



COMPANY NUMBER: 04252305

CHARITY NUMBER: 1088057

**DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2022**



DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

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 14 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 10th March 2021, to bring it into the Warwick Independent School Foundation family of schools.

Governors nominated by the following bodies:

The Charity of Sir Thomas White, Warwick	- Mr A F Keeling, QC
The King Henry VIII Endowed Trust, Warwick	- Mr S J Jobburn
University of Warwick	- Prof D Griffin

Co-opted Governors:

Mrs M B Ashe	Mr T H Keyes
Mrs S M Austin (Chair)	Mr J D Loudon
Prof S A Barnes (to 31 December 2022)	Mrs J Mackenzie-Lawrie (from 1 September 2022)
Ms J L Broughton	Mr D B Rankin (from 21 January 2022)
Mr C R Gibbons	Mr J N Wallis
Mrs L M Greaves (to 31 August 2022)	Mrs R A Weeks
Mrs M P Hicks	Mrs A E Wilson
Dr F Jaffri (from 27 January 2023)	

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

Officers:

Foundation Principal	- Mr R Nicholson
Foundation Bursar*	- Mrs V Espley
Headmaster, Warwick School	- Mr J S Barker
Headmaster, King's High School for Girls	- Dr S J Burley
Headmaster, The Kingsley School	- Mr J Mercer-Kelly
Headmistress, Warwick Preparatory School	- Mrs H Dodsworth
Headmaster, Warwick Junior School	- Mr A Hymer (to 31 December 2022)
	- Mr J Bond (from 1 January 2023)

*(Company Secretary)



STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Addresses

Principal Address and Registered Office:

Warwick Independent Schools Foundation
Myton Road
WARWICK
CV34 6PP

Schools

King's High School *Day,*
Banbury Road *girls 11-18*
WARWICK
CV34 6YE

Warwick Preparatory School *Day,*
Bridge Field *boys 3-7*
Banbury Road *girls 3-11*
WARWICK
CV34 6PL

Warwick School *Day,*
Myton Road *boys 11-18*
WARWICK
CV34 6PP
Boarding,
boys 13-18

Warwick Junior School *Day,*
Myton Road *boys 7-11*
WARWICK
CV34 6PP

The Kingsley School *Day,*
Beauchamp Hall *boys 3-7*
Beauchamp Ave *girls 3-18*
LEAMINGTON SPA
CV32 5RD

Advisers

Bankers

Lloyds Bank Plc
12 Swan Street
WARWICK
CV34 4BJ

HSBC
6th Floor
120 Edmund Street
BIRMINGHAM
B3 2QZ

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

Evelyn Partners
14th Floor
103 Colmore Row
BIRMINGHAM
B3 3AG

Auditors

Crowe U.K. LLP
4th Floor, St James House
St James' Square
CHELTENHAM
GL50 3PR



STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

The Directors of the Company present their annual report for the year ended 31 August 2022, 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 13th 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 23rd December 1981, 26th November 1991, 13th June 1995, and 16th September 1998. On 29th August 2001, this Charity changed its name to Warwick Schools Foundation Trust. Under the Charity Commission Scheme made on 29th 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 11th 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 13th July 2001 and amended by special resolution on 28th 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 12th February 2015 and were agreed by the Charity Commission on 6th October 2015, and have since been amended on 1st September 2016, 14th December 2018 and 11th December 2020 and 1st April 2022.

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 10th 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.



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There are also four tactical Committees, each comprising one-third of the Governors. In this way, Governance is delivered to the individual Schools within an overall Foundation 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. The Foundation Principal is the executive lead across the Foundation. He is supported by a Principal's Group comprising the School Heads and Foundation Bursar. In his capacity as Foundation Principal, he has ultimate responsibility for the management of the individual schools and subsidiary trading company. He reports directly to the Trustees.

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. School Committees are chaired by the Foundation Principal.

A new committee, the **Safeguarding Committee** was formed in September 2021. The Committee is responsible for considering all matters pertaining to safeguarding and child protection, including historic cases, and also the safeguarding responsibilities as set out by the Charity Commission. It has the power to recommend any decisions as it feels are necessary to fulfil its responsibility.

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 Foundation Bursar 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 four Strategic Committees and two other Governors.



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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 aims to retain 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, Foundation Bursar 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.



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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 2,800 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 remain in place, as follows, with our core values driving our priorities:

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 development of a world class educational campus.*

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 is 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 strategy has been adopted to achieve this delicate balance. This is further aided by timely 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.

Following the change to the executive management structure that was initiated in 2019, the team has been further strengthened with the appointment of Mrs Victoria Espley as Foundation Bursar.



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Principal Activities of the Year

During 2021/22, Warwick School had 974 (2020/21: 970) boys in the Senior School, of whom 57 (2020/21: 55) were boarders, and 261 (2020/21: 264) boys in the Junior School. King's High School for Girls had 784 (2020/21: 773) girls and Warwick Preparatory School had 449 (2020/21: 455) children in the main School and 60 (2020/21: 59) children in the Nursery School. The Kingsley School had 84 (2020/21: 87) in the Prep School and 240 (2020/21: 225) in the Senior 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 144 (2020/21:165) 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. A Community Outreach Officer has been appointed to actively engage with the parents in the local area to identify who would most benefit.

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

There was continued wide-ranging use of the Foundation facilities by the local community, and we intend to continue and/or develop them.



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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. In the last academic year, pupils across our Schools raised a total of £70,500 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 Sir Stanley Matthews Foundation, UNICEF-Ukraine, Molly Olly Wishes, Young Minds Save the Children, a number of smaller local charities and continued support to Brass for Africa and Dominic Community Foundation.

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 £2.413m (2020/21: £2.185m). Of this, the amount of unrestricted funds totalled £1.891m (2020/21: £1.726m) with a further £522k (2020/21: £454k) contributed from restricted funds. The Foundation Governors' policy is to increase further the means tested awards when opportunities arise and £1.616m (2020/21: £1.520m) of the total was awarded on this basis. 501 (2020/21: 477) pupils benefited from these regular grants and awards, 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 76 (2020/21: 78) 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.

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 it has been a great pleasure to celebrate so many remarkable student, group and whole-school achievements. The year began with the opening of our new Changemaker Gallery in School Reception – a gallery of 19 portraits of inspirational global figures who have led significant and positive change in the world; the 20th space in the gallery is a mirror so that students can stand and see themselves alongside such powerful changemakers. In the Autumn Term we were announced Independent School of the Year at the ISA Awards Ceremony and we also underwent a successful ISI Regulatory Compliance Inspection. Later in the year, we transitioned to six new competitive houses and paired our houses with those at Warwick School in order to promote our Best of Both Worlds ethos.



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Academic results in August 2022 were extremely strong. After two years of Centre Assessed and Teacher Assessed Grades, it was good to be able to return to the comparative clarity provided by examinations leading to Exam Board-awarded grades. We were delighted with a very strong set of results, with 65% achieving A*-A grades and 88% A*-B grades. At GCSE, 77% of grades were at 9-7, with 54% at grades 9-8, the equivalent of A*s. 86% of students gained entry to their first-choice institution, with well over 75% attending Russell Group universities. All our pupils with offers for Oxbridge achieved their offer and were admitted. Pupils are heading off to study 47 different university courses, with a real mix of STEAM subjects and arts and humanities subjects (42% to STEAM courses).

Nine will be studying, medicine, veterinary medicine or dentistry, whilst seven will read Psychology. Pupils are bold in their course choices, and in addition to a number continuing their study of subjects such as History, Languages and Biology, many are opting for vocationally-focused courses including Law (4), Pharmacy (3), Accounting and Finance, Motorsport Engineering, Aeronautical and Astronautical Engineering, Midwifery, Creative Events Management, Product Design and Manufacture, International Business Management and Education Studies. Creative and Performing Arts are represented with students achieving places to study Music, Drama, Dance, Art and Film. Other interesting options include Geology, Archaeology and Classical Civilisation, Zoology and English with Creative Writing.

Over the past five years and more we have transformed the culture of intellectual enquiry at the school, most notable through our Inspire Programme of trips, events and talks. The Programme now boasts over 30 academic societies, many of them led by Sixth Formers, including our Hobbs Society, which has focused recently on issues relating to the environment and social justice. Speakers in the Summer of 2022 included Dr Mari Takayangi (Parliamentary Archivist), Prof Miriam Gifford (Biologist), David Blunkett (Politician) and many more. Our inaugural student conference included the whole school attending talks by over 15 student speakers, on the topic of 'Change, Challenge and Choices'. Trips to Oxford, Cambridge, London, the British Motor Museum and more have been better attended than ever after the restrictions of lockdowns. One Saturday Key Stage 3 trip to Oxford saw over 100 students (nearly a third of all possible pupils) visiting the dreaming spires.

We are now in the process of publishing our sixth annual Inspire Essay competition, with entries from pupils on diverse and wonderful topics, including the following: 'What is the Best Way to Measure Intelligence?', 'Should We Be Worried About Surveillance?', 'Free Speech: Too Much of a Good Thing?', 'Has Equality Been Realised in the Film and Television Industry?', 'Greek Mythology: Misogyny or Feminism?', 'Does Rewilding Work?'. In later years students complete the EPQ with enormous success: a record 40 A*s and 22 As were achieved by pupils this year. In this spirit of independence and enquiry, we have developed a Foundation Pathway for all students considering applications to highly competitive universities, particularly those with an interview or pre-admissions test. The pathway invites King's High pupils to work together with Warwick School, attending interview preparation and thinking skills sessions.

Pastoral care is crucial to the happiness of our students and our success as a school and throughout 2021/22 we have continued to strengthen our offer. The creation of a new Senior Management Team post, 'Director of Wellbeing, Values and Skills' shows our commitment to promoting positive mental health and prioritising wellbeing. We have also employed a dedicated Mental Health Lead who is able to guide students towards the most appropriate support from the strong team of specialists which we are building up. It currently includes counsellors, a dietician, an educational and child psychologist and mentors. We strengthen this bespoke support by our 'universal prevention' provision of external speakers, tailored form time activities and assembly content.



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We prioritise learning and fun in the classroom, and also develop a co-curricular provision of fun, mindfulness and joy. 'Downtime' (a club dedicated to mindfulness, games and community fun); Quiet Contemplation prioritising sleep hygiene and an informed school ethos promoting the importance of fun, play and rest in order to thrive sets the tone of holistic care of the self.

The provision of time and resources to Mental Health prevention and support runs intertwined with our commitment to creating a culture of joy, gratitude fun and self-awareness. From time spent with the new school dog, Parsnip, to whole-school showcase events such as the Festival of Wellbeing which incorporated meditation, mindfulness, yoga, a fair of pebble painting, smoothie bike riding, music and community-spirit to name a few, we seek to maximise the student's wellbeing by making positive choices about what brings joy and fulfilment and providing space to do it. Therein, we provide time to give to the wider community as well as contribute to our own with charitable fundraising enterprises from local care work charity, Kissing it Better to fundraising for ambulances and medical funds to send to Ukraine.

Students are encouraged to reflect and express gratitude as another way of putting into perspective life's challenges. National 'Thank a Teacher Day' created a tidal wave of the expression of thanks and gratitude from students to staff with little need to prompt. In the Spring Term, building on our long-established partnership with The Diana Award, we hosted a training session for local schools. 15 additional students from King's High took part and became our newest Wellbeing Ambassadors, fully trained in anti-bullying techniques.

Wellbeing in our community is partly about self-care, but also about the fulfilment of serving others. Our Diana Award Wellbeing Ambassadors are a visible bastion of care and support in our school who look out for each other and contribute to an ethos of empathy and respect for everyone. During Anti-bullying week, they involved the whole school in festooning the school's quadrangle with paperchains showing how one kind act links to another. As part of our annual Festival of Wellbeing they ran their own Wellbeing Fair at lunchtime.

Our new "Connections" meetings and our Student Voice programme facilitate every student in our school being heard in small meetings with the Senior Management Team to voice their views of the school environment and how it can evolve to improve. We also expanded the platforms for students to lead talks around race, ableism and LGBTQ+ through our student-led events, 'The Big Conversations'. A new partnership has been forged with a local school for students with SEND and Year 7 student worked with Fletch, one of the UK's leading deaf Sign Song performers, to learn how to sign songs to make them the arts more inclusive. Our second Pride Fair took place in School's Diversity Week in June, where we celebrated the inclusive nature of our community.

Our pupils continue to excel across the board in their sports with both teams and individuals reaching county, regional and national levels. In the most recent season of competitive sport King's High achieved 10 National titles or runners up sports across 4 different sports and we have seen Individual ISA National Champions crowned in Table Tennis, Tennis, Athletics, Cross Country and Skiing as well. Individual students have been selected across many disciplines for regional and national training and to represent their country: for example, in Waterpolo, Netball, Hockey, Golf, Equestrian and Athletics to name a few.

Drama has had another busy and exciting year with the launch of new clubs, extra theatre trips and a fantastic production of *Spiteful Sisters* and *Aladdin*. The LAMDA department, once again enjoyed outstanding results with 107 pupils gaining distinctions and 37 gaining merits in their external exams.

There continues to be a broad variety of co-curricular activities with over 130 activities available each week. New clubs for the year include a 'downtime' club which gave students the chance to meet to chat, play board games and do crafts for wellbeing along with a very popular gardening club. King's High students continued to raise money for local, national and international charities this year and raised £12,000. Students were moved by events in Ukraine and there was a 'sunflower fete' and a sponsored walk to raise funds for two ambulances which were sent to Ukraine. They also collected over 140 shoeboxes for Teams 4 U and other harvest items for the local branch of the Trussell Trust.



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We have enjoyed developing a new link with Evergreen Special School. Students in the sixth form have volunteered to support classes on Friday afternoons and the school has used the School's facilities for events throughout the year. Staff have provided enrichment activities in Music, French, Cookery and Classics for pupils in Years 5 and 6 in Westgate Primary School. Older pupils supported classes in a variety of primary schools through the volunteering programme.

The continued restrictions on visits for Warwick Hospital and local nursing homes led us to be more creative with our ideas of supporting these organisations. Students in the whole school wrote cards, produced artwork, made crafts and collected items for 'goodie bags' for staff and patients. In addition, the 'Kissing it Better' group met weekly with students from Warwick School to produce resources for use with the elderly in nursing homes and in hospital. During the summer holiday older students were able to visit patients in Warwick Hospital and support a fete at Park View Nursing Home.

Warwick Preparatory School

The school has achieved great success in many areas during the course of 2021/22. Following the award of places to all girls in Year 6 at King's High, twenty-three scholarships and awards (academic, music, sport, art and drama) were made. Forty-two boys transferred successfully to Warwick Junior School from Year 2. The school has continued to be highly successful in maintaining its roll during 2021/22 and the number of registrations for entry in 2022/23 and beyond remains high.

The last academic year saw much to celebrate and commenced with a wonderful community weekend at the end of September, reminding us how important each member of our community is to our school: a weekend of real joy.

Following the visit of HRH The Princess Royal to officially mark the completion of 'Project One Campus', Christmas was marked in our customary fashion with performances and carol services involving every child from Nursery to Year 6.

Our Music department celebrated many exciting occasions during the year, including children gaining places in the National Children's Orchestra and National Youth Choir. 87% of children in Years 3 – 6 receive tuition in one or more instruments. This is our highest ever number. Of the Associated Boards examinations taken, 76% were awarded merit or distinction. 42% of children in Year 2 receive tuition on musical instrument.

Sport saw children competing at a national level in various sports with our U11 football and swimming teams reaching the IAPS National Finals.

A full return to normal summer term activities included residentials with successful visits by Year 4 to Naturesbase, Year 5 enjoyed a PGL experience in Swindon and Year 6 returned to Cranedale. In drama, full end of year productions resumed with Year 2 sharing 'What's the Crime Mr Wolf?' and Year 6 performing 'Chitty Chitty Bang Bang!' to great acclaim.

Our school community continued to reach out further afield and our charity fundraising endeavours continued to make a meaningful difference to those in need.

One of many celebrations during the year that deserves mention is that of Her Majesty's Platinum Jubilee. None of us are likely to see the likes of this achievement again and I hope we created life-long memories for all the children. The Queen's loyal commitment to service is an example to us all and we were delighted to reinstate our flag pole to mark this historic occasion. The flag pole was a gift from one of my predecessors, Mrs Prichard, whose service to the school we remember with deep appreciation.



STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Finally, in the summer term, we were visited by inspectors from the ISI who confirmed that 'the achievement of the pupils, including their academic development, and the personal development of the pupils' are both excellent, the highest grading possible.

Warwick School

Warwick School had another highly successful year in 2021/22, both academically and outside the classroom. The school is thriving, as demonstrated by the large number of applicants for 11+ entry and the overall increase in the pupil roll for September 2022.

In the first year of public exams since the start of the pandemic results at A-level were strong, with 65% of grades at A* or A. The ALIS baseline value-added data for A level results which compares Warwick with other independent schools shows an increase of 0.6 of a grade added per subject per pupil. These results saw most boys heading to their chosen university destinations (>80%), with 84 heading to Russell group institutions and a further 15 securing places at Bath/Lancaster/Loughborough or St Andrews. There was an increased interest in university study in North America with 5 pupils securing places in the US. GCSE results were also strong, with 75% of grades at A*-A/9-7. Results were strong across a diverse range of subjects, with DT, Drama, English Literature, Geography, German, History, Mathematics, PE and Philosophy and Ethics all scoring over 80% A*-A/9-7.

Teaching and learning strategies have included the introduction of a pioneering Design Thinking Award developed in conjunction with the University of Warwick and accredited by Eduqual. Year 9 benefitted from the introduction of an Independent Project in the summer term. The topic was 'Decisions'. Most boys choose to write a formal essay, but a few chose to produce an artefact including one computer programme. Cross Curricular Projects were introduced in Year 7, an eco-project which was a collaboration between Geography, Biology, Computer Science and English, and a future technology project involving Physics, Computer Science, languages, Music and Classics in Year 8. The academic year also saw the introduction of the Mulley, an award designed to celebrate academic enrichment and wider reading. The Encounters programme of visiting speakers open to all members of the school community was launched and saw visits from David Blunkett and Simon Weston amongst others. Medical, Law and Global Universities pathways were introduced to provide specific support for those interested in further study or careers in these areas.

2021/22 saw the opening of the Well-Being Hub which is both a physical space where pupils can go at a time of need to receive support and also a gateway through which pupils can access specialist support including counselling and life coaching to ensure that they receive the support best suited to their particular needs. Our Pupil Voice was restructured, and five new sub-committees were created all focused on key pastoral issues and linked to the ten protected characteristics as defined in the Equality Act 2010. Each committee involves pupils from all year groups and is chaired by a prefect and supported by a designated staff liaison.

September saw the end of 'bubbling' and a return to a normal programme of co-curricular activity. Over 143 different clubs and music ensembles took place in the Lent term alone along with 64 Friday Afternoon co-curricular activities. The return of educational visits was very welcome and over 30 trips went out during the Lent term including Duke of Edinburgh expeditions involving 73 (bronze), 59 (silver), 35 (gold) pupils respectively. A Head of Character Education has been appointed and they have developed a Warwick Diploma which is now accredited by Eduqual and recognizes the breadth of pupil's activities beyond the classroom and encourages them to reflect on the learning they enjoy through participation in these opportunities.



STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Our Quiz team reached the Schools Challenge National Finals Day and placed sixth and our debaters qualified for the regional round of the English Schools Union Public Speaking Competition.

Sport at Warwick School remains a great strength. Over 100 hockey fixtures were played in the Michaelmas term. 38 rugby teams played 238 matches during the same period. Over 230 pupils represented the school in 120 cricket matches and our senior tennis team became Midlands champions and qualified for the National Finals. The sporting programme has also been expanded to include skiing with 25 boys representing the school. The U16s earned an invitation to the ESSkiA National Finals races where the team were placed 6th overall and the U14s finished second at the National Schools Snowsports Association Championships. Record numbers are attending Fencing club and the senior and intermediate swimming teams achieved the best results for many years at the English Schools Swimming Association Finals held at the Olympic Pool in London.

Music and drama continue to provide some of the highest points in the school year. In the theatre, school productions included *Everyman*, *The Musicians* and *Joseph and the Amazing Technicolour Dreamcoat*. Of particular note were the Lower Sixth productions of Henrik Ibsen's classic play *Hedda Gabler* and *DNA* which was directed by a member of the cast. Music continued to be at the very highest level. Huge success was again achieved at the National Concert Band Finals with three bands receiving gold and a further three platinum awards. The biennial arts festival returned after a covid induced hiatus under the theme of 'Shared Spaces'.

In the summer term Warwick School was found to be compliant in all areas in an ISI Regulatory and Compliance Inspection and in October 2022 the School won the title of Independent Boys School of the Year at the Independent School Awards.

Warwick Junior School

In many ways the year 2021/22 was the most challenging of the pandemic. Prior to the Michaelmas term, there had been relatively few Covid cases amongst Junior School pupils and staff. Over the course of the next two terms, the majority of boys and staff were absent at some stage having contracted the virus and observing a period of self-isolation. With significant staff absences, it was often a challenge to support boys completing a period of self-isolation at home whilst ensuring that teaching continued as normal in the classroom.

In the first half of the year we had to cancel many fixtures and some public events, particularly in the lead up to Christmas. By Easter the school returned to more normal routines. We were able to host concerts and sport resumed its customary, busy pattern. We were pleased to be able to return to our theatre to host our annual Year 4 and 6 productions. The Year 4 production of *Star Wars* and the Year 6 musical, *Matilda* were both very well received.

For the first time since before the pandemic, we enjoyed our first residential when our Year 6 boys returned to Plas-y-Brenin for a week of outdoor adventure in the Welsh mountains. Later in the summer our Year 5 boys headed off to the Peak District to enjoy three days of camping, bushcraft and exploring the landscape. Further day trips were enjoyed at Conkers (Year 4), Top Adventure (Year 5) and Aztec Adventure (Year 6).



STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Academically, we were delighted to hear that all Junior school boys were invited to continue their journey into the Senior School. We were also pleased to hear of the success of many Junior School boys in the Senior entrance exam. Six of our boys will return in Year 7 as scholars.

Warwick Junior School had another successful year in the annual international Bebras Computational Thinking Challenge, with 37% of the Year 6 boys achieving the national Distinction level. Of these, 15 boys gained a Gold Award for scoring in the top 10% nationally at their age group and were invited to take part in the Oxford University Computing Challenge, for pupils in Year 6 and 7.

The removal of bubbles allowed the four houses to gather and for them to resume their charitable giving. Our boys have a strong sense of wanting to help charitable causes and to make a difference. At the start of the year, the four houses are given the task of electing either a local, national, international or environmental concern. The houses chose to support the Orangutan Project, Doorway (a charity supporting homeless people), UNICEF and Molly Oily's wishes, a charity supporting children facing life-threatening illnesses. The boys efforts raised £510, £470, £2,102 and £851 respectively.

The Junior School enjoyed a very successful sporting year. Both our Year 5 and 6 swimmers reached the national finals of the IAPS relay competition. Our Year 6 boys won the Harrison Cup, a competition featuring many of the strongest rugby playing schools in the Midlands and North of the country. Our Year 6 boys ended their hockey season as county champions and reached national finals in both football and hockey competitions. Our Year 6 boys were also incredibly fortunate to have one of their rugby sessions taken by Eddie Jones, the England head coach.

We came to the end of the fourth year of the Warwick Junior School Diploma. This scheme helps underpin all parts 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. To date, 244 Bronze Awards have been awarded with 69 Silver, 18 Gold and 7 Platinum Awards achieved. As the figures demonstrate, to achieve all four awards is a significant achievement.

We ended the year with a full Speech Day celebrating the achievements of the year. This was the first time our Year 6 leavers had the opportunity to attend this event since they started in Year 3. We anticipate a year ahead featuring a full programme of residential visits, sport, music and drama. We look forward to re-establishing links with our community through our Director of Music supporting local schools and seeking to invite schools onto our campus.



STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

The Kingsley School

The Kingsley School joined the Foundation in March 2021 and so has now completed its first full annual cycle as part of the Warwick Independent Schools Foundation. The past year has seen amalgamation and streamlining of professional services, and the initial stages of staff collaboration opportunities with working parties looking at professional development, pupil safeguarding and IT strategy. An exciting climax was the Foundation's Future Fwd Conference in July 2022, bringing together experts from the fields of education, industry and the arts to discuss what a 21st Century curriculum could look like. There was a parallel student event and Year 12 pupils from The Kingsley School benefitted from attending seminars on the future of AI and medical advancements which inspired and stretched their learning.

A new Headteacher, Mr James Mercer-Kelly, took up post in January 2022. A number of new staff, including key middle managers, were recruited for September 2022, and the Senior Leadership Team of the school has been restructured in order to promote the development of academic and pastoral initiatives.

Academic results were again strong in August 2022. At A-level, students achieved 36% A* grades, 60% A*-A grades, 88% A*-C grades and 100% pass rate. There was good performance at GCSE too with 13.8% of grades at 9, 29.3% of grades at 9-8, 50.3% at grades 9-7 and 97.2% at grades 9-4. Destinations of Year 13 students leaving Kingsley included Music at Cambridge, Russian & Philosophy at Edinburgh, Politics & Economics at Cardiff, Sport Management & Coaching at Bath, and Criminology with Psychology at Portsmouth.

Students continue to have regular opportunities where they can develop their learning beyond the curriculum through special extension weeks. Prep School pupils up to Year 4 have been able to enjoy improved outdoor learning at the Forest School site in North Leamington. Students across the school jointly celebrated British Science Week and Year 10 students enjoyed a lecture from a company that makes autonomous vehicles. The whole school once again celebrated World Book Day in March with readings, book recommendations and competitions throughout the week.

The newly embedded Enrichment Programme for all pupils across the school has grown in success and breadth, with the benefit of mixed year group activities commencing once Covid-19 bubble restrictions were lifted. Over 60 clubs were offered to pupils across the Prep, Senior and Sixth Form, which a choice of academic, wellbeing and fitness, creative, STEM and performing arts sessions.

Careers events have resumed with successful partnerships with local business, parents and alumnae at the annual careers fair. Year 12 students undertook work experience placements during June as part of their higher education and careers guidance programme. This also involved returning Kingsley alumnae sharing their reflections on university and the world of work.

The school has been proactively responding to the emerging needs of students post-pandemic and through programmes such as Girls on Board work has been done to support the social and emotional wellbeing of pupils across Key Stages 2-4. Sixth form ambassadors have been introduced across the senior school, giving opportunities for Year 12 and 13 students to act as role models and develop leadership skills by running form times for younger pupils. A new student group has been set up known as the 'Wellbeing ambassadors'. Each of the Year 7-12 ambassadors has completed training as part of the Diana Award in order to openly promote anti-bullying initiatives within the school. Coupled with the active student voice and safeguarding groups, the listening culture of the school is becoming well-embedded.



STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

There was continued activity and engagement with equality, diversity and inclusion issues with a full programme of events during the school's Diversity Week, including specific assemblies celebrating difference and on not being a bystander to prejudice. The recently founded pupil diversity and inclusion group continues to actively meet and has been fundraising for local diversity charity groups each term.

Co-curricular activities have continued to develop during the course of the pandemic recovery. Highlights have included the Senior School musical in March 2022, and Prep School show in June, along with musical concerts in all three terms for Prep and Senior Schools. Students across the school participated in the Warwickshire Open Arts festival in June with the school acting as a host venue to display work produced by students. The school also had great success in a local Warwickshire Climate Alliance art competition, with 9 of the 10 winning pieces of art being produced by Kingsley students. Sporting success was seen with the school's equestrian and ski squads, as well as emerging success with inter-school netball, athletics, cricket and hockey fixtures. Adventurous activities were in full flow with Bronze, Silver and Gold Duke of Edinburgh expeditions as well as an overseas 3-week conservation trip to Costa Rica for Sixth Form students with World Challenge.

The school has continued to collaborate with international schools through the Round Square network, with the main focus still being student-led virtual meetings looking at different cultural aspects. In-person conferences will be resuming in September 2023 and 6 Sixth Form students from The Kingsley School will be attending this in the historic university city of Oxford.

We were delighted to be able to join with the Leamington Spa Rotary Club once more and host the Community Spirit awards in May 2022 after a two-year hiatus. This valuable blend of ages across the local community proved to be a most edifying event that promoted the work of selfless individuals from both the Leamington area and Kingsley School. As charitable activities began to resume post lockdown the school re-found its love of helping others through fundraising activities for a local hospice in Myton, as well as a significant aid appeal to support Ukrainian refugees fleeing the conflict in Eastern Europe.

The Kingsley School was highly commended for the Best Schools Awards 2022, run by Muddy Stiletto, in the categories of 'Outstanding pastoral care' and 'Best sense of humour'.

Collaboration

The Foundation is proud of its diverse group of schools, each with its unique identity. The experiences of pupils at our individual schools are enhanced by opportunities to work together across our wider Foundation community. Key areas where collaboration has been taking place during the year include:

- Our partnership with the Orchestra of the Swan. A local professional orchestra with a reputation for innovative programming with younger musicians. Thereby fulfilling our strategic aim to develop a national reputation in the Arts.
- Working in partnership with Warwick - A Singing Town, to promote a positive and exciting project for all residents to celebrate the joy of singing.
- Major productions from Warwick School and King's High in the Bridge House Theatre.
- Friday Afternoon Activities Programme.
- Oxbridge preparation and interview programme.
- Sprint Finish revision programme.
- Open invitations to Sixth Form academic society meetings in respective schools.
- Drama and Music staging many joint events and running of the Saturday morning drama club.



STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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 £6.125m (2020/21: £8.417m). This investment surplus includes the finance cost of the derivative of £2.473m. The 2020/21 investment surplus is impacted by the donation of £4.5m resulting from the merger with The Kingsley School. Owing to the accounting adjustment required in relation to the FRS102 for the pension valuation, the net movement in funds for the year is £12.641m (2020/21: £8.766m).

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 other educational activities with local schools, 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) resumed hiring out the Foundation's facilities during the year, as Covid-19 naturally had had an impact on opportunities to generate additional income. It contributed £Nil (2020/21: £Nil) to the investment surplus.

Reserves

The Foundation's Free Reserves at 31 August 2022 were in deficit by £20.881m, with unrestricted and designated funds standing at £69.652m at the end of the year. Unrestricted funds were made up of £75.171m representing funds deployed as part of the Schools' premises and £16.145m as Bursary Funds, with the balancing minus £783k being within the subsidiary company. Restricted funds were £2.440m at the end of the year. The Foundation's share of the Local Government Pension Fund deficit is shown in the Balance Sheet and at 31 August 2022, this positive reserve stood at £3.841m (2020/21: -£5.599m).

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 core objective of the investment portfolio is to achieve a balance between income and capital growth, over a longer-term (5 years) time horizon.

As at 31 August 2022, the Foundation had a total of £14.866m invested for the long term with an investment objective of achieving a balance of income and capital growth. In the year to 31 August 2022, the total return



STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

generated by the Foundation's main portfolio was -4.32% compared with +3.98% for the agreed benchmark, in light of the economic conditions.

Fundraising Performance

A telephone fundraising appeal held in July 2021 generated new regular and monthly donations to the Bursary Fund, many of which began in the new academic year and has remained the Foundation's primary philanthropic focus. Many continuing pledges to the Project One Campus campaign were completed. A small appeal was launched to raise funds for the CCF Corps of Drums.

During the academic year, the Foundation underwent an extensive strategic planning exercise to identify priorities for the future. To support this, the Development Office conducted a fundraising scoping exercise which identified capital projects in sport and access as key priorities. New fundraising campaigns are being planned for 2022-23.

Fundraising during the year was carried out solely by the Director of Development with support from alumni, parents and friends. No external fundraising individuals or companies were employed to raise funds. The Foundation is signed up to the Fundraising Regulator which oversees the Code of Fundraising Practice and there were no incidences of failures to comply with fundraising standards, nor any complaints received. The Foundation adheres to the GDPR regulations and contacts only those for whom our communications will be relevant and of interest.

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.

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.



STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

<i>Risk</i>	<i>Mitigation</i>
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 servicing of the debt of a significant major building project costing, now completed.	Regular briefing reports to Governors at termly Finance & Regulatory Committee. Strong budget controls and regular production of 10 year cash flow plan.
e) the risk of a major cybersecurity 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 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 reliefs.	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) cost of Teachers Pension Scheme expected to increase significantly.	Continue to review affordability of the scheme.
h) external factors such as pandemics and cost of living crises affecting school finances and fee affordability	Debtors constantly reviewed and procedures followed. All costs reviewed as mitigation.

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

Following the completion of the Project One Campus project, Foundation Governors have overseen a review of facilities across the Warwick and Leamington Spa campuses to ensure that they fully support academic excellence and pastoral care for the whole community. Incorporated into the estates strategy is a commitment to protecting our planet including the establishment of a pathway to net carbon zero across the Foundation.

Foundation Governors launched an updated Strategic Plan for the Foundation in Spring 2023, "Our Manifesto for Education" setting out the overarching priorities for the Charity up until 2032.



STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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 8 and 9. The Foundation endeavours wherever possible to enable local schools and sports clubs to benefit from its academic and co-curricular facilities.

Central to Strategy 2025 we appointed a Foundation Principal with effect from 1st 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.



STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

UK greenhouse gas emissions and energy use data from 1 September 2021 to 31 August 2022

The increase in energy use year on year is attributed to a full year of The Kingsley School which was acquired part way through the previous financial year.

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

- Installed new inverters for Solar panels to increase the ability to generate more electricity and a maintenance schedule to ensure that they are working optimally.
- Communication of electricity and gas consumption across the Myton Road Campus schools environmental committees to increase awareness.
- Rolling programme of improving energy efficiency of all buildings.
- Education programme to reduce energy use through behavioural changes.

Type of emission	Activity	2021-22	2021-22	2021-22
		kWh	tCO ₂ e	% of total
Scope 1	Natural Gas	8,046,394	1,473	70%
	Transport (Minibus)	280,390	71	4%
	Sub Total	8,326,784	1,544	74%
Scope 2	Electricity (Imported)	2,565,451	545	26%
	Electricity (Generation)	75,924	-	0%
	Sub Total	2,641,375	545	26%
Total Gross emissions		10,968,159	2,089	100%
Intensity metric:				
Number of pupils		2,852		
Tonnes of CO ₂ e per pupil		0.73		

Type of emission	Activity	2020-21	2020-21	2020-21
		kWh	tCO ₂ e	% of total
Scope 1	Natural Gas	7,878,122	1,453	72%
	Transport (Minibus)	94,174	26	1%
	Sub Total	7,972,296	1,479	73%
Scope 2	Electricity (Imported)	2,304,284	537	27%
	Electricity (Generation)	78,000	-	0%
	Sub Total	2,382,284	537	27%
Total Gross emissions		10,354,580	2,016	100%
Intensity metric:				
Number of pupils		2,835		
Tonnes of CO ₂ e per pupil		0.71		

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



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 24 March 2023 and signed on its behalf by:

.....  DIRECTOR S. AUSTIN
(print name)

.....  DIRECTOR J. D. Lawson
(print name)



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

Opinion

We have audited the financial statements of Warwick Independent Schools Foundation ('the charitable company') and its subsidiary ('the group') for the year ended 31 August 2022 which comprise Consolidated Statement of Financial Activities, Charity and Consolidated Balance Sheets, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information contained within the annual report. 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.



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

Other information (continued)

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of 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 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' report.

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

- adequate and proper accounting records have not been kept; or
- the 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 trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



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

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within bursaries, scholarships and other discounts, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over bursaries, scholarships and other discounts, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.



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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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

Crowe U.K. LLP
4th Floor
St James House
St James Square
Cheltenham
GL50 3PR

Dated: 3 May 2023



**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	Unrestricted Funds Schools	Funds Other	Restricted Funds	Endowed Funds	Total Funds 31 Aug 2022	Total Funds 31 Aug 2021
		£'000	£'000	£'000	£'000	£'000	£'000
INCOME FROM:							
Donations		-	-	1,056	-	1,056	903
Charitable Activities:							
• School fees	2	37,926	-	-	-	37,926	33,566
• Other income	3	3,495	-	-	-	3,495	2,778
Other Trading Activities:							
• Trading turnover: WSEL	4	-	399	-	-	399	40
Investment Income	5	477	-	-	-	477	372
Merger Donation	6	-	-	-	-	-	4,543
Total Income		41,898	399	1,056	-	43,353	42,202
EXPENDITURE ON:							
Raising Funds:							
• Cost of Development Office		257	-	-	-	257	298
• Cost of trading activities: WSEL		-	528	-	-	528	332
• Other activities		-	23	-	-	23	36
Charitable Activities:							
• Schools and grant-making	8	38,485	3	612	27	39,127	35,940
Total Expenditure		38,742	554	612	27	39,935	36,606
Net (losses) /gains on investments		-	-428	-1	-	-429	2,732
Net income /(expenditure)		3,156	-583	443	-27	2,989	8,328
Transfers between funds	16	-3,156	3,156	-	-	-	-
Pension Scheme actuarial gain /(loss)	21		9,652	-	-	9,652	438
NET MOVEMENT IN FUNDS		12,225	443	-27	-	12,641	8,766
Balance brought forward at 1 September 2021			64,637	1,997	2,762	69,396	60,630
FUND BALANCES at 31 August 2022		76,862	2,440	2,735	-	82,037	69,396

All activities relate to continuing operations.

The notes on pages 31 to 53 form part of these accounts.


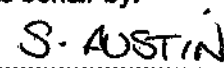
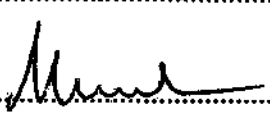
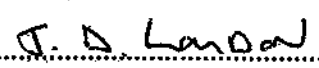


COMPANY NUMBER: 04252305

CHARITY AND CONSOLIDATED BALANCE SHEET
AT 31 AUGUST 2022

	Notes	Group		Charity	
		31 Aug 2022 £'000	31 Aug 2021 £'000	31 Aug 2022 £'000	31 Aug 2021 £'000
FIXED ASSETS					
Tangible assets	9	76,745	78,353	76,542	78,107
Investments	10	19,042	19,477	19,042	19,477
		<u>95,787</u>	<u>97,830</u>	<u>95,584</u>	<u>97,584</u>
CURRENT ASSETS					
Stock	11	8	8	5	5
Debtors	12	2,187	1,489	3,155	2,397
Cash at bank and in hand		<u>7,091</u>	<u>3,892</u>	<u>6,976</u>	<u>3,788</u>
		<u>9,286</u>	<u>5,389</u>	<u>10,136</u>	<u>6,190</u>
CREDITORS: due within one year	13	<u>-8,309</u>	<u>-7,182</u>	<u>-8,173</u>	<u>-7,164</u>
NET CURRENT ASSETS /(LIABILITIES)		<u>977</u>	<u>-1,793</u>	<u>1,963</u>	<u>-974</u>
TOTAL NET ASSETS before pension deficit		96,764	96,037	97,547	96,610
CREDITORS: due after more than one year	13	-18,568	-21,042	-18,568	-21,042
Pension Scheme funding surplus /(deficit)	21	<u>3,841</u>	<u>-5,599</u>	<u>3,841</u>	<u>-5,599</u>
TOTAL NET ASSETS	16	<u>82,037</u>	<u>69,396</u>	<u>82,820</u>	<u>69,969</u>
ENDOWED FUNDS	16(a)	2,735	2,762	2,735	2,762
RESTRICTED FUNDS	16(b)	2,440	1,997	2,509	1,997
UNRESTRICTED FUNDS					
Designated & general funds	16(c)	69,652	69,819	70,366	70,392
Revaluation Reserve	16(c)	1,937	1,458	1,937	1,458
Pension Reserve /(Deficit)	21	3,841	-5,599	3,841	-5,599
Derivative Reserve		<u>1,432</u>	<u>-1,041</u>	<u>1,432</u>	<u>-1,041</u>
Net Unrestricted Funds		<u>76,862</u>	<u>64,637</u>	<u>77,576</u>	<u>65,210</u>
TOTAL FUNDS		<u>82,037</u>	<u>69,396</u>	<u>82,820</u>	<u>69,969</u>

Approved by the Board on 24 March 2023 and signed on its behalf by:

 DIRECTOR 
 (print name)
 DIRECTOR 
 (print name)

The notes on pages 31 to 53 form part of these accounts.



COMPANY NUMBER: 04252305

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	2022	2021
		£'000	£'000
CASH FLOWS FROM OPERATING ACTIVITIES	22	4,430	8,731
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment income & bank interest		477	372
Other interest paid		-615	-609
Purchase of property, plant and equipment		-1,190	-1,118
Proceeds from sale of tangible fixed assets		3	4
Change in POC Accrual		88	-
Proceeds from sale of investment property:		-	290
Purchase of investments		-448	-906
Proceeds from sale of investments		526	931
Increase in bank deposits		-72	-174
Charitable gift from The Kingsley School		-	-5,295
NET CASH USED IN INVESTING ACTIVITIES		-1,231	-6,505
CHANGE IN CASH & CASH EQUIVALENTS IN THE REPORTING PERIOD	23	3,199	2,226
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD	23	3,892	1,666
CASH IN HAND		7,091	3,892
NOTICE DEPOSITS		-	-
CASH & CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	23	7,091	3,892

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 page 52 form part of these accounts.



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

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 2019. 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 Schools have 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 23.



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

(d) Basis of Consolidation

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

The surplus for the year dealt with in the accounts of the Charity was £12,845,639 (2021: £9,079,709).

(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.

Termination payments are accounted for as soon as the Schools are aware of the obligations to make payments.

(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'



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

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 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.

The Kingsley School also contributes to defined contribution pension schemes for non-teaching staff. The assets of the schemes are held separately from those of the School in independently administered funds. Payments to the scheme are charged as an expense as they fall due.

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.

The fixed assets brought in from The Kingsley School as a gift, were brought in at fair value (note 6).

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.



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

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.

(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 within finance costs. 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.

(q) Fund Accounting (continued)

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.



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

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 21, 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 2022. 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.

2. Fees Receivable

	2022	2021
	£'000	£'000
Fees	41,475	37,164
Less Teachers Fee Remission	-1,136	-1,008
Less Scholarships and Bursaries	-2,413	-2,185
Less Fee Discount	-	-405
	<u>37,926</u>	<u>33,566</u>

3. Other Income

	2022	2021
	£'000	£'000
Charitable Activities		
Other educational charitable activities:		
• Entrance and registration fees	66	56
• Music tuition fees	878	786
• Holiday Action and Swim School	425	264
• Other	1,675	995
	<u>3,044</u>	<u>2,101</u>
Other ancillary activities:		
• Insurance income	10	10
• Excursions	436	48
• Grant income	5	619
	<u>3,495</u>	<u>2,778</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:



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

	2022	2021
	£'000	£'000
Turnover	399	40
Operating costs	-608	-354
Loss from continuing activities	-209	-314
Covenanted donation gross	-	-
Balance carried forward	-209	-314

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 (2021: £Nil) to the Charity during the year.

	2022	2021
	£'000	£'000
Assets	533	420
Liabilities	-1,316	-993
Net assets	-783	-573

The net liabilities of Warwick Schools Enterprises Limited at 31 August 2022 amounted to £782,951 (2021: £573,300).

5. Investment Income

	2022			2021
	Unrestricted	Restricted	Total	Total
	£'000	£'000	£'000	£'000
UK Fixed Interest	23	-	23	23
UK Equities	287	-	287	240
Property Fund	10	-	10	9
Bank Interest	12	-	12	7
Investment property	145	-	145	93
	477	-	477	372

6. Charitable Gift from The Kingsley School

	Gift recognised
	2021
	£'000
Tangible fixed assets	3,978
Investments	1,317
Debtors	118
Cash	1,007
Trade Creditors	-36
Bank loan	-767
Accruals	-828
Other Creditors	-246
	4,543

6. Charitable Gift from The Kingsley School (continued)

The assets and liabilities of The Kingsley School were transferred over to WISF by way of a charitable merger on 10 March 2021 for nil consideration. Given the nature of the transaction, the transfer has been reflected



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

in the School's financial statements as a donation. This donation reflects the assets and liabilities (of the school) as transferred and the operations carried out by The Kingsley School since 10 March 2021.

There has been no similar activities or transactions in the year ended 31st August 2022.

7. Expenditure

	2022 £'000	2021 £'000
Charitable expenditure includes:		
Auditors' remuneration		
• For audit	46	46
• For audit of subsidiaries	2	2
• For other services	2	2
Operating Leases payable		
• For Motor Vehicles	144	73
• For Property	34	34
• Other	15	15
Loss on sale of fixed assets	-	24
Depreciation	2,707	2,821
Bank Loan interest payable	615	609
	<hr/>	<hr/>
Total staff costs comprised:		
Wages and salaries	22,435	19,721
Social security costs	2,131	1,815
Pension contributions	4,270	3,833
Compensation for Loss of Office	99	301
	<hr/>	<hr/>
	28,935	25,670
	<hr/>	<hr/>
Aggregate employee benefits of key management personnel	1,373	1,367
	<hr/>	<hr/>



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

7. Expenditure (continued)

During the year there were termination payments made which amounted to £99,468 (2021: £301,007). There was nothing outstanding at the year end.

The average number of the Charity's employees during the year calculated on an average headcount basis was 874 (2021: 827).

	2022	2021
Teaching	426	379
Support	448	448
	<u>874</u>	<u>827</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 £4,798 (2021: £3,951) were reimbursed to 4 Governors (2021: 4).

The number of higher paid employees was as follows, all of whom are accruing benefits under Defined Benefit Pension Schemes totalling £418,858 (2021: £299,140).

	2022	2021
£60,000 - £70,000	15	9
£70,000 - £80,000	5	5
£80,000 - £90,000	1	-
£90,000 - £100,000	-	1
£100,000 - £110,000	2	2
£110,000 - £120,000	1	-
£120,000 - £130,000	-	-
£130,000 - £140,000	-	-
£140,000 - £150,000	-	1
£150,000 - £160,000	-	-
£160,000 - £180,000	-	1
£180,000 - £200,000	1	-
	<u>1</u>	<u>-</u>



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

8. Analysis of Total Resources Expended

	2022			2021	
	Staff Costs £'000	Other £'000	Depreciation £'000	Total £'000	Total £'000
Costs of Generating Funds:					
• Other Activities	-	12	11	23	36
• Cost of Development Office	183	74	-	257	298
Total for Charity	183	86	11	280	334
Trading Costs of the Subsidiary	133	345	50	528	332
Total for Group	316	431	61	808	666
Charitable Activities:					
• Teaching	22,468	3,183	-	25,651	21,707
• Welfare	1,568	1,468	-	3,036	2,384
• Premises	2,006	2,244	2,646	6,896	7,107
• Support Costs and Governance	2,578	2,539	-	5,117	4,587
Bank/Pension Interest & Other Financing	-	-1,576	-	-1,576	152
Prizes & Other Awards	-	3	-	3	3
Sub-Total	28,620	7,861	2,646	39,127	35,940
Total Resources expended Group	28,936	8,292	2,707	39,935	36,606
Charity	28,803	7,947	2,657	39,407	36,274

Included in Bank/Pension Interest & Other Financing is £2,473,210 for the decrease in fair value of the liability from the interest rate swap.

Governance Costs included in support costs

	2022 £'000	2021 £'000
Auditors remuneration	46	46
Liability insurance	139	109
	185	155



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

9. Tangible Fixed Assets

	Land & Buildings £'000	Furniture, Fittings & Equipment £'000	Motor Vehicles £'000	Assets in Course of Construction £'000	Charity Total £'000
COST					
At 1 September 2021	91,324	6,778	189	-	98,291
Additions	503	598	11	71	1,183
Disposals	-88	-220	-	-	-308
At 31 August 2022	<u>91,739</u>	<u>7,156</u>	<u>200</u>	<u>71</u>	<u>99,166</u>
DEPRECIATION					
At 1 September 2021	15,689	4,341	154	-	20,184
Charge for year	1,816	820	21	-	2,657
On Disposals	-	-217	-	-	-217
At 31 August 2022	<u>17,505</u>	<u>4,944</u>	<u>175</u>	<u>-</u>	<u>22,624</u>
NET BOOK VALUES					
At 31 August 2022	<u>74,234</u>	<u>2,212</u>	<u>25</u>	<u>71</u>	<u>76,542</u>
At 31 August 2021	<u>75,635</u>	<u>2,437</u>	<u>35</u>	<u>-</u>	<u>78,107</u>

	Charity Total £'000	Subsidiary Total £'000	Group Total £'000
COST			
At 1 September 2021	98,291	617	98,908
Additions	1,183	7	1,190
Disposals	-308	-	-308
At 31 August 2022	<u>99,166</u>	<u>624</u>	<u>99,790</u>
DEPRECIATION			
At 1 September 2021	20,184	371	20,555
Charge for year	2,657	50	2,707
On Disposals	-217	-	-217
At 31 August 2022	<u>22,624</u>	<u>421</u>	<u>23,045</u>
NET BOOK VALUES			
At 31 August 2022	<u>76,542</u>	<u>203</u>	<u>76,745</u>
At 31 August 2021	<u>78,107</u>	<u>246</u>	<u>78,353</u>

Included in the net book value of land and buildings is £375,917 (2021: £388,917) in respect of long leasehold buildings. The remainder is freehold.



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

10. Investments

	Unrestricted Designated £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
Group:				
Balance at 1 September 2021	19,453	24	19,477	15,546
Additions	448	-	448	906
Charitable gift from The Kingsley School	-	-	-	1,317
Disposals at opening market value	-526	-	-526	-1,221
Movements in cash deposits	72	-	72	174
Revaluation gains	479	-	479	225
Net unrealised (losses) /gains	-907	-1	-908	2,530
Balance at 31 August 2022	<u>19,019</u>	<u>23</u>	<u>19,042</u>	<u>19,477</u>
Securities Listed on the Stock Exchange	13,857	23	13,880	14,866
Property	4,459	-	4,459	3,980
Cash deposits	703	-	703	631
	<u>19,019</u>	<u>23</u>	<u>19,042</u>	<u>19,477</u>
Listed Securities comprise:				
UK Fixed Interest	589	-	589	619
UK Equities	12,096	23	12,119	13,163
Property Fund	793	-	793	720
S & W Investment Funds	379	-	379	364
	<u>13,857</u>	<u>23</u>	<u>13,880</u>	<u>14,866</u>

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
Group:				
Balance at 1 September 2021	14,866	3,980	631	19,477
Additions	448	-	-	448
Disposals	-526	-	-	-526
Revaluation	-	479	-	479
Movement in cash deposits	-	-	72	72
Net unrealised losses	-908	-	-	-908
Balance at 31 August 2022	<u>13,880</u>	<u>4,459</u>	<u>703</u>	<u>19,042</u>

The Kingsley School investments were donated to the group on the 10 March 2021 as part of the merger of The Kingsley School into the Foundation. The valuation on transfer of these investments totalled £1,317,069 at the 10 March 2021. These investments include two properties totalling £1,280,000 on valuation in March 2021 by Wareing and Company. The other investment properties held were valued as at the 31st August 2021 by Margetts Chartered Surveyors at £2.7m. The investment properties were reviewed as at 31st August 2022 using a market price indicator resulting in a gain of £479k.

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



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

11. Stocks

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Goods for resale and consumables	8	8	5	5

Stocks recognised as an expense in the Statement of Financial Activities during the year were £233,147 (2021: £18,823).

12. Debtors

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
School fees	313	266	313	266
Trade debtors	226	54	70	15
Other debtors	15	26	15	26
Prepayments and accrued income	1,633	1,143	1,577	1,115
Amount due from subsidiary undertaking	-	-	1,180	975
	<u>2,187</u>	<u>1,489</u>	<u>3,155</u>	<u>2,397</u>

13. Creditors

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Due within one year:				
Fees received in advance and deposits	4,801	4,213	4,801	4,213
Trade creditors	1,137	930	1,082	925
Other creditors	408	291	327	278
Taxation and social security	560	503	560	503
Accruals and deferred income	1,403	1,245	1,403	1,245
	<u>8,309</u>	<u>7,182</u>	<u>8,173</u>	<u>7,164</u>
Due after one year:				
Bank loan	20,000	20,000	20,000	20,000
Derivative financial instruments	-1,432	1,042	-1,432	1,042
	<u>18,568</u>	<u>21,042</u>	<u>18,568</u>	<u>21,042</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. The libor reference in the loan transferred to Sonia with effect from February 2022.

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

The Bank Loan falls due as follows:

	2022	2021
	£'000	£'000
Within one year	1,333	-
Between two and five years	5,333	5,333
Over five years	13,334	14,667
	<u>20,000</u>	<u>20,000</u>



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

14. Deferred Income – Group

	£'000
Balance at 1 September 2021	190
Released in the year	-190
Deferred in current period	592
Balance at 31 August 2022	<u>592</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.

15. Financial Instruments – Group

	2022 £'000	2021 £'000
Financial assets measured at amortised cost	919	659
Financial assets measured at fair value	26,133	24,285
Financial liabilities measured at amortised cost	-27,157	-26,314
Financial liabilities measured at fair value	1,432	-1,042
Net financial assets/(liabilities) measured at amortised cost	<u>1,327</u>	<u>-2,412</u>
	2022 £'000	2021 £'000
Total investment (losses) / gains for financial assets measured at fair value through income and expenditure	-429	2,755
Impairment gains on financial assets measured at amortised cost	<u>93</u>	<u>40</u>

Included in net financial assets/(liabilities) 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 SONIA 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 -£1,431,718 (2021: £1,041,493).

Impairment of trade debtors during the year totalled £505,442 (2021: £444,747).



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

16. 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	Pension surplus	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Endowed funds	2,032	703	-	-	-	2,735
Restricted funds	-	23	2,486	-	-	2,509
Unrestricted funds						
• Bursary funds	-	18,316	-	-	-	18,316
• Other	74,510	-	-523	-18,568	3,841	59,260
Charity	76,542	19,042	1,963	-18,568	3,841	82,820
Subsidiary Reserves	203	-	-986	-	-	-783
Group	76,745	19,042	977	-18,568	3,841	82,037

(a) Endowed Funds: Movements in the Year

	Balance at 1 Sept 2021	Income	Expenditure	Transfers & Investment Gains	Balance at 31 Aug 2022
	£'000	£'000	£'000	£'000	£'000
Exhibitions & prizes fund	202	-	-	-	202
Legacy funds	501	-	-	-	501
Fixed assets fund	2,059	-	-27	-	2,032
	<u>2,762</u>	<u>-</u>	<u>-27</u>	<u>-</u>	<u>2,735</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.



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

16. Net Assets of the Funds of the Charity (continued)

(b) Restricted Funds: Movements in the Year

	Balance at 1 Sept 2021	Income	Expenditure	Investment Gain/ (Loss)	Balance at 31 Aug 2022
	£'000	£'000	£'000	£'000	£'000
Donations from Friends of Warwick School	29		-14		15
Donations from WPSA	-	1	-1	-	-
Donations from KHAPS	-	6	-6	-	-
Sundry		8	-		8
Machen Scholarships	11	-	-	-	11
The Massie Scholarship	13	-	-	-1	12
Donations for Capital Building Project	-	123	-	-	123
Borough Bursary Fund	1,020	917	-522	-	1,415
Warwick Scholarship Trust	31	-	-	-	31
Income from Legacy Funds & Prizes	893	1	-69	-	825
	<u>1,997</u>	<u>1,056</u>	<u>-612</u>	<u>-1</u>	<u>2,440</u>

The Borough Bursary Fund relates to the funds received from two charitable bodies, which are used primarily to provide bursaries for pupils from the Old Borough of Warwick who would otherwise be unable to attend the school, with the remainder used to support activities for Warwick-based schools and other community activities. The Machen Scholarships and The Massie Scholarship income relates to donations from these linked charities of The Kingsley School.

(c) Unrestricted Funds

	Balance at 1 Sept 2021	Income	Expenditure	Transfers	Investment Gain/(Loss)	Balance at 31 Aug 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Designated Funds						
Bursary Fund	16,269	369	-983	790	-907	15,538
• Mary Hall Legacy	477	-	-	-	-	477
• Other Legacy	130	-	-	-	-	130
Fixed Assets	76,294	-	-	-1,517	-	74,777
Repairs & Maintenance Fund	380	22	-8	-	-	394
Unrestricted Funds						
Free Reserves	-23,158	41,507	-40,038	808	-	-20,881
Charity	70,392	41,898	-41,029	81	-907	70,435
Subsidiary Trading Funds	-573	399	-528	-81		-783
	<u>69,819</u>	<u>42,297</u>	<u>-41,557</u>	<u>-</u>	<u>-907</u>	<u>69,652</u>
Revaluation Reserve	1,458	-	-	-	479	1,937
Pension Reserve Deficit	-5,589	-	-212	-	9,652	3,841
Derivative Reserve	-1,041	-	2,473	-	-	1,432
Group	<u>64,637</u>	<u>42,297</u>	<u>-39,296</u>	<u>-</u>	<u>9,224</u>	<u>76,862</u>



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

16. Net Assets of the Funds of the Charity (continued)

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 £789,672. 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. The fixed asset transfer relates to a donation from The School Playing Field, a linked charity of The Kingsley School.

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 2021

	Fixed Assets £'000	Investments £'000	Net Current Assets £'000	Long Term Liabilities £'000	Total £'000
Endowed funds	2,059	703	-	-	2,762
Restricted funds	-	24	1,973	-	1,997
Unrestricted funds					
• Bursary funds	-	18,912	-	-	18,912
• Other	76,048	-162	-2,947	-26,641	46,298
Charity	78,107	19,477	-974	-26,641	69,969
Subsidiary Reserves	246	-	-819	-	-573
Group	78,353	19,477	-1,793	-26,641	69,396

Endowed Funds: Movements in the Year as at 31 August 2021

	Balance at 1 Sept 2020 £'000	Income £'000	Expenditure £'000	Balance at 31 Aug 2021 £'000
Exhibitions & prizes fund	202	-	-	202
Legacy funds	501	-	-	501
Fixed assets fund	2,086	-	-27	2,059
	2,789	-	-27	2,762

Restricted Funds: Movements in the Year as at 31 August 2021

	Balance at 1 Sept 2020 £'000	Income £'000	Expenditure £'000	Investment Gain/(Loss) £'000	Balance at 31 Aug 2021 £'000
Donations from Friends of Warwick School	40	-	-11	-	29
Machen Scholarships	-	10	-	1	11
The Massie Scholarship	-	11	-	2	13
Donations for Project One	61	211	-272	-	-
Borough Bursary Fund	752	722	-454	-	1,020
Warwick Scholarship Trust	31	-	-	-	31
Income from Legacy Funds & Prizes	909	-16	-	-	893
	1,793	938	-737	3	1,997



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

16. Net Assets of the Funds of the Charity (continued)

Unrestricted Funds as at 31 August 2021

	Balance at 1 Sept 2020 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	Investment Gain £'000	Balance 31 Aug 2021 £'000
Designated Funds						
Bursary Fund	13,914	308	-1,053	573	2,527	16,269
• Mary Hall Legacy	477	-	-	-	-	477
• Other Legacy	130	-	-	-	-	130
Fixed Assets	74,746	-	-	1,571	-23	76,294
Repairs & Maintenance Fund	365	25	-10	-	-	380
Unrestricted Funds						
Free Reserves	-26,983	40,891	-34,944	-2,122	-	-23,158
Charity	62,649	41,224	-36,007	22	2,504	70,392
Subsidiary Trading Funds	-259	40	-332	-22	-	-573
	62,390	41,264	-36,339	-	2,504	69,819
Revaluation Reserve	1,233	-	-	-	225	1,458
Pension Reserve Deficit	-5,853	-	-184	-	438	-5,599
Derivative Reserve	-1,722	-	681	-	-	-1,041
Group	56,048	41,264	-35,842	-	3,167	64,637

17. Capital Commitments

There were no capital commitments for the year ended 31 August 2022 (2021: Nil)

18. Operating Lease Commitments

At 31 August 2022, the Group had the following future minimum lease payments under non-cancellable operating leases:

Group & Charity	2022 £'000	2021 £'000
Operating leases which expire:		
• Within one year	45	56
• Within two to five years	28	74
• After five years	-	-
	73	130

19. 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.



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

20. Principal Subsidiaries

Company Name	Principal Place of Business	Percentage Shareholding	Description	Principal Activity
Warwick Schools Enterprises Limited (WSEL)	Myton Road, Warwick	100%	£1 Ordinary share capital	Letting of school facilities
(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 £132,610 to WSEL for the provision of staff and administrative services (2021: £170,481). The balance owed to the Charity at 31 August 2022 was £1,179,654 (2021: £975,495). Intercompany transactions of a management fee £68,897 (2021: £11,073), a licence fee £10,000 (2021: £10,000) and interest on the intercompany loan £1,003 (2021: £1,153) are eliminated on consolidation.

21. Pension Schemes

Teachers' Pension Scheme

The Foundation 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 £3,420,196 (2021: £2,987,284) and at the year-end there were no contributions (2021: 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.



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

21. Pension Schemes (continued)

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

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

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

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

Local Government Pension Scheme

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:

	2022	2021
	£'000	£'000
Total market value of assets	22,786	23,780
Present value of scheme liabilities	-18,945	-29,379
Surplus /(deficit) in scheme	<u>3,841</u>	<u>-5,599</u>



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

21. Pension Schemes (continued)

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

	2022	2021
	%	%
Inflation	3.2	2.9
Rate of increase in salaries	4.0	3.7
Rate of increase for pensions	3.2	2.9
Discount rate for liabilities	4.3	1.7

Life expectations on retirements age 65

	2022	2021
	Years	Years
Male currently age 45	22.7	23.0
Female currently age 45	25.9	26.1
Male currently age 65	21.6	21.8
Female currently age 65	24.1	24.2

Fair value of assets and expected rate of return

	31 Aug 2022		31 Aug 2021	
	Fair	Expected Rate of Return	Fair	Expected Rate of Return
	£'000	%	£'000	%
Equities	13,672	2.5	14,744	2.5
Government bonds	6,152	2.5	5,707	2.5
Other bonds	-		-	
Property	2,506	2.5	2,616	2.5
Cash/Liquidity	456	2.5	713	2.5
Other	-		-	
Total	22,786		23,780	

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.

	2022	2021
	£'000	£'000
The actual return on the scheme assets in the year	-998	4,217



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

21. Pension Schemes (continued)

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

	2022	2021
	£'000	£'000
Opening value of scheme assets	23,780	19,435
Return on assets less interest	-1,390	3,886
Net interest income on plan assets	392	331
Contributions by employer	488	501
Contributions by employees	71	85
Contributions in respect of unfunded benefits	2	2
Benefits paid	-557	-460
	<u>22,786</u>	<u>23,780</u>

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

	2022	2021
	£'000	£'000
Opening liabilities	29,379	25,288
Current service cost	591	587
Past service cost	18	-
Interest cost	485	431
Contributions by employees	71	85
Actuarial gains/(losses)	-11,042	3,448
Benefits paid	-557	-460
	<u>18,945</u>	<u>29,379</u>

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

	2022	2021
	£'000	£'000
Schools and grant making		
Current service cost	591	587
Past service cost	18	-
Interest income on plan assets	-392	-331
Interest on pension scheme liabilities	485	431
Total charge to expenditure in the SOFA	<u>702</u>	<u>687</u>

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

	2022	2021
	£'000	£'000
Return on assets less interest	-1,390	3,886
Experience gains and losses on scheme liabilities	-46	381
Changes in demographic assumptions	94	-364
Changes in financial assumptions	10,994	-3,465
Total amount recognised in the SOFA	<u>9,652</u>	<u>438</u>



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

21. Pension Schemes (continued)

Employers' contributions for the year to 31 August 2022 were £457,980 (2021: £501,006) including deficit payments. The contributions until 31 March 2022 were 19.5%. The best estimate of employer contributions for the coming year to 31 August 2023 is £446,784. The scheme applies only to members of staff employed by the Foundation before 31 October 2013 who signed up prior to that date.

The Kingsley School Pension Schemes

Employer contributions for the year to 31 August 2022 were £29,330 for The Kingsley School defined contribution scheme. 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 2022 were £340,948 (2021: £315,839).

22. Reconciliation of Cash Flows from Operating Activities

	2022	2021
	£'000	£'000
Net income for the reporting period	2,989	8,328
Interest receivable	-477	-372
Interest paid	615	609
Depreciation	2,707	2,821
Decrease in stock	-	4
Increase in debtors	-698	556
(Decrease) in creditors	-1,347	-668
Losses /(gains) on investments	908	-2,530
(Gains) on investment property	-479	-225
Loss on tangible fixed assets	-	24
Defined benefit pension scheme cost less contributions payable	119	84
Defined benefit pension scheme finance cost	93	100
Net cash provided by operating activities	<u>4,430</u>	<u>8,731</u>

23. Analysis of changes in net debt

	Balance at 1.Sept 2021	Cash flows	Fair value movements	Balance at 31.Aug 2022
	£'000	£'000	£'000	£'000
Cash and cash equivalents	3,892	3,199	-	7,091
Bank loan	-20,000	-	-	-20,000
Derivative financial instruments	-1,042	-	2,474	1,432
	<u>-17,150</u>	<u>3,199</u>	<u>2,474</u>	<u>-11,477</u>



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

24. 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 4.

The Foundation purchased £Nil (2021: £10,650) 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.

The Foundation purchased £148 (2021: £2,400) 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 £867 (2021: £3,684). Donations were also received from the families of two Governors totalling £4,532.

The Ministry of Defence provides some funding each year for the purposes of the Combined Cadet Force (CCF). A separate CCF bank account is held by the Charity which is consolidated within these financial statements. The CCF bank account balance at the 31 August 2022 was £9,132 (2021: £7,107).



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

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

	Notes	Unrestricted Funds		Restricted Funds	Endowed Funds	Total Funds 31 Aug 2021
		Schools	Other			
		£'000	£'000	£'000	£'000	£'000
INCOME FROM:						
Donations		3	-	900	-	903
Charitable Activities						
School fees	2	33,566	-	-	-	33,566
Other income	3	2,778	-	-	-	2,778
Other Trading Activities						
Trading turnover: WSEL	4	-	40	-	-	40
Investment Income	5		372	-		372
Merger Donation		4,505	-	38	-	4,543
Total Incoming Resources		<u>40,852</u>	<u>412</u>	<u>938</u>	<u>-</u>	<u>42,202</u>
EXPENDITURE ON:						
Raising Funds						
Cost of Development Office		298	-	-	-	298
Cost of trading activities: WSEL	4	-	332	-	-	332
Other activities		-	36	-	-	36
Charitable Activities						
Schools and grant-making		35,173	3	737	27	35,940
Total Expended	8	<u>35,471</u>	<u>371</u>	<u>737</u>	<u>27</u>	<u>36,606</u>
Net gains on investments		-	2,729	3	-	2,732
Net income/(expenditure)		<u>5,381</u>	<u>2,770</u>	<u>204</u>	<u>-27</u>	<u>8,328</u>
Transfers between funds	16	-5,381	5,381	-	-	-
Pension Scheme actuarial gain	21		438	-	-	438
NET MOVEMENT IN FUNDS		<u>-</u>	<u>8,589</u>	<u>204</u>	<u>-27</u>	<u>8,766</u>
Balance brought forward at 1 September 2020			56,048	1,793	2,789	60,630
FUND BALANCES at 31 August 2021		<u>64,637</u>	<u>1,997</u>	<u>2,762</u>	<u>69,396</u>	