liabilities</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<i>Endowed funds</i>	2,113	703	-	-	2,816
<i>Restricted funds</i>	-	-	1,492	-	1,492
<i>Unrestricted funds</i>					
• <i>Bursary funds</i>	-	14,865	-	-	14,865
• <i>Other</i>	69,020	1,240	74	-26,926	43,408
<b>Charity</b>	<b>71,133</b>	<b>16,808</b>	<b>1,566</b>	<b>-26,926</b>	<b>62,581</b>
<i>Subsidiary Reserves</i>	326	-	-379	-	-53
<b>Group</b>	<b>71,459</b>	<b>16,808</b>	<b>1,187</b>	<b>-26,926</b>	<b>62,528</b>

### Endowed Funds: Movements in the Year as at 31 August 2019

	<b>Balance at 1 Sept 2018</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance at 31 Aug 2019</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<i>Exhibitions &amp; prizes fund</i>	202	-	-	202
<i>Legacy funds</i>	501	-	-	501
<i>Fixed assets fund</i>	2,140	-	-27	2,113
	<b>2,843</b>	<b>-</b>	<b>-27</b>	<b>2,816</b>

### Restricted Funds: Movements in the Year as at 31 August 2019

	<b>Balance at 1 Sept 2018</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance at 31 Aug 2019</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<i>Donations from Friends of Warwick School</i>	12	31	-7	36
<i>Donations from WPSA</i>	-	3	-3	-
<i>Donations for Project One</i>	-	341	-341	-
<i>Borough Bursary Fund</i>	445	565	-375	635
<i>Memorial Endowment Fund</i>	-	-	-	-
<i>Warwick Scholarship Trust</i>	31	-	-	31
<i>Income from Legacy Funds &amp; Prizes</i>	18	775	-3	790
	<b>506</b>	<b>1,715</b>	<b>-729</b>	<b>1,492</b>

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

### Unrestricted Funds as at 31 August 2019

	Balance at 1 Sept 2018 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	Investmen t Gain £'000	Balance 31 Aug 2019 £'000
<b>Designated Funds</b>						
Bursary Fund	14,002	382	-945	640	390	14,469
• Mary Hall Legacy	477	-	-	-	-	477
• Other Legacy	130	-	-	-	-	130
Fixed Assets	59,420	74	-	10,321	-	69,815
Repairs & Maintenance Fund	266	58	-2	-	-	322
<b>Unrestricted Funds</b>						
Free Reserves	-11,588	32,685	-31,477	-10,867	-	-21,247
<b>Charity</b>	62,707	33,199	-32,424	94	390	63,966
Subsidiary Trading Funds	4	653	-616	-94	-	-53
	62,711	33,852	-33,040	-	390	63,913
Revaluation Reserve	992	-	-	-	241	1,233
Pension Reserve Deficit	-2,188	-	-510	-	-2,552	-5,250
Derivative Reserve	-	-	-	-	-1,676	-1,676
<b>Group</b>	61,515	33,852	-33,550	-	-3,597	58,220

### 16. Capital Commitments

	2020 £'000	2019 £'000
Contracted for:		
• Project One Campus	179	6,878
• Sports Pitches	-	30
	179	6,908

### 17. Operating Lease Commitments

At 31 August 2020, the Group had the following future minimum lease payments under non-cancellable operating leases:

Group & Charity	2020 £'000	2019 £'000
Operating leases which expire:		
• Within one year	33	81
• Within two to five years	79	78
• After five years	-	-

### 18. Taxation

No corporation tax has been provided for in these accounts because income of the Charity is within the exemptions granted by Section 505 of the Income and Corporation Taxes Act 1988. The Charity has borne VAT on its expenditure where appropriate.

The trading subsidiary provides for corporation tax as applicable, nil this year. It is also registered for VAT.

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

### 19. Principal Subsidiaries

Company Name	Principal Place of Business	Percentage Share-holding	Description	Principal Activity
Warwick Schools Enterprises Limited (WSEL)	Myton Road, Warwick	100%	£1 Ordinary share capital	Letting of school facilities and operation of school clothing shop
(Registered number: 03617592, incorporated in England & Wales)	CV34 6PP			

The Charity is also the Corporate Trustee of the Warwick Schools Foundation Trust (Charity registration number: 528775).

These financial statements include the results of the above entities.

During the year the Charity charged £261,482 to WSEL for the provision of staff and administrative services (2019: £272,313). The balance owed to the Charity at 31 August 2020 was £728,627 (2019: £681,678). Intercompany transactions of a management fee £63,348 (2019: £82,489), a licence fee £10,000 (2019: £10,000) and interest on the intercompany loan £1,308 (2019: £1,081) are eliminated on consolidation.

### 20. Pension Schemes

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,731,825 (2019: £1,778,030) and at the year-end there were no contributions (2019: no contributions) accrued but unpaid in respect of this scheme.

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

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

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

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

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. A consultation was launched by the government on 16 July 2020 and closed to responses on 11 October 2020. As a result of the consultation, 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 the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

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

Non-teaching members of staff, joining before October 2013 are entitled to belong to the Warwickshire County Council Pension Fund (LGPS), a multi-employer defined benefit scheme operated within the Local Government Pension Scheme, to which contributions are made by both employees and the employer. The basis of contribution to the Scheme is calculated according to the advice of the Scheme actuary. The cost of providing such pensions is charged on a systematic basis over the average remaining service life of the members.

The last full actuarial valuation of the Scheme was carried out on the effective date of 31 March 2010 when the assets of the Scheme were not deemed sufficient to cover its accrued liabilities. The employers have accordingly amended their rate of contribution to the scheme in line with advice from the actuary. The valuation method adopted was the Projected Unit Actuarial Cost Method and it was assumed that, in relation to security of both accrued and protected rights, the Scheme would continue. The method of calculating the discount rate at 31 August 2018 is based on the Consumer Price Index (CPI).

In accordance with FRS 102 the pension valuation has been updated by the qualified actuary, Hymans Robertson LLP. The scheme's assets and liabilities relating to Warwick Independent Schools Foundation were found to be as follows:

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Total market value of assets	19,435	19,583
Present value of scheme liabilities	-25,288	-24,833
(Deficit) in scheme	<u>-5,853</u>	<u>-5,250</u>

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

The main financial assumptions made by the actuary at the beginning of the year and at the balance sheet date were as follows

	2020	2019
	%	%
Inflation	2.3	2.3
Rate of increase in salaries	3.1	2.9
Rate of increase for pensions	2.3	2.3
Discount rate for liabilities	1.7	1.8

### Life expectations on retirements age 65

	2020	2019
	Years	Years
Male currently age 45	22.5	22.4
Female currently age 45	25.4	25.0
Male currently age 65	21.6	21.4
Female currently age 65	23.8	23.6

### Fair value of assets and expected rate of return

	31 Aug 2020		31 Aug 2019	
	Fair	Expected Rate of Return	Fair	Expected Rate of Return
	£'000	%	£'000	%
Equities	11,661	2.5	11,946	2.5
Government bonds	4,859	2.5	5,091	2.5
Other bonds	-		-	
Property	2,527	2.5	2,350	2.5
Cash/Liquidity	388	2.5	196	2.5
Other	-		-	
<b>Total</b>	<b>19,435</b>		<b>19,583</b>	

The overall expected rate of return on the scheme assets is determined based on market expectations at the beginning of the year, for investment returns over the entire life of the related obligation. The assumption used is the average of the above assumptions appropriate to the individual asset classes weighted by the proportion of the assets in the particular asset class.

	2020	2019
	£'000	£'000
The actual return on the scheme assets in the year	-390	1,141

### Changes in the fair value of the scheme assets are as follows:

	2020	2019
	£'000	£'000
Opening value of scheme assets	19,583	18,420
Return on assets less interest	-745	625
Net interest income on plan assets	355	516
Contributions by employer	636	357
Contributions by employees	105	121
Contributions in respect of unfunded benefits	2	2
Benefits paid	-501	-458
	<b>19,435</b>	<b>19,583</b>



# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

Changes in the present value of the scheme liabilities are as follows:

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Opening liabilities	24,833	20,608
Current service cost	547	692
Past service cost	-	111
Interest cost	449	582
Contributions by employees	105	121
Actuarial gains/(losses)	-145	3,177
Benefits paid	-501	-458
	<u>25,288</u>	<u>24,833</u>

The charge to the Statement of Financial Activities over the financial year comprised:

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Schools and grant making		
Current service cost	547	692
Past service cost	-	111
Interest income on plan assets	-355	-516
Interest on pension scheme liabilities	449	582
Total charge to expenditure in the SOFA	<u>641</u>	<u>869</u>

The actuarial gains and losses shown in the Statement of Financial Activities comprised:

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Return on assets less interest	-745	625
Experience gains and losses on scheme liabilities	468	-6
Changes in demographic assumptions	219	1,296
Changes in financial assumptions	-542	-4,467
Total amount recognised in the SOFA	<u>-600</u>	<u>-2,552</u>

Employers' contributions for the year to 31 August 2020 were £552,104 (2019: £600,780) including deficit payments. The contributions until 31 March 2020 were 19.5%. The best estimate of employer contributions for the coming year to 31 August 2021 is £535,000. The scheme applies only to members of staff employed by the Foundation before 31 October 2013 who signed up prior to that date. All other staff are auto-enrolled onto the National Employment Savings Trust (NEST), an independently run defined contribution scheme. Employers' contributions to the NEST scheme for the year to 31 August 2020 were £290,562 (2019: £236,456).

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

### 21. Reconciliation of Cash Flows from Operating Activities

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Net income for the reporting period	-1,298	142
Interest receivable	-397	-443
Interest paid	566	421
Depreciation	2,657	1,923
Increase/(Decrease) in stock	67	31
(Increase)/Decrease in debtors	972	-1,226
Increase in creditors	-1,498	4,089
Gains on investments	335	-371
Gains on investment property	-	-260
Defined benefit pension scheme cost less contributions payable	-91	444
Defined benefit pension scheme finance cost	94	67
Net cash provided by operating activities	<u>1,407</u>	<u>4,817</u>

### 22. Analysis of changes in net debt

	<b>Balance at 1 Sept 2019</b>	<b>Cash flows</b>	<b>Fair value movements</b>	<b>Balance at 31 Aug 2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash and cash equivalents	7,739	-5,139	-	2,600
Bank loan	-20,000	-	-	-20,000
Derivative financial instruments	-1,676	-	-46	-1,722
	<u>-13,937</u>	<u>-5,139</u>	<u>-46</u>	<u>-19,122</u>

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

### 23. Related Party Transactions

Warwick Schools Enterprises Ltd is wholly owned by Warwick Independent Schools Foundation and has been incorporated in these accounts. Transactions with the subsidiary are disclosed in note 19.

During the year, the Foundation purchased £51,358 (2019: £84,781) of printing from Triple Crown Print Limited. Mrs Graham was a member of the senior management team of Warwick Preparatory School. Mrs Graham's husband is a director of this company. Mrs Graham is a shareholder. A balance of £477 (2019: £4,924) was outstanding at the year end.

The Foundation purchased £11,700 (2019: £NIL) of media communications from ADD Communications & Events Limited. Mrs Didlick is a member of the senior management team of King's High School. Mrs Didlick's husband is a director of this company. A balance of £1,800 (2019: £NIL) was outstanding at the year end.

The Foundation purchased £325 (2019: £NIL) of packaging from Kite Packaging Limited. Mrs M Ashe is a Governor and a director of this company.

The Charity received donations in the year from employees totalling £1,007 (2019: £113). Donations were also received from the families of two Governors totalling £42,966.

The Ministry of Defence provides some funding each year for the purposes of the Combined Cadet Force (CCF). A separate CC bank account is held by the Charity which is consolidated within these financial statements. The CCF bank account balance at the 31 August 2020 was £4,127 (2019: £7,817).

### 24. Post Balance Sheet Event

On 4 February 2021, it was announced that the School would be merging with The Kingsley School, who will be joining the Warwick Independent School Foundation family of schools. The assets, liabilities, employees and trading activities of The Kingsley School were transferred to The Warwick Independent Schools Foundation on 10 March 2021.

# WARWICK INDEPENDENT SCHOOLS FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

	Notes	Unrestricted Funds		Restricted Funds	Endowed Funds	Total Funds 31 Aug 2019
		Schools	Other			
		£'000	£'000	£'000	£'000	£'000
INCOME FROM:						
Donations		19	-	1,715	-	1,734
Charitable Activities						
School fees	2	29,355	-	-	-	29,355
Other income	3	3,382	-	-	-	3,382
Other Trading Activities						
Trading turnover: WSEL	4	-	653	-	-	653
Investment Income	5	-	443	-	-	443
Total Incoming Resources		<u>32,756</u>	<u>1,096</u>	<u>1,715</u>	<u>-</u>	<u>35,567</u>
EXPENDITURE ON:						
Raising Funds						
Cost of Development Office		426	-	-	-	426
Cost of trading activities: WSEL	4	-	616	-	-	616
Other activities		-	55	-	-	55
Charitable Activities						
Schools and grant-making		<u>34,125</u>	<u>4</u>	<u>729</u>	<u>27</u>	<u>34,885</u>
Total Expended	7	<u>34,551</u>	<u>675</u>	<u>729</u>	<u>27</u>	<u>35,982</u>
Net gains on investments		-	631	-	-	631
Net income/(expenditure)		<u>-1,795</u>	<u>1,052</u>	<u>986</u>	<u>-27</u>	<u>216</u>
Transfers between funds	15	<u>1,795</u>	<u>-1,795</u>	<u>-</u>	<u>-</u>	<u>-</u>
Pension Scheme actuarial gain	20		<u>-2,552</u>	<u>-</u>	<u>-</u>	<u>-2,552</u>
NET MOVEMENT IN FUNDS			<u>-3,295</u>	<u>986</u>	<u>-27</u>	<u>-2,336</u>
Balance brought forward at 1 September 2018			61,515	506	2,843	64,864
FUND BALANCES at 31 August 2019		<u>58,220</u>	<u>1,492</u>	<u>2,816</u>	<u>2,816</u>	<u>62,528</u>