

THE KING'S SCHOOL WORCESTER

England & Wales · Charity number 1098236

Details

Status	Registered
Legal form	Charitable company
Company number	04776324
Registered	2003-06-27
Register	View on the Charity Commission register

Contact

Address	The Kings School Hostel House 5 College Green Worcester WR1 2LL
Phone	01905721721
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Website	www.ksw.org.uk

Activities

Objects: TO ADVANCE EDUCATION AND TRAINING, INCLUDING PHYSICAL TRAINING, BY THE PROVISION AND CONDUCT, IN OR NEAR WORCESTER, OF DAY AND/OR BOARDING SCHOOLS FOR BOYS AND GIRLS WITH THE PROVISION OF ACCOMMODATION AND EDUCATIONAL FACILITIES FOR THE CHORISTERS OF THE CATHEDRAL CHURCH OF WORCESTER AND BY ANCILLARY OR INCIDENTAL EDUCATIONAL ACTIVITIES AND OTHER ASSOCIATED ACTIVITIES FOR THE BENEFIT OF THE COMMUNITY.

Activities: The objects of the charity are to advance education and training by the provision of co-educational schools in or near Worcester and by other associated activities for the benefit of the community. It aims to equip pupils to become balanced, confident and independent young people; to promote a range of life skills and the duty of service and to support education as a life-long process.

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training
- **Who:** Children/young People, The General Public/mankind

Geography

- **Area of benefit:** IN OR NEAR WORCESTER
- Worcestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£20,798,000	£23,402,000	£21,272,000	259
2024-07-31	£20,799,000	£20,952,000	£23,874,000	263
2023-07-31	£20,048,000	£19,797,000	£24,001,000	263
2022-07-31	£18,186,000	£18,009,000	£23,751,000	258
2021-07-31	£16,591,000	£16,662,000	£23,578,000	254

Trustees

Name	Role	Appointed
ANDREW UNDERWOOD		2018-06-22
Adrienne Ann Plunkett		2022-09-01
CAROLYN Mary Elizabeth PIKE OBE		2016-11-25
Dr John Price		2025-11-14
Dr Jonathan Andrew Salkeld		2023-11-17
ELIZABETH ANNE PENN		2024-03-22
Janet Ruth Clarke		2026-03-20
Martin James Charters		2025-09-16
PATRICIA ANNE PRESTON		2011-10-14
PAUL WALKER		
Professor Martin Dominic Stringer		2023-10-17
Richard Tomlinson		2021-03-19
Robert Prestidge		2022-11-24
Sian Williams		2023-10-06
Susan Elizabeth Hincks		2022-09-01
The Very Reverend Stephen Michael Edwards		2024-09-15
Timothy Rupert Brock		2023-11-03
Wendy Elaine Milne-Bennett		2023-09-01

Accounts

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

THE KING’S SCHOOL WORCESTER
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2025

Contents	Page
Governors, Officers and Advisers	3
Annual Report of the Governors	5
Strategic Report	9
Statement of Accounting and Reporting Responsibilities	32
Independent Auditor’s Report	34
Consolidated Statement of Financial Activities	38
Consolidated Summary Income and Expenditure Account	39
Consolidated and School Balance Sheets	40
Consolidated Cashflow Statement	41
Notes to the Financial Statements	42

THE KING'S SCHOOL WORCESTER

GOVERNORS, OFFICERS AND ADVISERS

YEAR ENDED 31 JULY 2025

GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

The Governors of the King's School Worcester (the school) are the School's charity trustees under charity law and the directors of the charitable company. The members of the Governing Body who served in office as Governors during the year and subsequently are detailed below:

		1	2	3	4	5	6	7	8	9	10
P Preston (Chair)		●	●	●	●						
P Walker (Vice Chair)		●			●						
C Pike (Vice Chair)				●	●						
S Hincks			●	●	●	●					
R Prestidge		●			●						
G W Ballard	Resigned 27/06/2025	●			●						
A Mathur	Resigned 12/05/2025	●									
A Plunkett			●	●		●					
A Underwood		●									
E A Penn			●								
J Clarke	Appointed 20/03/2026			●							
Dr J Salkeld				●					●		
Dr J Price	Appointed 14/11/2025		●								
E Robson	Resigned 25/01/2026			●				●			
M Charters	Appointed 16/09/2025	●									
Prof. M Stringer			●								●
R Tomlinson *		●									
The Very Rev'd Dr S M Edwards	Appointed 15/09/2024	●			●						
S Williams *			●				●				
T Brock				●							
W Milne-Bennett				●						●	

During the year the activities of the Governing Body were carried out through the main board and the above committees. The membership of these committees is shown above for each Governor.

- | | |
|---|-------------------------------|
| 1. Finance and General Purposes Committee | 6. SEND Governor |
| 2. Education Committee | 7. Digital Governor |
| 3. Compliance Committee | 8. Health and Safety Governor |
| 4. Nominations and Governance Committee | 9. HR Governor |
| 5. Safeguarding Governor | 10. Well-being Governor |

*Parent of pupil at the school

THE KING'S SCHOOL WORCESTER
GOVERNORS, OFFICERS AND ADVISERS (Continued)
YEAR ENDED 31 JULY 2025

OFFICERS

G E Doodes	Head – Foundation (Resigned 31 August 2024)
A R Oliver	Acting Head of Foundation (Appointed 1 September 2024, resigned 31 August 2025)
B P H Charles	Head of Foundation (Appointed 1 September 2025)
N Hawker	Head – King's St Alban's Prep School
T Butt	Head – King's Hawford Prep School
G M Mason	Director of Finance and Business Development
A Winter	Director of Operations
E L Sydenham	Clerk to Governors

Principal address and Registered Office

5 College Green, Worcester, WR1 2LL

Auditor

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

Bankers

Lloyds Plc, 4 The Cross, Worcester, WR1 3PY

Solicitors

Wilsons Solicitors LLP, 4 Lincoln's Inn Fields, London, WC2A 3AA

Parkinson Wright LLP, St Nicholas Street Worcester, WR1 1UN

Surveyors

Gwilliam Darby Carr, 7 Severn Street, Worcester, WR1 2ND

Charity number

1098236

Company Number

04776324

Website

www.ksw.org.uk

THE KING’S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2025

The members of The King’s School Worcester Governing Body present their Annual Report for the year ended 31 July 2025 under the Charities Act 2011 including the Directors’ Report and Strategic Report and the Companies Act 2006, together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The King’s School Worcester (the School) was founded in 1541. It is constituted as a company limited by guarantee registered in England, No. 04776324, and is registered with the Charity Commission under Charity No.1098236. The Charity Commissioners for England and Wales have issued a uniting direction in respect of the school and the unincorporated precursor charity that went by the same name (having the registered name of Worcester Cathedral Grammar School, charity number 527536) whereby single entity financial statements may be prepared.

The school operates one senior school and two prep schools known as King’s St Alban’s and King’s Hawford.

There is one Governing Body for all three Schools. Details of the members of the Governing Body, together with the school’s officers and principal advisers, are given on pages 3 and 4.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The School is governed by its Memorandum of Association and Articles of Association incorporated 23 May 2003, as amended on 4 July 2003, 3 July 2009, 30 November 2018 and 19 March 2021, and by the Scheme of the Charity Commissioners dated 18 August 2003.

Governing Body

Under the Charity Commission Scheme the Board of Governors shall not exceed eighteen members comprising one ex-officio, eight nominative and nine co-opted Governors. Of the nominative Governors seven are nominated by the Dean and Chapter of Worcester Cathedral and one by the Bishop of Worcester. Nominative Governors serve for a term of four years. Co-opted Governors are appointed for a term of four years by resolution of the Governors. Retiring Governors may be re-appointed.

Recruitment and training of Governors

The School’s elected Governors are appointed at a meeting of the Board of Governors on the basis of nominations received from the three nominating bodies specified within the Charity Commission Scheme. All nominations (including co-optative appointments) are made having regard to the Board’s requirements concerning eligibility, personal competence, specialist skills, and availability.

New Governors are inducted into the workings of the school, including governing body policy and procedures, through visits to the School and the provision of a comprehensive briefing pack and by personal contact with other Governors, the Head of Foundation, Prep School Heads, the Director of Finance and Business Development and the Director of Operations. All Governors are offered the opportunity to attend relevant training seminars and receive briefings on current issues in the sector and regulatory requirements.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2025

Organisational management

The Governors, as the charity trustees, are legally responsible for the overall management and control of the School. They meet at least three times a year and on other occasions as required. The work of implementing their policies is facilitated by four sub-committees:

- the Finance and General Purposes Committee (F&GP) has specific responsibility for financial matters including the review of budgets and finalising the audited financial statements and annual report for approval by the Board.
- the Education Committee considers strategic academic issues.
- the Nominations and Governance Committee considers the recruitment and retirement of Governors, terms of reference and committee membership.
- the Compliance Committee provides oversight of all elements of compliance and risk.

There are no other standing committees of Governors but there are nominated governors who have specific responsibility for Safeguarding, Health and Safety, SEND, HR, Digital, and Well-being.

The day to day running of the three schools is delegated to the Head of Foundation supported by the Director of Finance and Business Development, the Director of Operations, and members of the Foundation Leadership Team and the three Senior Leadership Teams. Together this group represent the key management personnel. All meetings of the full Board of Governors, the F&GP and Compliance Committees are attended by the Head of Foundation and the Director of Finance and Business Development and the Director of Operations. The pay and remuneration of the key management personnel are determined by Governors.

The Head of Foundation, Senior Deputy and Prep School Heads attend all meetings of the full Board of Governors and of the Compliance, Education and F&GP Committees. The Director of Finance and Business Development and the Director of Operations attend all meetings of the full Board of Governors and of the Compliance and F&GP Committees.

Group Structure and Relationships

The School has two related non-charitable subsidiary companies, King's School Worcester Activities Limited (Company No: 01472145) and KSW Enterprises Limited (Company No: 07141348). A minimum of one half of the number of serving directors on the Board of each subsidiary are also members of the Board of Governors. King's School Worcester Activities Limited is a company limited by guarantee and does not have a share capital. As such the liability of each member of the company is limited to an amount not exceeding £1. This company is the enterprise through which commercial activities, including the hire of general school facilities, take place. KSW Enterprises Limited is a company limited by shares and its issued share capital of £1 is wholly owned by the charity. This company administers the community lettings of the Astroturf constructed by the school on the site of Bishop Perowne Church of England College.

Employment Policy

The School is an Equal Opportunities Employer. Full and fair consideration is given to all job applications and due consideration is given to training and employment needs. Consultation with employees, or their representatives, is undertaken at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

The Governors recognise the importance of good communications with all employees and involve employees within the School's strategic planning procedures. In addition to communication through normal management and departmental channels employees are kept well informed of the performance, financial position and objectives of the School through personal briefings, regular meetings, e-mail, staff newsletters and presentations throughout the year.

Promotion of the success of the organisation to benefit its members

The Governors confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider most likely to achieve the purposes of the Company. In making this assessment, the Governors consider the relevant actions of the Board as described throughout the report. Taking the areas required for disclosure in turn:

a. The likely consequences of any decision in the long term

The Governors consider both operating results and financial projections and the key risks that could negatively impact the sustainability of the school. The Finance and General Purposes Committee and the full board review management information, budgets, forecasts, cashflow projections and progress against budget on a regular basis. Risk Management and the level of reserves are also discussed further in the report.

b. The interests of the company's employees

In relation to employee engagement, weekly briefings keep staff informed of school wide matters of interest. The Governors receive regular reports from management on the wellbeing of the employees and speak directly to staff during visits to the School. A Staff and Governor Forum provides staff representatives with the opportunity to meet with the Chair and Vice Chair of Governors on a termly basis.

c. The need to foster the company's business relationships with parents, suppliers, and others.

In relation to key stakeholder engagement, the Governors work closely with management to communicate with parents, staff and pupils. Parents receive weekly news update from each school within the Foundation via email.

In accordance with financial procedures and standard payment terms, supplier payment is due within 30 days after the school receives the invoice from the supplier.

d. The impact of the company's operations on the community and the environment

The Governors continue to review how the activities of the School impact on the local community and the environment. There is a review of Greenhouse gas emissions later in this report in compliance with the Streamlined Energy and Carbon Reporting (SECR) Report. During 2024 the school submitted its ESOS Phase 3 Report detailing opportunities to reduce energy consumption across the estate. The 2025 follow up recommendations focus on the expansion of solar power across the estate, which is currently under investigation. A further example of the School's commitment to reduce its impact is the School transport network which has continued to expand year on year. As at September 2025 we now transport 135 pupils to and from school in minibuses or coaches reducing the need for household cars to enter the city.

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2025**

e. The desirability of the company maintaining a reputation for high standards of business conduct

The School takes a zero-tolerance approach towards fraud, bribery and corruption. It is committed to complying with all applicable laws and regulations including those relating to fraud, bribery and corruption.

f. The need to act fairly as between members of the company

The Governors understand the Charity Commission requirements and acknowledge the need to avoid and manage potential conflicts of interest, both within the governing body and for members of staff . The Company is limited by guarantee so does not have share capital with the result that issues relating to Director shareholders or relations between majority and minority shareholders do not apply.

**THE KING’S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2025**

STRATEGIC REPORT

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The School’s Objects and principal activities, as set out in the Memorandum of Association, are to advance education and training, including physical training, by the provision and conduct, in or near Worcester, of day and/or boarding schools for boys and girls with the provision of accommodation and educational facilities for the Choristers of the Cathedral Church of Worcester and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

In pursuing its charitable objects, the School’s mission is to help young people reach their potential at school in preparation for leading confident, fulfilled and unselfish lives as adults.

In furtherance of these Objects for the public benefit the School, which operates three schools (one senior and two prep) known collectively as The King’s School Worcester, has established and administers bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects. The Governing Body is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In connection with this the Board has monitored closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Aims

The School’s aims for the public benefit are:

- to provide a first-class independent education within an ethos of spiritual awareness and tolerance that is widely accessible, irrespective of family financial circumstances; and
- to establish the School as a community in which there are strong and active partnerships between parents and the three schools, and between the local community and the three schools.

Primary objectives

The primary objectives of the School to fulfil these aims are:

- to maintain the aspiration to high standards in academic performance and co-curricular activities whilst preserving a healthy balance between the two.
- to widen access to the education provided by the School through the provision of financial support for pupils whose parents are unable to afford the full fees and through a range of projects and activities with the local community, including “out of hours” access to the School’s facilities in order that they are put to good educational and community use when not otherwise needed.
- to provide a stimulating learning environment in which pupils can develop their academic potential to the full.
- to provide appropriate teaching resources and accommodation throughout all three schools.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

- to provide a happy and secure pastoral environment which promotes and develops independent learning, supports pupils in the achievement of their individual potential and fosters a sense of community mutual respect and good citizenship.
- to provide an effective management structure and the administrative and logistic framework necessary to meet the needs of staff and pupils alike.

The aims and objectives set for the School's subsidiaries are to facilitate the achievement of the school's aims and objectives as above.

Strategies to achieve the primary objectives

A key strategy towards the achievement of the primary objectives is the annual review and update of the School's Development Plan and its approval by the Governing Body. An important part of the review process is an assessment of performance during the year against the targets set for the period, with the results of that assessment being used to inform proposed targets and action plans for the future.

The Development Plan embodies the operational aims and future plans of the School (summarised on page 26) and, once approved by Governors, becomes a tool for use by the key management personnel to inform operational planning and decision making.

The Governing Body also keeps under review the facilities available to pupils and staff on all three sites and the extent to which additional or improved resources may facilitate the achievement of the development plan targets.

ACHIEVEMENTS AND PERFORMANCE

Principal activity

The Foundation's principal activity, as specified in the Memorandum of Association, is the advancement of education and in this the Foundation had another successful year.

The Foundation's roll averaged 1,177 (2024: 1,211) pupils across all year groups from Reception upwards with an additional 84 pupils (2024: 87) in Kindergarten / Nursery on a full or part time basis.

The Foundation continued to maintain the high standards and ethos for which The King's School Worcester has become known.

Leadership

In August 2024, after a period of considerable thought and reflection, the Headmaster, Gareth Doodes, decided that after 14 years as a Head he would take a year away from school leadership to focus on his professional development and undertake some consultancy work, before returning to a leadership role elsewhere.

Dr Alison Oliver, Senior Deputy, assumed the role of Acting Head on 1st September 2024. Dr Oliver, supported by a strong and experienced Foundation Leadership Team and our highly professional and dedicated staff body, ensured that the school operated as normal throughout the year.

The Governors welcomed Ben Charles as the Head of Foundation on 1st September 2025, joining us from King's Rochester, where he had been Principal and Head of the Senior School since 2019.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

Foundation overview

Our three independent schools - King's St Alban's, King's Hawford, and King's Worcester - are united by a common vision and ethos, yet each retains its own individual character and strengths. We believe that every pupil is a unique and whole person, with their own academic talents, co-curricular passions, and life-long aspirations. At our three campuses, every child is supported to reach their full potential, so that they can flourish academically, socially, and personally. Our aim is to support pupils to reach their potential, and to provide a nurturing environment for pupils to develop towards a successful and fulfilling future.

Our November 2024 ISI inspection confirmed full compliance with all Independent School Standards and highlighted many excellent features of the Foundation's provision.

Inspectors noted that 'achievement in public examinations is well above national averages' and that 'the co-curricular programme offers a wide range of inclusive opportunities for pupils to explore interests and develop new skills and passions, often to a very high standard'.

The Foundation's preparation of pupils for life beyond school was also affirmed, notably through the Inspection's finding that 'effective careers guidance is offered throughout the senior school, ensuring that pupils are well advised about GCSE and A level choices, as well as future careers. The 'careers extravaganza' and other events within the life skills programme ensure pupils are well prepared for life after school.'

For the third consecutive year, King's Worcester was a finalist in the Co-Educational School of the Year category at the Independent School of the Year Awards 2024.

Academic Achievements

The following sections highlight some of the key achievements of the Foundation schools during the year.

King's Worcester

Public examination results continued to impress.

- **At GCSE**, 66% of pupils achieved Grade 9 - 7 and 96% achieved Grades 9 - 4. Additionally, 47% of all grades were 9-8 grades.
- 57 pupils (43% of the cohort) were awarded Grades 9 - 7 in all their subjects, with three pupils achieving Grade 9s in 11 subjects.
- 63 pupils (48% of the cohort) were awarded Grades 9 - 7 in 8 subjects or more.
- **At A level**, 91% of students achieved grades A* - C. Almost every student was placed in his or her first choice university.
- 47% A* - A, 75% A*-B, 91% A - C.
- 7 pupils received 3 A*grades.
- 25 pupils (26%) received A* or A grades in all their subjects.

The most popular post-18 university destinations for students were Birmingham, Cardiff, Durham, Exeter, Liverpool, Nottingham and Reading. Three students secured places at Cambridge University, two to study Engineering and one to study Linguistics.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

Students have chosen to continue their studies across a wide range of courses including accounting, architecture, business, management and economics. STEM subjects including Physics, Chemistry, Maths, Medicine, Biological Sciences, Sports Science and Engineering were also chosen by our students. Other popular choices were History and Psychology. Some students chose to take a more vocational route by electing to study, for example, Physiotherapy and real estate. One pupil chose a specialist training route, joining British Airways to study commercial aviation. All of our pupils benefit from expert careers support throughout their time at school, enabling them to make the right post-18 choices.

Our Upper Sixth leavers were the first cohort to have completed the revised Sixth Form Curriculum, a curriculum built upon academic rigour, complemented by a Life Skills and Electives programme. Our Sixth Formers left us with a deep understanding and expertise in their A level subjects, together with a specialist interest or skill to make them stand out from the crowd, as they embarked upon their post-18 choices.

Academic highlights included a first-ever silver in the Linguistics Olympiad and both a distinction and merit in the British Olympiad Round of the Senior Maths Challenge. Other achievements worthy of note included a winning essay by a Lower Sixth student in Peterhouse College Cambridge's Kelvin Biological Sciences Essay Competition. This was an outstanding achievement in a field of over 308 entries.

In addition, after a rigorous selection process, two Fifth Form students were awarded Arkwright Engineering Scholarships, which will support them through their A levels and inspire them to study engineering, computing or technical design at university or through a higher-level apprenticeship.

King's Hawford and King's St Alban's

Twenty Year 6 pupils at King's Hawford and 17 Year 6 pupils at King's St Alban's earned scholarships or awards into the Senior School.

Academic Enrichment Activities

Pupils in the King's Foundation benefited from an extensive programme of trips, workshops and residentials which enhanced their academic studies.

King's Worcester

During the October half term, our Year 11 (Fifth Form) artists embarked on the much-anticipated annual trip to St Ives. Immersed in the rich artistic heritage of Cornwall, pupils explored local galleries, participated in a full-day workshop with practicing artists, and painted the dramatic coastline of Cape Cornwall. The Art Department also welcomed the return of our Artist in Residence, Ian Murphy. Spending a week with us, Ian focused primarily on drawing with our Lower Sixth students, sharing his expertise and passion through a series of workshops. His visit culminated in a weekend drawing masterclass and an inspiring exhibition of his own breathtaking drawings and paintings, which captivated pupils across all year groups.

In January, pupils from Year 10, Year 11, and both Sixth Form years visited the Warwick Arts Centre for the Warwick Ancient Drama Festival's staging of Aeschylus' Agamemnon. The Spring term's

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2025

London Theatre Tour, run jointly by the Drama and Art Department, combined a Macbeth workshop at Pineapple Studios with visits to immersive exhibitions and theatre visits.

February half term's music trip was to Belgium. Featuring the school choir, chamber choir, chamber orchestra and additional instrumentalists it was a resounding success. Three concerts were staged - at the Menin Gate in Ypres, in Poperinge, and in Ostend.

In the Spring term, our Lower Sixth artists travelled to London for an overnight cultural visit. The packed itinerary included visits to the British Museum, Tate Modern, Tate Britain, the National Gallery, and the National Portrait Gallery. A particular highlight was the late-night viewing at the National Portrait Gallery, which left a lasting impression on the students.

Language exchange visits to the southern city of Algeciras, near Gibraltar, Le Vésinet, near Paris and Cologne in Germany enhanced the learning experiences of our modern linguists. There were numerous theatre trips across the year groups including Animal Farm, Hadestown, Chitty Chitty Bang Bang, and War Horse. The Lower Years explored Goodrich Castle in the Summer term.

King's Geographers embarked on numerous field trips during the year. Early in their A level course, 23 Lower Sixth students embarked on a three-day residential fieldwork course in Minehead, Somerset. In the Summer Term, the Upper Remove ventured to the Carding Mill Valley in Shropshire to study river characteristics and associated flood risks as part of their GCSE river studies. The Fifth Formers visited Bristol in the Autumn Term to evaluate the regeneration of the Harbourside area. 29 Upper Remove students enjoyed a memorable week exploring the stunning alpine landscapes around Chamonix and Le Bettex.

King's Hawford

Our full programme of overnights stays and residentials once again involved every child from Year 2 upwards. Year 2 went to Bishop's Wood, Year 3 to Boundless Outdoors in Malvern while Year 4 travelled to York and Broadhaven, Year 5 went to Dukes Barn and Year 6 enjoyed a trip to Carsington. Sleepovers in The Barn and camping out in the school grounds were also popular with King's Hawford pupils.

King's Hawford children also enjoyed some educational visits to tie in with their topic work. Kindergarten children ventured to Little Owl Farm Park, Telford Winter Wonderland and Cadbury World. Reception pupils' visits included Bishopswood Forest School, Churchfields and Gwillam's Farm shop. Trips to West Midlands Safari Park and Avoncroft museum, were enjoyed by Year 1 pupils while Year 2 went to the Birmingham ThinkTank, Warwick Castle, Wicked Worcester trip and activities, River Severn walk and the Diglis Fish Pass. A blue plaque tour of Worcester, a visit to Blist's Hill Victorian Town, a Malvern Geography field trip, a WW1 workshop at The Hive, a Civil War experience at the Commandery at Worcester Cathedral and an WW1 VR immersive experience were also enjoyed by the older pupils. Bishopswood Forest School was a favourite destination for many year groups, for activities as varied as outward bounds and a survival day.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

King's St Alban's

Throughout the year, pupils from Nursery to Year 6 have taken part in a wide range of educational visits and trips. Residential experiences began in Year 2 with an overnight stay at Boundless Outdoors in the Malvern Hills. Year 3 visited Oaker Wood near Leominster, Year 4 stayed at the Pioneer Centre in Shropshire, Year 5 enjoyed two nights at the PLG Centre at Boreatton Park, and Year 6 embarked on a week-long trip to Normandy.

To support and enhance their learning, King's St Albans pupils enjoyed many educational visits including to the Black Country Museum, Warwick Castle, Symphony Hall, Elgar's Birthplace Museum, Tamworth Snowdome, Eastnor Castle, Little Owl Farm and the Midlands Arts Centre.

Creative and Performing Arts

King's Worcester

It was an extremely busy and successful year for the Creative and Performing Arts at King's.

The first musical event of the school year brought together over 150 pupils from King's Worcester, King's Hawford and King's St Alban's to sing alongside the world-renowned Drakensberg Boys Choir from South Africa at Worcester Cathedral. This event attracted the largest audience of the Drakensberg Choir's whole UK tour and featured an extraordinary evening of music, energy, and cultural exchange that left the audience inspired and uplifted.

The House Song Competition was as lively and spirited as ever. While the focus was on the music, the event also helped foster teamwork as the Upper Sixth led their houses in rehearsals and in conducting their performances. Pupils performed with house musicians accompanying them, whether on piano or in a full band.

The Chamber Choir was busy in January with two events. Firstly, they had the honour of being special guests in a concert with the prestigious professional choir, The Armonico Consort, at Malvern Theatres. This event marked the third time in the past six years that these two choirs have collaborated. At the end of January the Chamber Choirs of the three Cathedral Choir Schools - King's Worcester, King's Gloucester and Hereford Cathedral School - came together for the fourth combined choirs Choral Evensong in Worcester Cathedral.

In March, sixty pupils from the Foundation spent the day participating in the annual Orchestral Workshop. The aim was to learn music from scratch in various groupings: Workshop Orchestra, Workshop Brass, Wind Band and String Orchestra. The day closed with an informal concert to showcase all that had been achieved.

In the Spring Term, it was the 10th anniversary of Open Mic Nights at King's. As always, the evening showcased a fantastic variety of musical styles, with performances ranging from the timeless classics to contemporary sounds.

Across the course of the year there were six Young Performers' Concerts featuring nearly 100 performances from pupils in the Lower 4 – Lower Remove. The termly School Concert featured our

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

large ensembles which rehearse each week across the year – School Choir, First Orchestra, Wind Band, Chamber Orchestra, The King's Swingers, Second Orchestra and Lower Years Choir.

Over 70 pupils from the Foundation took part in the solo section of the Worcester Competitive Arts Festival, with many receiving awards for their outstanding performances. In the Summer term a pupil won the Elgar Festival Young Composers' competition, in the 11-14 category. Seventy pupils achieved success in ABRSM and Trinity practical music exams, with many merits and distinctions.

In July, King's was proud to see some of its talented pupils and OV's play a role in the Three Choirs Festival - the oldest classical music festival in the world, with a history spanning nearly 300 years. Pupils and OV's performed with the Three Choirs Festival Youth Choir in the world premiere of Bob Chilcott's Mass for Peace and Reconciliation and our senior choristers took part in the live broadcast of Choral Evensong on BBC Radio 3.

The Drama Department started the year with its ambitious Autumn Term musical, White Christmas, chosen for its nostalgic and festive appeal. It was performed by our senior pupils, whose talent attracted the attention of the National School Theatre Awards.

The year saw our largest group yet (47 boys and girls) begin rehearsing in September for our third Disney Dance Tour. With an earlier-than-expected audition deadline, dancers submitted a second audition showcasing their polished routines. Their hard work paid off as they advanced with ease and were invited to perform on a professional Disney stage. Highlights included a workshop with two Disney professional performers teaching dances from current shows, an incredible and emotional performance on the Videotropolis Stage, a spectacular evening fireworks display, and endless energy from our talented dancers.

In the Spring term, students performed Class and a range of examination pieces from Coward's Blithe Spirit to April de Angelis's Wild East. A darker-toned Spotlight cabaret concluded the term.

The final term featured the full-length dance production Wonderland!, the Lower Years' vibrant staging of The Phantom Tollbooth, and an intimate but high-quality Spotlight cabaret.

The Speech and Stagecraft team guided students through their LAMDA exams with exceptional results: 98% earned Merit or Distinction, including several Grade 8 Gold Medal Distinctions.

King's Hawford

Creativity flourished at King's Hawford through many different activities.

Over 200 children participated in memorable productions including Santa's Setbacks, The Wizard of Oz and The X Factory.

The Music Department was extremely busy with over 140 children receiving weekly peripatetic music lessons from nine visiting teachers, earning over 140 ABRSM exam grades throughout the year.

St Hilda's College from Buenos Aires visited us in September for a musical and tango experience. As well as performing with the Drakensburg Choir, the Senior Choir was invited to perform at the annual St Richard's Hospice Lights of Love service in Worcester Cathedral. Indeed,

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

Qualification to the National Choir Finals in Birmingham Symphony Hall meant King's Hawford Senior Choir was judged as one of the Top 16 school choirs in the country.

Our Charity Gala Concert involved every Prep child, performing to two audiences of over 200 spectators in The Barn and our half-termly informal concerts involved 20-50 performers on each occasion.

King's Hawford pupils took also part in a cross-Foundation Orchestral Workshop.

Over 40 children took part in weekly LAMDA lessons and subsequent exams, and the school-wide LAMDA showcase.

35 pupils took part in the annual Leonardo competition, which takes its name from Da Vinci, with children submitting creative themed entries in one of his many creative genres including art, poetry, inventions, sculpture.

King's St Alban's

The annual Creative Connexions event, themed 'Around the World', showcased poetry, dance and visual art inspired by global cultures.

Throughout the year, informal concerts have continued to be a cherished feature of school life. These after-school events offered pupils a chance to showcase their developing talents in a relaxed setting, while College Hall concerts brought together the entire Prep School. Choirs and ensembles worked diligently in rehearsals, culminating in performances that demonstrated both skill and spirit.

The annual House Singing Competition brought out the competitive spirit in pupils and staff alike,

Beyond performances, pupils engaged in enriching musical experiences through concert trips and workshops. Junk drumming sessions and Cathedral concerts added variety and depth to their musical education, while drama and dance continued to thrive in parallel.

Nine pupils continue to serve as Cathedral Choristers, contributing to daily worship and ministry at Worcester Cathedral.

Sport

Participation in sport and access to a broad range of sporting activities is an essential part of a King's education. Sports on offer include rugby, cricket, football, netball, hockey, rowing, swimming, tennis, badminton, athletics, cross-country and equestrian.

King's Worcester

In total there were 121 sports teams at King's Worcester in 2024/25 and achievements in the sporting arena were once again very impressive. The U14 Hockey team was crowned National Plate Winners in the Spring of 2025. U18 Rugby 7s were Bowl Finalists at Rosslyn Park, and U16 Netball reached the National Finals. The U13 Hockey team won Silver in the ISHC and 5th place in National Finals, notably the first King's team to have reached this stage in the tournament

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2025

The 2025 season was the most successful in the history of King's School Worcester Girls' Cricket, with the 1st XI reaching the quarter finals of both the Schools Cup National T20 and The Cricket Paper National Girls' 100 Ball Cup.

The British Rowing Indoor Championships, saw our Senior Mixed Relay Team and a Year 10 (Upper Remove) pupil crowned champions, with four other individual and team medals. Eight crews represented King's and the West Midlands at the Junior Inter Regional Championships. Further outstanding performances came from all our crews at national events, including our Championship Coxed Four in the A- Final at the National Schools' Regatta. In Badminton, our U16 girls secured first place in the County Championships and the U13 & U15 Girls Athletics teams advanced to Regional Finals for ESAA Track & Field Cup.

In swimming, U18 Boys and Girls Medley relay teams finished in the top 12 in the country in ESSA Swimming Championships.

To coincide with the reopening of our fully refurbished 25 metre on-site swimming pool, we launched our Swimming Academy, which ensures that elite performers and those with developing talents are supported at the highest levels. One Lower Sixth student, and member of the academy, joined the Swim England Endurance Pathway.

There were other examples of individual excellence too. Three students trained at national level in their sport – in England Cricket, the England U19 Cricket World Cup and England U18 Rugby.

There were numerous trips, competitions and training camps during the year to support King's extensive sporting programme including to the qualifiers at Henley Regatta and the Women's Regatta, the Bath Cup National Swimming Competition, the Junior Rowing Camp at Radley College, the U16 National Netball finals, the Bradford College Cricket Festival and the National Hockey finals in London.

International sporting trips included the Football Development Tour to Porto, a senior rowing camp in Seville, senior boys cricket tour to Sri Lanka, rugby and hockey tours to South Africa and the junior ski trip to Claviere in Italy.

King's Hawford

Sporting achievements were remarkable, with wins in Malvern College's Aquathlon, county cricket tournaments and great equestrian success throughout the year in NSEA events.

Under 11 Rugby continued to be a strength with excellent performances at Millfield, Hymers and at Ratcliffe for the IAPS regionals. The National Schools Sevens at Rosslyn Park remained a Spring Term highlight.

Under 11 Hockey provided many highlights with the girls performing superbly at local and regional tournaments, most notably at Warwick School.

Under 11 Netball players competed at Millfield in regional championships, with Football counterparts at Clifton College.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

For the third year running, the school was represented by boys and girls at the National Prep Schools Cross Country Championships at Malvern College. The House Cross Country event featured in the athletics calendar again, in addition to three separate Sports Days (Kindergarten, Pre-Prep and Prep). One athlete in Year 6 competed at national level.

A number of children qualified for the IAPS National Swimming Finals at the Olympic Aquatics Centre, on the back of superb local performances.

6 Under 11s were selected for Worcestershire Cricket - making up over half the team in some county fixtures - and we were delighted when the U11 girls were crowned the Independent Association of Prep Schools (IAPS) cricket champions for the second year running.

Resilience was a key theme in physically demanding events like open-water aquathlons and biathlons.

King's St Alban's

The U11 rugby team competed at Millfield, Hymers College and the Rosslyn Park National Sevens, finishing second at the Hymers Tournament.

The U10 and U11 hockey squads had an exciting term, notably competing in the ISFA Tournament at Clifton College and other events at Winterfold and Slingpool.

King's St Alban's was proud to host our first-ever U11 girls football fixture against Winterfold, marking a significant milestone for girls' football at King's.

Netball saw another successful season, with the Year 6 team being placed second at the IAPS small schools' competition and winning the Bowl at the IAPS finals in Bryanston after qualifying through the regional event at Wrekin College. Younger pupils also enjoyed regular fixtures, culminating in the U18 King's vs RGS match at Worcester Arena, where Year 6 girls participated in a special training session with Severn Stars players.

Cricket was another highlight, with boys and girls playing together and participating in numerous fixtures. The selection of four girls and one boy to represent the county was a proud achievement. Meanwhile, athletics continued to grow in popularity during the year, with enthusiastic participation across all year groups.

Swimming returned with a full programme, including strong performances at the IAPS Championships and ESSA Relays. The Inter-House Aquathlon was a standout event, involving every child in swimming and running for house points. Participation in the Malvern College Aquathlon and a new open water event at Water's Edge demonstrated our pupils' determination and adaptability. We look forward to building on this success next year.

Co-Curricular

Pupils at King's have a wide selection of co-curricular activities to choose from including the Combined Cadet Force (CCF) and the Duke of Edinburgh Award scheme (DofE), both of which attract a high number of participants. In any one week, there are around 100 clubs on offer to our pupils in King's Worcester with another 40 clubs at both King's Hawford and King's St Albans.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

King's Worcester

The RAF Section of the CCF excelled at the National Air Squadron Trophy Competition. In the Summer, 13 cadets attended a week-long camp at RAF Halton, offering a unique insight into life on a working Royal Air Force base. The Army Section of the CCF spent a week at the Prince William of Gloucester Barracks in Grantham. These annual camps marked the culmination of the year's training, giving cadets the opportunity to put into practice the wide range of skills they had developed during the year and to experience life on a working military base.

The Duke of Edinburgh's Award Scheme thrived at King's during 2024–25, with around 220 pupils working towards the Bronze, Silver and Gold awards, developing resilience, teamwork and outdoor skills through a series of challenging expeditions. Across all levels, pupils benefited from diverse activities in their Skills, Physical and Volunteering sections, and Gold participants also completed Residentials. The year culminated in notable success, with ten pupils completing their full Gold Award before leaving the Upper Sixth and being celebrated at a Buckingham Palace Garden Party.

Other co-curricular activities that our pupils enjoyed during the year included Model United Nations, the F1 in Schools International Competition, Quiz Clubs (Junior, Middle and Senior Years), Lower Years Art Club, Geography Club, Running Club, Scuba Diving, Rock Climbing, Young Archaeologists Club, Christian Union, Creative Writing Club and Young Enterprise. Nearly 100 pupils were active members of the Library Book Club (WRAITH).

King's Hawford

The co-curricular life of the school once again flourished and showcased the enormous breadth on offer at the school. With over 40 clubs and activities available to our pupils throughout the year, changing on a termly basis, our pupils were as engaged out of the classroom as they were inside. Clubs on offer included karate, ballet, dance mix, Eco Club, chess, cookery, comic, computing, weaving, outward bound, gardening, dance mix, science, Couch to 5k, Nature Detectives, String Group, Orchestra, and musical theatre.

King's St Alban's

There was an extensive programme of co-curricular activities at King's St Alban's. With around 40 clubs on offer there was plenty for our pupils to choose from including Gymnastics, ballet, chess club, art club, aqua fun and superhero pilates.

An end of year leadership programme, the new Nine Dots Challenge, was introduced for Year 6 after their exams, focusing on leadership development. Activities included hosting a tea party for local elderly residents in partnership with Better Together, learning basic First Aid, and an introduction to CCF training. Year 6 also embraced the new Young Enterprise project with great enthusiasm in the last few weeks of the Summer term in which they developed their understanding of business planning and teamwork.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2025

Pastoral Care and Pupil Voice

Exceptional pastoral care is a cornerstone of an education in the King's Foundation. All our pupils are well supported to ensure they make the very best of their time at King's Worcester, developing confidence and resilience in a fast-changing world.

King's Worcester

The Lower Years have their own pastoral team and recreation area within the main campus. Thereafter, pupils are cared for in Houses and also by the Middle Years and Sixth Form dedicated staff teams. To facilitate a 'team around the child' approach, there is an on-site Health Centre staffed by qualified nurses, a counselling service that is available to all pupils and a peer mentoring scheme. The PSHE programme is an evolving spiral curriculum designed to help students develop the skills, knowledge and attributes they need to live a happy and healthy life.

PSHE at King's culminates in the Sixth Form's Life Skills programme, where students choose from option blocks that align with their interests and next steps, and a series of lectures from external speakers and in-House staff. This academic year our parent and guardian RSE consultation reflected a strong endorsement of the school's approach. The feedback gathered highlighted a high level of satisfaction with the curriculum, its delivery, and its alignment with both statutory guidance and community expectations

During the year a Pupil Welfare Co-ordinator was appointed. The creation of this new role added a non-teaching perspective to our safeguarding provision and administrative capacity to the Safeguarding Team. A new welfare space – the Bright Room – is available for pupils to access at moments of need during the school day.

Following an audit of provision across the Foundation, our Foundation Designated Mental Health Lead published the Foundation Mental Health and Well-being Strategic Development Plan. Early outcomes from this include termly Foundation-wide newsletters to parents and guardians on the topic on mental health, and a cross-Foundation pupil-facing Mental Health and Well-Being Charter

Pupil voice - listening carefully to what our pupils say and letting them help shape school life - gave rise to a number of initiatives. Pupil Voice surveys and topic specific pupil focus groups continue to inform both operational and strategic planning, with pupils being kept informed of resulting changes via 'you said, we did' feedback.

The School Council continued to flourish as a meaningful platform for student voice and leadership. Representatives from each year group met regularly throughout the academic year, working collaboratively on the theme: "Promoting an Inclusive Community at King's." A highlight of the year was a visit to the Worcester Warriors Foundation, where pupils engaged in workshops exploring inclusion, resilience and community engagement. The School Council then developed messages around inclusivity and launched their allyship toolkit to their peers.

Following a review of the Anti-Bullying Policy, the School Council recommended the production of a single page, pupil-facing version. As a result, the Anti-Bullying Charter was launched as part of our

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

marking of Anti-Bullying Week in November. This resource was framed around a model from the Anti-Bullying Alliance.

The Senior School Eco Committee was formed in September 2024 with the aim of obtaining the Green Flag status through Eco-Schools, an accolade previously achieved in both King's Hawford and King's St Alban's. The committee has focused its efforts on raising awareness of environmental action across the School with particular emphasis on waste, biodiversity and global citizenship. Their hard work over the year secured a Green Flag Award with Merit.

King's Hawford

The Form Tutor remained at the heart of our pastoral care system, always available to pupils and parents alike. Kindness and humility underpin the school's ethos. This was reflected in everyday interactions, such as our Playground Buddy scheme, and over 50 pupils serving as Pupil Parliamentarians, embodying a spirit of service and support within the community.

As in previous year, the Assistant Head Pastoral coordinated school-wide initiatives such as our King's Hawford "MAGIC", centred around the five ways to wellbeing (Mindful, Active, Generous, Interested, Connected). This is an annual focus and was delivered in different ways, but most notably throughout Children's Mental Health Week.

On a weekly basis, Friday afternoon Enrichment rotated through Sustainability and Wellbeing activities for all children to experience.

Our four Houses – Bredon, Clent, Kinver and Malvern – remained an important part of the pastoral care offering at King's Hawford. The pupils elected captains and vice-captains at the start of the academic year. Children had to give a speech to the rest of the house laying out their case which was then voted upon by their housemates.

The democratically-elected Pupil Parliament, with over 50 children participating in committees for Co-curricular, Eco, and Wellbeing, continued to empower pupil voice.

King's St Alban's

At King's St Alban's great emphasis is placed on pastoral care and the children's social and emotional development. In 2023 the school was awarded the Wellbeing Award for Schools. In 2024, a new Emotional Literacy Support Programme (ELSA) was introduced along with a dedicated ELSA room and dedicated pastoral support assistant.

Pupil Voice continued to grow in importance, with pupils regularly consulted on academic and pastoral matters. Prefects met weekly with the leadership team to share insights and to discuss their roles, and these pupils regularly presented assemblies for younger pupils on important themes such as Anti-Bullying Week and Black History Month. The School Council, made up of representatives from all forms, met at least three times each half term to discuss school life, focussing on eco matters, wellbeing and school improvement.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2025

The whole school community, including parents and grandparents, gathers several times each term in Worcester Cathedral to mark important Christian festivals including Harvest, Remembrance, Christmas and Easter.

Foundation Buildings and Facilities

2024/25 saw the completion of the Weston Sixth Form Centre and the transformation of the School House building. The range of sixth form study spaces and teaching rooms we now have, along with Careers suite and dedicated sixth form café, enhance and enrich our sixth formers' learning. A new IT suite and ELSA room were also opened at King's St Alban's.

During the year there has been considerable investment in sporting facilities which are used to benefit the health and wellbeing of our pupils and the wider community.

The refurbishment of the Swimming Pool at the King's St Alban's site was completed, including upgrades to the filtering plant and connected pipework, as well as to the inside of the pool, with a new lining and surrounding pool tiles. This has provided a much-improved swimming environment, with industry-leading technology in the filtering system which will ensure that the swimming facilities offered by King's continue to be the best they can be for years to come.

In September 2024 we announced a major development in our sports provision acquiring a prime plot of land in Battenhall, Worcester, to greatly enhance our sports facilities and increase our available playing fields throughout the year including when the River Severn is in flood. Over time these facilities will be developed and will provide additional sporting resources for local schools and clubs as well as pupils at King's. In addition, a pitch refurbishment was completed at the Cinderella Cricket Ground in St John's.

Public benefit

The King's School Worcester remains committed to providing public benefit for the wider community. In setting the Foundation's objectives and planning its activities the Governors, as charity trustees, have given careful consideration to the Charity Commission's general guidance on public benefit requirements (under the Charities Act 2011) and in particular to its supplementary public benefit guidance on advancing education and on fee-charging.

Advancing Education

Whilst the aims of the Foundation include maintaining and enhancing the academic success of its pupils, the Foundation welcomes pupils from all backgrounds and it is important that access to the education offered is not restricted to those who can afford the fees.

The Governors believe that pupils benefit from learning within a diverse community and work closely with the King's School Worcester Charitable Trust to provide bursary support for pupils. Donations to the Charitable Trust have enabled the school to keep its doors open to talented children regardless of their financial backgrounds. The Governors' policy is to award grants and bursaries on the basis of educational ability and parental means (subject to any restrictions imposed by any donor of the funds) to enable pupils to join the Foundation, or to ensure continuity of education if this would otherwise be at risk due to unforeseen hardship or temporary difficulty.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2025

The pupils who attend one of the Foundation's schools and who receive financial support contribute to the whole school community in a variety of ways, conferring benefit upon the whole institution and, in some cases, to the wider community. Financial support is provided not only through bursaries but also through the provision of scholarships, external grants, and fee concessions. The Foundation provided financial support totalling £2.1m to 496 pupils (2024: £2.3m to 510 pupils). Within this, mean tested awards ranging from 10% to 100% remission totalling £0.7m were made to 67 pupils (2024: £0.7m to 69 pupils), with further grants to assist with the cost of extra-curricular activities, equipment and school trips. Of this total number, eight pupils benefitted from 100% remission of fees, with a further 15 receiving awards equivalent to at least 75% fee remission. Included in these figures are three full bursaries granted to Ukrainian pupils in the Summer term of 2022.

Fundraising to support advancing education

The Foundation Development fundraising initiative is a long-term programme, which is the responsibility of the Alumni and Business Development Office (ABDO). The ABDO fundraises for the benefit of the Foundation through The King's School Worcester Charitable Trust (previously named the King's School Worcester Development Trust), with appropriate costs borne by the Trust. This arrangement offers greater assurance to donors about the custody of their gifts and aims to encourage a broader cross-section of the constituent members of the wider school community to engage with fund raising activities.

The Foundation has a long-term bursary fundraising strategy, the aim of which is to fulfil the original objective set by our founder, Henry VIII, of providing 40 free places at the school. This is supported by The King's School Worcester Charitable Trust which provided funding equivalent to 14.9 full fee equivalent places.

Fundraising activity during the period to 31 July 2025 has been marked by significant strategic development and strong early momentum. The quiet phase of the bursary campaign, launched in mid-2024, has already secured over £1.4 million in commitments, prompting an increase in the overall target to £2 million by 2028/29. Major commitments include a substantial gift of shares and a pledged donation linked to the sale of a company. The campaign has been underpinned by a refined fundraising strategy, which includes targeted donor segmentation, legacy planning, and the formation of a Fundraising Leadership Group to guide and support activity.

In addition to the provision of bursaries, the Governors are committed to ensuring the Foundation's activities and facilities benefit the wider community.

1. Use of Foundation Buildings and Facilities

During the year the Foundation's facilities, both on- and off-campus, were used to support local schools. They were also made available to over 50 local charities, clubs and community groups.

The refurbished swimming pool was in near constant use, hosting swimming classes for a local school and swimming, sub aqua and water polo clubs. The smaller swimming pool at King's Hawford proved an ideal venue for community mother and baby and female-only swimming classes.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

During the year, the drama and dance studio facilities in the Keyes building and the Main Theatre were well used by local theatre groups.

The Barn at King's Hawford provided a termly venue for the Worcester Local Authority SENCO meetings and Multi Academy Trust meetings. The Barn and the Forest School welcomed families supported by the Worcester County Council Deaf Support Team for Christmas and Easter parties. King's St Alban's was pleased to host weekly toddler groups in their Forest School.

On-campus sporting facilities at all three schools, both sports fields and gyms, were used by community cricket, rugby, football, badminton, netball and rounders clubs. Off campus facilities in Battenhall and St John's also supported community football and cricket clubs as well as outdoor activities for a Worcester nursery group, youth sports events and primary school partnership activities.

2. Community Activities

The Foundation provided public access to cultural, sporting and educational events, activities and productions during the year.

Sixth Formers volunteered weekly, as they do each academic year, through the Life Skills programme. Weekly visits to Cherry Orchard and St Clement's Primary Schools took place with the students undertaking gardening to maintain the children's garden, joining in arts and crafts projects with the children at lunchtime, and organising outdoor games in the playground. An annual partnership event within our community is the Fort Royal Summer Party, held at Fort Royal Community Primary School, a school for children with specialist SEND needs. Each member of the Lower Sixth is involved in planning, organising and delivering this event, with face painting, dramatised storytelling, games and ice-creams.

As part of their Sixth Form Curriculum, Sixth Formers select an award-bearing additional course, known collectively as Electives. Those who opted for the Level 3 Sports Leader Award organised and hosted a partnership event, Sports Fest, for local primary school children. In addition, weekly visits were made to The Lawns Care Home and Juniper House Care Home, where students spent time with residents, learning about their lives and sharing time together.

In January 2025, the King's Worcester Boat Club hosted the King's Indoor Rowing Championships. Over 200 participants from community rowing groups and other schools competed against each other on computer-linked indoor rowing machines.

In March 2025, King's hosted its third annual Careers Extravaganza. Open to all Worcestershire pupils in Year 6 upwards, the event attracted over 500 pupils from across the county and was free to attend. Running over two afternoons, it opened pupils' eyes to a plethora of career options and pathways across STEM, Business and Creative Industries

At King's St Alban's, Year 6 pupils hosted a tea party for local elderly residents in partnership with Better Together. During the 2024/25 the choristers from St Albans sang at five or six services each week, throughout term time with extra services and concerts at key times such as Christmas and Easter. Many thousands of residents of Worcester and far further afield would have benefited from the choristers' contribution.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

At King's Hawford, Years 3 and 4 visited Fernhill Care Home to sing carols and perform LAMDA performance pieces for residents. Their harvest festival donated over 250kg of produce to the Worcester Foodbank.

As in previous years, the Foundation ran a number of holiday and sports clubs during which welcomed children from the wider community as well as King's pupils. The holiday clubs were designed to keep children aged 4-13 years old occupied over the Christmas, Easter and Summer breaks with a range of fun and different activities each day including, swimming, arts and crafts, cookery, cricket, and much more, plus organised day trips to places such as to Attwell Farm and the Severn Valley Railway.

In addition, we ran a range of sports (rugby, hockey, football, netball and cricket) and performing arts camps over the summer holidays, specifically designed for children currently in Years 5 to 8. These camps were an incredible opportunity for children to enhance their skills while having fun with their friends over the summer holiday.

Revision classes for GCSE or IGCSE Maths and Chemistry welcomed more than 30 pupils from schools across Worcestershire. They ran over four half-days, with each session providing intensive tuition, comprehensive coverage of essential curriculum elements and practical exam strategies.

3. Working with other schools

The Foundation has a number of well-established partnerships with local maintained senior and primary schools. Activities include creative writing and reading activities, maths challenges, workshops in music and drama, swimming and other sports activities.

Pupils from our Prep Schools joined with pupils from local primary schools to take part in printmaking workshops in our Art Department, fostering creativity across the wider community.

The Foundation is a member of the Rivers Teaching Alliance, and has welcomed students from the Universities of Gloucester and Worcester, amongst others, on initial teacher training courses or PGCE programmes.

Members of staff make a significant contribution to the wider community by applying their professional skills in a variety of voluntary roles beyond the classroom. Many put their educational expertise, organisational abilities and pastoral experience to work in support of local groups, charities, clubs and community initiatives, helping to enrich opportunities for children, young people and families across the region.

Charitable Activities

Pupils within all three schools are encouraged to develop an awareness of the social context of the education they receive within the Foundation and engage in fund raising activities on behalf of a wide range of local, national and international charities.

In January, rowers from King's Worcester completed their annual charity challenge to row one million metres, raising a £7,000 for Worcestershire Breast Unit Haven and beating their fundraising target by £3,500. The challenge, in its tenth year, involved staff, pupils and former students coming together to power the indoor rowing machines over a phenomenal one million meters, the equivalent of six

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2025

hundred and twenty miles, from Friday evening and through the night to Saturday morning. The challenge also saw participants ride over seven hundred thousand metres on indoor bikes, the combined total distance to Seville, where the Easter Senior Rowing Camp was held later in the year.

The Sixth Form Charity Committee led fundraising efforts in the King's Worcester, including Green Day for Wildgoose Rural Training, a local care farm for adults and young people, World Mental Health Day for MIND and Christmas Jumper Day for local homeless charity, Magg's, and the international charity Save The Children. At Christmas, the Committee led a school-wide collection of gifts for senior citizens, which were delivered in person to two local care homes - the Lawns and Juniper House.

At King's Hawford, pupils selected their charitable causes for the year, raising over £10,000 for Project Gambia, Spinal Muscular Atrophy UK, and Redwings Horse Sanctuary.

At King's St Alban's, the Charity Committee organised food donations at Harvest and Christmas for local foodbanks, book donations to Project Gambia, and several fundraising events. A particular highlight was the Autumn term swimathon, which raised nearly £4,000 for the Royal Life Saving Society. In total, King's St Alban's raised £8,500 for 16 different charities.

FUTURE PLANS

The School's Development Plan is underpinned by the mission of our Foundation, which is to seek excellence in all we do and provide an outstanding preparation for life. Within the plan, four strategic pillars encapsulate what we focus upon to achieve excellence in all areas, with pupil success at the centre of everything we do.

Foundation is the heart of the school. It celebrates the importance of being confident in who we are as we build for the future. **Futures** outlines how we strengthen each aspect of our pupils' educational experience, so they are fully prepared and ready for the world beyond King's. **Sustainability** captures how we invest sustainably in our future from both an environmental and financial perspective. **Community and Outreach** underscores the role each of us plays in celebrating equality, inclusion, and diversity, supporting our pupils and our School through in addition to our work with the wider Worcester community.

The appointment of Ben Charles as Head of Foundation from September 2025 enables the School to further such strategic vision and intent so as to strengthen the educational offering and its underpinnings. This strategic review is underway to ensure the long-term sustainability and distinctiveness of the King's Foundation. This review is being shaped around two central pillars: a Financial Plan and a Curriculum Plan, which together will guide decision-making and refine strategic thinking.

Key areas of focus include:

- Clarifying and Communicating Our Distinctiveness: Understanding what makes King's exceptional and how we can articulate and promote this more effectively to current and prospective families.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

- Adapting to Demographic Shifts: Assessing the implications of changing demographics on pupil numbers and identifying the necessary adjustments to the cost base to remain agile and resilient.
- Diversifying Income Streams: Exploring opportunities to broaden our revenue base beyond traditional fee income.

It is acknowledged that the current cost base is too high as a percentage of fee income. This is, in part, due to the Boards' choice for the phased implementation of VAT on school fees and provide a smoother transition to higher fees for our parents, and support for our pupils so that they can maintain their education pathway. The pace at which we can rebuild investment surplus will depend on:

- Maintaining and/or managing Pupil Numbers: balancing enrolment levels with the need for any fee increases. It is acknowledged that pupil numbers will be broadly unknown until the full implementation of VAT has been enacted.
- Reducing Staff Costs as a % of Fees: through a combination of pay restraint, headcount management, and reviewing pay structures.
- Controlling Overheads: ensuring non-staff costs are tightly managed.

Any structural changes must deliver:

- A sustainable cost base aligned with pupil numbers.
- A staffing and facilities model that continues to meet the expectations of pupils and parents.

While there are multiple pathways to achieving these savings, sustainability and reputational integrity must remain at the forefront of our thinking. Decisions must be timely, but also carefully considered to avoid unintended consequences.

FINANCIAL REVIEW

Results for the year

The Independent Sector has experienced a year of seismic change as it tackles the triple headwinds caused by recent legislative changes, the single biggest impact being the change in VAT legislation from the start of January 2025. King's Worcester has had to adapt to these changes. During the 2023/24 academic year the strategic decision was taken by the governors to phase in the introduction of VAT over time, committing to parents that fees would not be increased if legislation was introduced during the 2024/25 academic year. This decision was taken to cushion the short-term financial impact on

parents and enable as many children as possible to continue to benefit from a King's education during this transition period, minimising the potential disruption of a forced change of school mid year. In addition, the Governors considered that there was a potential competitive fee advantage that would arise for a period which would help sustain pupil numbers. Modelling informed the Board that this strategy would, in the long term, result in higher pupil numbers.

In March 2024 therefore, the Governors of the King's School Worcester wrote to parents informing them that if VAT was imposed during the academic year, then fees would be reduced to allow the overall fees including VAT to remain the same (effectively not passing on VAT during the academic year 24/25). In addition, they committed to a fee increase of no greater than 10% in September 2025.

THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2025

Due to the strategic decision to delay passing VAT on fees, a significant deficit for the year was anticipated. However, the significant cost increases arising from the unexpected changes to National Insurance contributions and Pension adjustments, had a further negative impact. However, the Governors are satisfied that whilst the adjusted deficit of £2,602,000 is higher than had been expected, it remains within the range of outcomes that support the strategic plan.

The underlying results for the year was a deficit of £54,000. The impact of the three key changes in Government legislation impacting Independent Schools during the year is illustrated below:

	£'000
Underlying net deficit for the year	(54)
VAT paid in the year since 1 January 2025	(1,592)
Impact of business rate relief since 1 April 2025	(96)
National insurance increases since 1 April 2025	(97)
Adjusted net deficit for the year	(1,845)
 Pension scheme remeasurement (a)	 (763)
Net deficit for the year	(2,602)

Note (a) Until April 2020 the School operated a defined benefit scheme for support staff, through its participation in the Independent Schools Pension Scheme administered by the Pensions Trust (ISPEN). The scheme, a multi-employer scheme, provides benefits to some 61 non-associated employers. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme. A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2023. This actuarial valuation reported a total scheme deficit of £52.3m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, resulting in a remeasurement of the King's School scheme of £763,000 in the year. Further details can be found in note 23.

The net outgoing resources of the group for the year from operations were £2,604,000 (2024: outgoing resources £153,000). The net decrease in funds for the year was £2,602,000 (2024: decrease £127,000).

Reserves Level and Policy

The School's Reserves Policy is to maintain sufficient unrestricted income reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall and to rely upon its realisable general purposes fixed assets as adequate cover for the School's longer-term financial obligations, including the actuarially calculated but transient funding deficit of £1.3m on the School's defined benefit staff pension scheme that under FRS102 is accrued as a liability.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

The Governors consider that free reserves in the order of £4.0m, or approximately three months' expenditure, would be desirable to cover the risks and uncertainties of operating as an independent educational establishment. However, the Governors have actively agreed to a reduction in the free reserves in order to support the strategic decision not to pass VAT onto parents during the academic year. The Foundation ended with cash and cash equivalents of £3.8m a decrease on the 2024 balance of £6.7m. The school's unrestricted reserves are deployed as funds for part of the school's premises and equipment and at the year end free reserves represented a balance of £nil (2024: £1.1m).

The long-term policy objective is to build up reserves out of annual operating surpluses, supplemented by Foundation Development fundraising, until the target level is reached, subject to the prior demands of further capital expenditure to equip the school with the up-to-date facilities needed to maintain the standard of educational services currently provided.

The School's tangible fixed assets are all held for use by the School as disclosed in Note 10 to the financial statements. Given the specialist nature of the School's land and buildings, Governors are unable to comment on the market value of such properties and whether this is materially different from that shown in the financial statements.

Going Concern

The Foundation continues to have a good relationship with the bank as demonstrated and disclosed in note 15 on the 28 January 2026 a six-month capital repayment holiday, amounting to £252,000, was agreed on all bank loans apart from the £1.5m loan drawn in September 2024. There are no changes to margin rates, the maturity dates of all loans have been extended by 6 months. In addition on the 9 February 2026 the School entered into an agreement to borrow £680,000 from the King's School Worcester Charitable Trust on arm's length terms.

Having reviewed the funding facilities available to the School from the bank, and the King's School Worcester Charitable Trust, together with the expected ongoing demand for places, the continued strategic management of the School's cost basis and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future within the banking facilities available, particularly in reference to the statement under Risk Management as set out in the Governors' report.

The Governors consider that there are no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 32.

Investment policy, objectives and performance

The investments currently held by the charity are not material. They are, for the most part, invested through CCLA Management Limited in either COIF charity funds or CBF Church of England Funds, and no formal investment performance review is considered necessary.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2025

Streamlined Energy and Carbon Reporting (SECR) Disclosure

a. Emissions Summary

The SECR disclosure presents our carbon footprint emissions; an appropriate intensity metric; the total energy use of electricity, gas and transport fuel; and an energy efficiency actions summary.

Energy consumption used to calculate emissions (kWh)	4,721,354
Emissions from consumption of gas (Scope 1) tCO ₂ e	641
Emissions from combustion of fuel for transport purposes (Scope 1) tCO ₂ e	61
Emissions from the generation of bioenergy (Scope 1) tCO ₂ e	1
Emissions from combustion of oil for heating purposes (Scope 1) tCO ₂ e	54
Emissions from purchased electricity (Scope 2, location based) tCO ₂ e	197
Emissions from business travel in employee owned vehicles (Scope 3) tCO ₂ e	1
Emissions from consumption of bioenergy (Out of Scope) tCO ₂ e	26
Total Gross tCO ₂ e based on above	982
Intensity Ratio (tCO ₂ e/total pupils)	0.7660

SECR Methodology notes

Reporting period	1 st August 2024 to 31 st July 2025
Boundary (consolidation approach)	Operational approach
Alignment with financial reporting	SECR disclosure is prepared in line with King's School annual accounts made up to 31 st July 2025
Emission and conversion factor source	UK Government GHG Conversion Factors for Company Reporting
Calculation method	Activity data x Emission Factor = GHG emissions Activity data x Conversion factor = kWh consumption
Rounding	The results in the table are expressed in tons CO ₂ and may not add up precisely due to rounding
Other relevant information	Diesel, petrol and EV split not available for business mileage, therefore factor for "Unknown" used from conversion table
Reason for intensity metric choice	King's School is an independent day school, therefore, the appropriate intensity metric is pupil numbers

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2025

b. Energy Efficiency Action Summary

The School continues to achieve direct savings in energy and associated carbon emissions, by placing sustainability at the heart of its strategy, and delivering through business as usual tasks and new projects.

- A phased programme to replace existing lighting with energy efficient LED lighting continues.
- New buildings and refurbishments use natural ventilation, and where possible, Part L BC standards are applied to old buildings to increase thermal efficiency.
- The Keyes Building and Boathouse at the senior school use bio-mass boilers. Alternate renewable sources are being looked at across the Foundation.
- The School has registered an interest in the council's scheme to assess the feasibility of a river source heat pump based city-wide heat network
- Oil is being phased out at King's Hawford with high efficiency gas boilers (hydrogen-ready) adopted as the replacements.
- Building management systems have been extended throughout the Foundation to reduce energy costs.
- Sensor controlled lighting is installed in new buildings and refurbishments.
- A programme is in place to replace all single glazed windows with energy efficient double-glazed units. Two elevations of King's Hawford Main house were replaced during 2022/2023 and parts of King's St Alban's during the summer break 2024. Phase one of the new sixth form centre project at the senior school included replacement of the majority of windows in School House with triple glazed units.
- The school continues to look at replacing boilers with more energy efficient units.
- The School is currently investigating opportunities to expand solar power across the estate
- Waterless urinals will be rolled out across the Foundation as a water-saving measure.
- The school transport network has continued to increase by 50% year on year. As at September 2025, we now transport 135 pupils to and from school in minibuses or coaches reducing the need for household cars to enter the city.

RISK MANAGEMENT

The Board of Governors is responsible for the management of the risks faced by the charity. Risks are identified, assessed, and controlled throughout the year. The School employs a Health and Safety adviser and engages professional advisers as required.

A formal review of the charity's Risk Register is undertaken by the Foundation Leadership Team and the Board on a termly basis.

The key controls used by the school to minimise and manage risk include:

- Formal agendas for all Committee and Board meetings.
- Advance circulation of detailed briefing papers prior to Committee and Board meetings.
- Comprehensive strategic planning, budgeting, and cash flow forecasting.
- Established organisational structure and lines of reporting.
- Formal written policies and procedures.
- Vetting procedures as required by law for the protection of the vulnerable.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2025

The Governors have reviewed and endorsed the Risk Register as a summary of the principal areas of the Schools' operations and the major risks faced in each of these areas, examples of which include:

- Parents' ability to pay fees during times of economic uncertainty, and with the added impact of VAT on school fees.
- The effect of legislative changes relating to compliance, staff costs including the employers' pension provision, and charitable status.
- The impact of demographic changes and the development and expansion of local schools upon pupil numbers.
- Income source dependency from over reliance on fee income.

Considering the ongoing economic uncertainty which has come with the current cost of living crisis we well as a changing legislative environment with the election of a new Government, the Governors have reviewed the School's cash flow for the next eighteen months and have considered a number of scenarios and consider that the School has sufficient funds to manage the cash position during this period.

In the opinion of the Governors, the resources and management processes within the School's should, under normal conditions, allow these risks to be mitigated to an acceptable level in their day-to-day operations. The Governors are mindful of the forever changing landscape and continue to monitor the cost-of-living crisis and the changing political environment and its impact on the School. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governors (who are also the directors of The King's School Worcester for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Under company law the Governors are required to prepare financial statements for each financial year. The Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure of the charitable group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments 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 KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2025**

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group, enabling them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charitable company and the group and for taking reasonable steps for the prevention and detection of fraud.

DISCLOSURE OF INFORMATION TO AUDITOR

In so far as each of the Directors of the charitable company, as members of the Governing Body, at the date of approval of this report is aware, there is no relevant audit information (information needed by the school's auditor in connection with preparing the audit report) of which the school's and group auditor is unaware. Each member of the Governing Body has taken all the steps that ought to be taken as a Governor in order to make themselves aware of any relevant audit information and to establish that the school's auditor is aware of that information.

AUDITOR

The Board of Governors has decided to recommend Crowe UK LLP for re-appointment as statutory auditor to the company. Crowe UK LLP have expressed their willingness to continue to act and a resolution proposing their re-appointment will be submitted to the forthcoming Annual General Meeting.

This Governors' Annual Report, prepared under the Charities Act 2011 and Companies Act 2006, was approved by the Board of Governors of The King's School Worcester on 27 March 2026 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Mrs P Preston
Chair of Governors

**THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER**

Opinion

We have audited the financial statements of The King's School Worcester ('the charitable company') and its subsidiaries ('the group') for the year ended 31 July 2025 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the 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 July 2025 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;*
- *have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and*
- *have been prepared in accordance with the requirements of the Companies Act 2006*

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the governor's 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 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 governors with respect to going concern are described in the relevant sections of this report.

Other information

The governors 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.

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

**THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER**

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 governors' 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 governors' 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 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 governors' report.

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

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

Responsibilities of governors

As explained more fully in the governors' responsibilities statement, the governors (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 governors 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 governors 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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

THE KING'S SCHOOL WORCESTER

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KING'S SCHOOL WORCESTER

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 operate, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including financial reporting legislation and the Charity 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 necessary to the group's ability to operate or to avoid a material penalty. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors 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 with the completeness and accuracy of scholarships, bursaries, and other free remissions, as well as the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, the Director of Finance and Business Development and the Finance & General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, designing audit procedures over non-fee income, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

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.

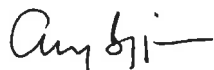
In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect 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

**THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER**

an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



*Guy Biggin
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
4th Floor, St James House
St James' Square
Cheltenham
GL50 3PR*

Date: 01 April 2026

THE KING'S SCHOOL WORCESTER
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2025

		<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowed Funds</i>	<i>2025 Total</i>	<i>2024 Total</i>
	Note	£'000	£'000	£'000	£'000	£'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	18,154	-	-	18,154	19,011
Ancillary trading income	3	1,799	-	-	1,799	1,069
Other trading activities						
Non-ancillary trading income	4	317	-	-	317	270
Other activities	4	34	-	-	34	30
Investments						
Interest and investment income	5	207	3	1	211	188
Voluntary sources						
Grants and donations	6	17	266	-	283	231
Total incoming resources		20,528	269	1	20,798	20,799
Expenditure on:						
Raising funds						
Non-ancillary trading	7	118	-	-	118	167
Financing costs	8	327	-	-	327	200
Fundraising and development	7	157	-	-	157	149
Total		602	-	-	602	516
Charitable activities						
Education and grant making	7	21,771	266	-	22,037	20,413
Pension scheme re-measurement of the estimate of past service costs	23	763	-	-	763	23
Total expenditure		23,136	266	-	23,402	20,952
Net incoming funds from operations before transfers & investment gains		(2,608)	3	1	(2,604)	(153)
Gains on investments	11	1	1	-	2	26
Net (deficit)/surplus		(2,607)	4	1	(2,602)	(127)
Transfers between funds	22	99	(99)	-	-	-
Net movement in funds for the year		(2,508)	(95)	1	(2,602)	(127)
Fund balances brought forward at 1 August 2024		23,440	371	63	23,874	24,001
Fund balances carried forward at 31 July 2025	22	20,932	276	64	21,272	23,874

The notes on pages 42 to 67 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2025

	2025	2024
	Unrestricted and Restricted Funds	<i>Unrestricted and Restricted Funds</i>
	Total	Total
	£'000	£'000
INCOME FROM:		
Charitable activities		
School fees	18,154	19,011
Ancillary trading	1,799	1,069
Other trading activities		
Fundraising trading	317	270
Other income	34	30
Investments		
Dividends, bank and other interest	211	188
Voluntary sources		
Grants and donations	-Unrestricted 17	17
	-Restricted 266	214
Total income	20,798	20,799
Expenditure on:		
Raising funds		
Trading costs	118	167
Financing costs	327	200
Development costs	157	149
Charitable activities		
Education and grant-making	22,057	20,413
Pension scheme re-measurement	763	23
Total expenditure	23,402	20,952
Net funds before investment gains and inter-fund transfers	(2,604)	(153)
Net investment gains for the year	2	26
Net (deficit) for the year	(2,602)	(127)

The above Summary Income and Expenditure Account represents the total unrestricted and restricted income and expenditure as shown in the consolidated Statement of Financial Activities on page 38 and its presentation is required under the Companies Act 2006.

The notes on pages 42 to 67 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
CONSOLIDATED AND SCHOOL BALANCE SHEETS
AS AT 31 JULY 2025

Company Registered No:
04776324

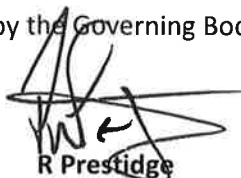
04776324		Consolidated		School	
		2025	2024	2025	2024
	Notes	£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	10	23,418	23,917	23,418	23,917
Securities investments	11	331	329	331	329
		23,749	24,246	23,749	24,246
CURRENT ASSETS					
Stock		-	1	-	1
Debtors	12	2,144	615	2,313	701
Cash and deposits		3,830	6,659	3,632	6,544
		5,974	7,275	5,945	7,246
CURRENT LIABILITIES					
Creditors payable within one year	13	(3,534)	(3,825)	(3,518)	(3,807)
		2,440	3,450	2,427	3,439
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES					
		26,189	27,696	26,176	27,685
LONG TERM LIABILITIES					
Creditors payable after one year	14	(3,610)	(3,223)	(3,610)	(3,223)
Pension Scheme funding deficit	23	(1,307)	(599)	(1,307)	(599)
		21,272	23,874	21,259	23,863
REPRESENTED BY:					
ENDOWED FUNDS	22	64	63	64	63
RESTRICTED FUNDS	22	276	371	276	371
UNRESTRICTED FUNDS					
General reserve	22	20,932	23,440	20,919	23,429
		21,272	23,874	21,259	23,863

The net movement in funds for the school in the year is a deficit of £2,605,000 (2024: deficit £134,000).

These financial statements were approved by the Governing Body on 27 March 2026 and were signed on its behalf by



P Preston
Chair of Governors



R Prestidge
Chair of the Finance and General Purposes Committee

The notes on pages 42 to 67 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2025

		2025		2024	
	Note	£'000	£'000	£'000	£'000
Net cash (outflow)/ inflow from operations					
Net cash provided by operating activities	25		(3,478)		3,638
Cash flows from investing activities:					
Payments for tangible fixed assets			(389)	(2,730)	
Proceeds on sale of fixed assets			-	-	
Investment income and bank interest received			211	188	
Net cash (used in) investing activities			(178)		(2,542)
Cash flows from financing activities:					
Loan advances			1,748	-	
Loan repayments			(537)	(599)	
Pension deficit payments			(81)	(79)	
Finance costs paid			(301)	(167)	
Net cash generated/(used) by financing activities			829		(845)
Change in cash and cash equivalents in the reporting period			(2,829)		251
Cash and cash equivalents at 1 August 2024			6,659		6,408
Cash and cash equivalents at 31 July 2025	25		3,830		6,659

The notes on pages 42 to 67 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

1. ACCOUNTING POLICIES

Charity information

The school is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 23 May 2003 (company number: 04776324) and registered as a charity (with charity number: 1098236), the registered office address being 5 College Green, Worcester, WR1 2LL.

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

The financial statements are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The financial statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the school and its wholly owned subsidiaries King's School Worcester Activities Limited and KSW Enterprises Limited. The net movement in funds for the year of the group was a deficit of £2,602,000 for the year ended 31 July 2025 (2024: deficit £127,000).

No separate Statement of Financial Activities has been presented for the school alone, as permitted by Section 408 of the Companies Act 2006. The net results of the school are disclosed within the Balance Sheet.

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

Going concern

The Foundation continues to have a good relationship with the bank as demonstrated and disclosed in note 15 on the 28 January 2026 a six-month capital repayment holiday, amounting to £252,000, was agreed on all bank loans apart from the £1.5m loan drawn in September 2024. There are no changes to margin rates, the maturity dates of all loans have been extended by 6 months. In addition on the 9 February 2026 the School entered into an agreement to borrow £680,000 from the King's School Worcester Charitable Trust on arm's length terms.

Having reviewed the funding facilities available to the school from the bank, and the King's School Worcester Charitable Trust, together with the expected ongoing demand for places, the continued strategic management of the schools cost basis and the school's future projected cash flows, the Governors have a reasonable expectation that the school has adequate resources to continue its activities for the foreseeable future within the banking facilities available, particularly in reference to the statement under Risk Management as set out in the Governors' report.

The Governors consider that there are no material uncertainties over the school's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 32.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the school's financial statements.

1.1 Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the school against those fees (excluding VAT), but including contributions received from restricted funds, are accounted for in the period in which the service is provided. Allowances for non-recovery of fees receivable are calculated annual based on the age and type of balance and a percentage provision is made accordingly.

1.2 Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates.

1.3 Non-ancillary trading income

Income comprises the value of sales (excluding VAT and similar taxes and trade discounts) of goods and services made by the school's trading subsidiaries in the normal course of business.

1.4 Donations, legacies, grants and other voluntary incoming resources

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the school is considered probable.

Voluntary income for the school's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the school in the case of donated services or facilities.

1.5 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year,

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the school and its subsidiaries are excluded from consolidated trading income and expenditure.

Redundancy and termination costs only occur where absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy or terminate an employee's contract has been made.

1.6 Tangible fixed assets

Buildings erected before 1947 are not included in these financial statements. There is no expenditure incurred in the improvement of these properties capitalised in the financial statements as all amounts of expenditure were of a revenue nature.

Fixtures, fittings, equipment purchased for direct use with pupils (academic and extra-curricular) and ICT equipment costs are written off as an expense as acquired. Expenditure on the acquisition of land, construction of new buildings, motor vehicles and other non-ICT assets intended to be used for more than two years are capitalised on acquisition and depreciated over their estimated useful life. ICT equipment used to support the school's systems infrastructure is capitalised on acquisition and depreciated over their estimated useful life.

Other expenditure on equipment incurred in the normal day-to-day running of the school and its subsidiaries is charged to the Statement of Financial Activities as incurred.

1.7 Depreciation

Depreciation is provided on all tangible fixed assets on a straight-line basis at rates calculated to write off the cost of the assets over its estimated useful life as follows:

Freehold and long leasehold buildings	- over 40 years (or the lease term if shorter)
Freehold and leasehold buildings repairs and refurbishment	– over 5 to 10 years
Fixtures, fittings and equipment	- over 3 to 10 years
Motor vehicles	- over 5 years
ICT Equipment	- over 5 to 10 years (or lease term is shorter)
Assets in the course of construction	- not depreciated

1.8 Investments

Investment assets are carried at their market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

1.9 Stock

Stock is carried at the lower of cost and net realisable value.

1.10 Fund accounting

The charitable trust funds of the school and its subsidiaries are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

Unrestricted income belongs to the school's corporate reserves, spendable at the discretion of the Governors either to further the School's Objects or to benefit the school itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

The endowed funds comprise a number of individual trust funds established by specific donors, the capital of which may not be expended.

Restricted income comprises gifts, legacies, and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

1.11 Pension costs

Retirement benefits to employees of the school are provided through two pension schemes, one defined benefit and one defined contribution. The pension costs charged in the Statement of Financial Activities are determined as follows:

- (a) The Teachers' Pension Scheme - This scheme is an unfunded multi-employer defined benefit pension scheme. It is not possible to identify the school's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The school's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.
- (b) The King's School Worcester Personal Pension Plan - Two defined contribution group personal pension plan are in operation one with The Pensions Trust and one with AVIVA. Employer's pensions costs are charged in the period in which the salaries to which they relate are payable.
- (c) The Support Staff Pension Scheme administered by The Pensions Trust. This is an occupational defined benefit scheme. The Independent Schools' Pension Scheme (ISPEN) is a multi-employer scheme. As such it is not possible in the normal course of events to identify the share of the underlying assets belonging to the individual participating employers, and accordingly, in accordance with section 28 of FRS 102 it is accounted for as a defined contributions scheme with contributions being recorded as they become payable. A liability is recognised on the balance sheet however equal to the present value of contributions payable under the agreement to fund a deficit. The present value is calculated using the discount rate of 4.7% (2024: 4.60%) the discount rate used is based on the assumptions provided by The Pensions Trust. The unwinding of the discount rate is recognised as a finance cost.

1.12 Operating leases

Rentals under operating leases are charged on a straight-line 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.

1.13 Finance leases

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Company.

Assets held under finance leases are recognised initially at the fair value of the leased asset or, if lower, the present value of the minimum lease payments at the inception of the lease. The corresponding liability is included in the balance sheet as obligations under finance leases within creditors. Lease

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

payments are apportioned between finance charges and reduction of the lease liability using the effective interest method to achieve a constant rate of interest on the remaining balance of the liability.

1.13 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors and accrued income. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except fees in advance, social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

1.14 Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value. The school has a base rate cap contract in place to cap the exposure to interest rate movements. The movement in the fair value of the derivative instrument is recorded with financing costs. Hedge accounting has not been applied.

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE

	2025	<i>2024</i>
	£'000	<i>£'000</i>
Fees receivable consist of:		
School fees	20,028	<i>21,119</i>
Less: total bursaries, grants, scholarships and allowances	(2,153)	<i>(2,346)</i>
	17,875	<i>18,773</i>
Add back: Bursaries and other awards paid for by restricted funds	266	<i>209</i>
Add back: Fee remission under salary sacrifice scheme	13	<i>29</i>
	18,154	<i>19,011</i>

Scholarships, bursaries and other remission awards were paid to 496 pupils (2024: 510). Within this means tested bursaries totalling £656,520 were paid to 67 pupils (2024: £695,938 to 69 pupils).

3. CHARITABLE ACTIVITIES – ANCILLARY TRADING INCOME

	2025	<i>2024</i>
	£'000	<i>£'000</i>
Pupils' extras charges	1,596	<i>875</i>
Registration fees	16	<i>15</i>
Break service	28	<i>22</i>
Holiday clubs	150	<i>141</i>
Training income	4	<i>1</i>

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

Letting of property	5	15
	<u>1,799</u>	<u>1,069</u>

4. OTHER TRADING ACTIVITIES

	2025 £'000	2024 £'000
Non-ancillary trading income		
King's School Worcester Activities Ltd	306	258
KSW Enterprises Ltd	11	12
	<u>317</u>	<u>270</u>

	2025 £'000	2024 £'000
Other activities		
Late payment administration charges	-	1
Renewable energy and other income	34	29
	<u>34</u>	<u>30</u>

5. BANK INTEREST AND INVESTMENT INCOME

	Unrestricted £'000	Restricted £'000	Endowed £'000	2025 £'000	2024 £'000
Investment Income:					
Equities	3	3	1	7	6
	<u>204</u>	<u>-</u>	<u>-</u>	<u>204</u>	<u>182</u>

6. GRANTS AND DONATIONS RECEIVABLE

	Unrestricted £'000	Restricted £'000	Endowed £'000	2025 £'000	2024 £'000
Received from King's School Worcester Charitable Trust for:					
Bursaries	-	266	-	266	209

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

Other donations	17	-	-	17	22
	17	266	-	283	231

7. ANALYSIS OF EXPENDITURE

a) Expenditure

	Staff costs (note 9) £'000	Deprec'n (note 10) £'000	Other £'000	Total 2025 £'000	<i>Total 2024 £'000</i>
Costs of generating funds					
Trading costs	-	-	118	118	167
Cost of other activities					
Financing costs (note 8)	-	-	327	327	200
Foundation Development costs	137	-	20	157	149
Total costs of generating funds	137	-	465	602	516
Charitable expenditure					
<i>Education and grant making</i>					
Teaching	11,633	117	3,114	14,864	13,173
Welfare	693	4	549	1,246	1,191
Premises	796	1,013	1,635	3,444	3,585
Support costs and governance	1,691	-	526	2,217	2,250
Grants, awards and prizes (note 7b)	-	-	266	266	214
Total charitable expenditure	14,813	1,134	6,090	22,037	20,413
Total expended	14,950	1,134	6,555	22,639	20,929

The above analysis excludes the non-operating pension remeasurement of £763,000 (2024: £23,000) which is further explained in note 23.

b) Grants awards and prizes

	2025 £'000	<i>2024 £'000</i>
From Restricted Funds:		
Bursaries	266	209
Other grants and awards	-	5
	266	214

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

c) Governance included in support costs:

	2025	<i>2024</i>
	£'000	<i>£'000</i>
Remuneration paid to auditor for audit services	22	<i>27</i>
Reimbursement of personal expenses to Governors – travel costs	1	<i>-</i>
	23	<i>27</i>

Travel expenses were claimed by 3 member (2024: 1) of the Governing body. No Governor received any remuneration during the year ended 31 July 2025 (2024: nil) and no retirement benefits are accruing.

In addition to the above audit remuneration the financial statements include amounts payable to the auditor in respect of taxation and Teachers' Pension compliance services and advice totalling £1,344 (2024: £1,254) and amounts payable to the auditor for VAT consultancy services of £3,000 (2024: nil).

8. FINANCE AND OTHER COSTS

	2025	<i>2024</i>
	£'000	<i>£'000</i>
Fees in advance financing cost	59	<i>23</i>
Loan financing cost	150	<i>92</i>
Finance lease interest	20	<i>10</i>
Impairment losses charged to financial assets	63	<i>18</i>
Derivative financial instruments gains	9	<i>24</i>
Pension Scheme financing cost	26	<i>33</i>
	327	<i>200</i>

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

9. STAFF COSTS

The aggregate payroll costs for the year were as follows:

	2025	<i>2024</i>
	£'000	<i>£'000</i>
Wages and salaries	10,958	<i>10,120</i>
Social Security costs	1,178	<i>971</i>
Pension cost	2,132	<i>1,837</i>
	14,268	<i>12,928</i>
Staff non-salary benefits	70	<i>71</i>
Contract catering and agency staff costs	559	<i>519</i>
Apprenticeship levy	40	<i>35</i>
Fee Remission under Salary Sacrifice scheme and benefits	13	<i>29</i>
	14,950	<i>13,582</i>
Aggregate employee benefits of key management personnel:	1,141	<i>1,009</i>
	2025	<i>2024</i>
Number of higher paid employees in bands of:		
£60,000 to £70,000	-	<i>3</i>
£70,001 to £80,000	1	<i>3</i>
£80,001 to £90,000	4	<i>3</i>
£90,001 to £100,000	2	
£100,0001 to £110,000	1	<i>-</i>
£140,001 to £150,000	1	<i>1</i>
	2025	<i>2024</i>
The number of staff with retirement benefits accruing:		
in Defined Contribution schemes was	168	<i>146</i>
of which the contributions amounted to	£360,631	<i>£251,298</i>
in Defined Benefit schemes was	134	<i>146</i>

The average number of staff employed during the year was 355 (2024: 371).

The average number of full-time equivalent staff during the year was:

	2025	<i>2024</i>
Teaching	188.1	<i>194.0</i>
Domestic	3.6	<i>3.8</i>
Premises	24.9	<i>23.4</i>
Administration	39.3	<i>38.8</i>
Fundraising	3.4	<i>3.0</i>
	259.3	<i>263.0</i>

During the year redundancy and termination payments (or otherwise relating to compromise agreements) were due of £55,000 (2024: £22,469). The amounts outstanding at the year end were £nil (2024: £ nil).

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

10. TANGIBLE FIXED ASSETS

Group and School	Freehold Property £'000	Long leasehold property £'000	Assets in course of construction £'000	Fixtures, fittings & equip't £'000	Motor Vehicles £'000	IT £'000	Total £'000
Cost							
At 1 August 2024	35,204	3,874	1,604	1,414	326	260	42,682
Additions	142	-	844	76	113	230	1,405
CGS Adjustment	(770)	-	-	-	-	-	(770)
Disposals	(6)	(117)	-	-	-	-	(123)
Transfers	2,024	339	(2,439)	76	-	-	-
At 31 July 2025	36,594	4,096	9	1,566	439	490	43,194
Depreciation							
At 1 August 2024	13,983	3,753	-	757	224	48	18,765
Charge for year	811	84	-	97	52	90	1,134
Transfers	(6)	6	-	-	-	-	-
Disposals	(6)	(117)	-	-	-	-	(123)
At 31 July 2025	14,782	3,726	-	854	276	138	19,776
Net book value							
At 1 August 2024	21,161	181	1,604	657	102	212	23,917
At 31 July 2025	21,812	370	9	712	163	352	23,418

The school has a number of long-held historic assets, which are used in the course of the school's educational activities in accordance with the Charity Commissioners Approved Scheme (under which transfer of a major interest in such property by the school would require the consent of the charity Commission). These comprise listed buildings on the school site together with manuscripts and other artefacts within the school archive. Given the age, nature and restricted use of the buildings and the unique nature of other archive items, reliable historical cost information is not available for these assets and could not be obtained except at disproportionate expense. However, in the opinion of the Governors the depreciated historical cost of these assets would now be immaterial.

Capital Commitments

	Group and School	
	2025	2024
	£'000	£'000
Future capital expenditure		
Authorised and contracted for but not yet completed	479	662

Capital Commitments

The school has been granted an option to purchase the freehold interest of one of its leasehold properties, exercisable at a future date and has security of tenure until that date. In respect of the same property, the school has granted the lessor, (and successors in title), an option to require the school to purchase the freehold interest on the death of the lessor or if the lease is forfeited. In the

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

event that either option is exercised the purchase price of the freehold interest will be based upon a valuation of the property on the date of the exercise of the option.

Tangible fixed assets include two properties with a net book value of £4.9m (2024: £5.1m) which are charged as security for a proportion of the school's bank loans. Tangible fixed assets include assets with a net book value of £345k (2024: £140k) which are secured under finance leases.

11. INVESTMENTS

Group and School	Unrestricted £'000	Restricted £'000	Endowed £'000	Total £'000
Equity investments				
At 1 August 2024	180	110	39	329
Unrealised gains in year	1	1	-	2
At 31 July 2025	181	111	39	331

All investments are listed on the UK stock exchange and are held by the school.

Subsidiary undertakings

By virtue of common control King's School Worcester Activities Limited (Company No: 01472145), a company limited by guarantee and registered in England and Wales, is recognised as a wholly owned subsidiary undertaking of the school. KSW Enterprises Limited (Company No: 07141348) is a company registered in England with an issue share capital of £1, which is wholly owned by the school. The results of these subsidiaries are reported in note 24 to the financial statements.

12. DEBTORS

	Group		School	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Fees and extras receivable	666	103	666	103
Trade debtors	33	32	-	-
Due from subsidiary companies	-	-	202	119
Derivative financial instruments	1	10	1	10
Sundry debtors	21	35	24	34
Prepayments and accrued income	618	435	615	435
Taxation	805	-	805	-
	2,144	615	2,202	701

All debtors are due within one year. Fees and extras receivable are stated after a provision for impairment losses of £203,022 (2024: £162,707)

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

13. CREDITORS: amounts falling due within one year

	Group		School	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bank loan (note 15)	504	<i>494</i>	504	<i>494</i>
Finance lease creditor (note 16)	109	<i>41</i>	109	<i>41</i>
Trade creditors	638	<i>289</i>	637	<i>287</i>
Registration deposits	230	<i>229</i>	230	<i>229</i>
Taxation and social security	298	<i>232</i>	292	<i>232</i>
Due to subsidiary companies	-	-	-	-
Other creditors	308	<i>429</i>	306	<i>429</i>
Fees in advance scheme (note 17)	1,072	<i>1,385</i>	1,072	<i>1,385</i>
Accruals and deferred income	375	<i>726</i>	368	<i>710</i>
	3,534	<i>3,825</i>	3,518	<i>3,807</i>

14. CREDITORS: amounts falling due after more than one year

	Group		School	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bank loan (note 15)	2,255	<i>1,238</i>	2,255	<i>1,238</i>
Finance lease creditor (note 16)	206	<i>91</i>	206	<i>91</i>
Fees in advance scheme (note 17)	1,149	<i>1,894</i>	1,149	<i>1,894</i>
	3,610	<i>3,223</i>	3,610	<i>3,223</i>

15. BANK LOANS

	Group and School	
	2025	2024
	£'000	£'000
The bank loans are repayable by instalments:		
Due after more than 5 years	1,187	-
Due within 2 – 5 years	1,068	<i>1,238</i>
Due after more than one year	2,255	<i>1,238</i>
Due within 1 year	504	<i>494</i>
	2,759	<i>1,732</i>

The bank loans are secured by way of a fixed charge dated 4 September 2009 over two of the company's freehold properties (the site known as King's Hawford and the new pre-preparatory school located at Mill Street Worcester). The loans are repayable over a period of up to 20 years from July

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

2009, 13 years from June 2014, 15 years from January 2016 and 15 years from September 2024. The loans are a mixture of variable rate borrowings at interest rates ranging from 1.20% to 1.31% above Bank of England base rate, and fixed rate borrowing including the CBIL loan at a fixed rate of 1.96% repayable over 5 years from August 2021 and a new loan of £1.5m drawn in September 2024, repayable over 15 years with an initial 4 year fixed period at 6.09%.

A base rate cap has been put in place covering £537,418 of the bank loans capping interest at 3.7%, see note 18.

On the 28 January 2026 a six month capital repayment holiday, amounting to £252,000, was agreed on all bank loans apart from the £1.5m loan drawn in September 2024. There are no changes to margin rates, the maturity dates of all loans have been extended by 6 months.

16. FINANCE LEASES

The future minimum lease payments are as follows:

	Group and School	
	2025	2024
	£'000	£'000
Not later than one year	123	49
Later than one year and not later than five years	217	98
	340	147
Future finance charges	(25)	(15)
Net obligations under finance leases	315	132

The finance leases are for IT equipment which is being acquired under a finance lease over a period of 4 years. The assets are recognised as tangible fixed assets.

17. FEES IN ADVANCE SCHEME

Parents may enter into a contract to pay to the school tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the school advance fees will be applied as follows:

	Group and School	
	2025	2024
	£'000	£'000
Within 2 - 5 years	366	1,010
Within 1-2 years	783	884
After more than one year	1,149	1,894
Within 1 year	1,072	1,385
	2,221	3,279

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

Summary of movements in liability

	£'000
Balance at 1 August 2024	3,279
New contracts	500
Contracts retired	(54)
Amounts accrued to contracts as debt financing cost	(17)
Amount charged to expenditure as finance cost	59
Amounts used to pay fees	(1,546)
Balance at 31 July 2025	2,221

18. FINANCIAL INSTRUMENTS

	Group and School	
	2025	<i>2024</i>
	£'000	<i>£'000</i>
Financial assets measured at fair value	331	<i>329</i>

Financial assets held at fair value include assets held as investments.

Impairment losses charged to financial assets measured at amortised cost in the year amounted to £63,000 (2024: £18,000).

The school has entered into a base rate cap contract to mitigate the risk of rising interest rates.

At the 31 July 2025 the school had the following outstanding contracts:

	Group and School	
	2025	<i>2024</i>
	£'000	<i>£'000</i>
Within 1 year	1	<i>10</i>
	1	<i>10</i>

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

19. OPERATING LEASES

Commitments

The total remaining operating lease commitment in respect of the unexpired period of current operating leases is as follows:

Group and School	2025			2024		
	Land and buildings £'000	Other £'000	Total £'000	<i>Land and buildings £'000</i>	<i>Other £'000</i>	<i>Total £'000</i>
On leases						
Within 1 year	130	89	219	114	51	165
Between 1-2 years	130	78	208	114	30	144
Between 2-5 years	308	101	409	333	71	404
After 5 years	1,310	-	1,310	944	-	944
	1,878	268	2,146	1,505	152	1,657

Charge for the year

The amounts payable under operating leases and charged as expenditure during the year are as follows:

Group and School	2025 £'000	2024 £'000
Leases in respect of:		
Land and buildings	147	113
Plant and equipment	102	60
	249	173

THE KING'S SCHOOL WORCESTER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

20. FUNDS OF THE SCHOOL

The school's funds are analysed under the following headings.

a) Endowed Funds

The endowed fund comprises an individual trust set up by an individual donor to support specific scholarships. A distinguishing feature of the special trust is the donor's express requirement or implicit intention that the funds shall not be spent immediately but should be retained. The trust is not pooled for investment and is credited with the relevant investment income and bears its own expenses.

The Dean Forrest Fund	to support a scholarship, with preference for former choristers intending to take Holy Orders or who are sons of clergy.
-----------------------	--

b) Restricted Funds

Over a number of years, the school has received donations where the donors have placed restrictions on the uses to which the gifts may be put. The Funds thus restricted under charity law, and which are partly invested in separate investment securities and partly in the school's pooled deposits, are:

The Canon Catley Scholarship and Bursary Fund	to provide bursaries to pupils.
---	---------------------------------

The Specific Small School Projects Fund	to provide resources for specific named projects and pupils.
---	--

The Annual Fund	donations solicited from parents of pupils each year to be expended in the short term upon a range of additional pupil resources.
-----------------	---

The Reeves Maths Prize Fund	to award prizes for excellence in mathematics.
-----------------------------	--

The Astro turf Fund	to provide resources for the future resurfacing of the pitch.
---------------------	---

The M Stevens Fund	to provide bursaries in respect of the cost of trips and extracurricular activities.
--------------------	--

The Foundation Development Funds represent donations received from external donors through the charity The King's School Worcester Charitable Trust charity where the sums received are for specific purposes but where there is no requirement to preserve capital. Expenditure directly financed by such donations is shown under restricted funds.

The Foundation Development Bursary Fund	to provide bursary support to pupils
---	--------------------------------------

The Keyes Building	to provide a contribution to the total capital cost (circa £9m) of the new building
--------------------	---

The Foundation Development Sundry Special funds	represent funds received to support a number of small projects the balances on each individual fund being below £10,000
---	---

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

Foundation Development Sundry Special funds

At 31 July 2025 these were:

	£
Annual Fund	8,640
M Stevens Fund	8,101
	<u>16,741</u>

Donations received through the Foundation Development Office for the general benefit of the school without any restriction are accumulated within unrestricted funds.

Although expenses may be apportioned across all the individual funds arising as a result of the fund-raising activities of the Foundation Development Office this policy has not been adopted in order that the financial statements give a clear indication of the total value of donations made to specific projects.

c) Unrestricted Funds

Unrestricted funds represent accumulated income from the school's activities and other sources and are available for the general purposes of the school.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2025	Unrestricted £'000	Restricted £'000	Endowed £' 000	Total £'000
Tangible fixed assets	23,418	-	-	23,418
Investments- securities	181	111	39	331
Net current assets	2,250	165	25	2,440
Long term liabilities	(4,917)	-	-	(4,917)
	20,932	276	64	21,272
2024	Unrestricted £'000	Restricted £'000	Endowed £' 000	Total £'000
Tangible fixed assets	23,917	-	-	23,917
Investments- securities	179	112	38	329
Net current assets	3,166	259	25	3,450
Long term liabilities	(3,822)	-	-	(3,822)
	23,440	371	63	23,874

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

22. GROUP SUMMARY OF MOVEMENT ON FUNDS

a) Year to 31 July 2025

	At 1 August 2024 £'000	Incoming resources £'000	Resources expended £'000	Transfers between funds £'000	Unrealised gains /(losses) £'000	At 31 July 2025 £'000
Unrestricted funds						
General reserve	23,429	20,211	(23,018)	296	1	20,919
Trading subsidiary reserves	11	317	(118)	(197)	-	13
	23,440	20,528	(23,136)	99	1	20,932
Restricted funds						
Canon Catley fund	179	3	-	-	1	183
Astroturf fund	99	-	-	(99)	-	-
Specific Small School Projects fund	3	-	-	-	-	3
Foundation Development restricted funds						
Bursary fund	80	266	(266)	-	-	80
Sundry Specific funds	10	-	-	-	-	10
	371	269	(266)	(99)	1	276
Permanent Endowed funds						
Dean Forrest	63	1	-	-	-	64
	63	1	-	-	-	64
Total Funds	23,874	20,798	(23,402)	-	2	21,272

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

22. GROUP SUMMARY OF MOVEMENT ON MAJOR FUNDS

b) Year to 31 July 2024

	At 1 August 2023 £'000	Incoming resources £'000	Resources expended £'000	Transfers between funds £'000	Unrealised gains /(losses) £'000	At 31 July 2024 £'000
Unrestricted funds						
General reserve	23,577	20,311	(20,571)	97	15	23,429
Trading subsidiary reserves	5	270	(167)	(97)	-	11
	23,582	20,581	(20,738)	-	15	23,440
Restricted funds						
Canon Catley fund	168	3	-	-	8	179
Astroturf fund	99	-	-	-	-	99
Specific Small School Projects fund	3	5	(5)	-	-	3
Foundation Development restricted funds						
Bursary fund	80	209	(209)	-	-	80
Sundry Specific funds	10	-	-	-	-	10
	360	217	(214)	-	8	371
Permanent Endowed funds						
Dean Forrest	59	1	-	-	3	63
	59	1	-	-	3	63
Total Funds	24,001	20,939	(21,092)	-	26	23,874

23. PENSION SCHEMES

Retirement benefits to employees of the school are provided through two defined benefit schemes and one defined contribution scheme, which are funded by the school's and employees' contributions.

DEFINED BENEFIT SCHEMES

Teachers' Pension Scheme

The school participates in the Teachers' Pension Scheme (the TPS) for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,763,648 (2024: £1,577,656) and at the year end £nil (2024 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the

THE KING'S SCHOOL WORCESTER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

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 2020 and the Valuation Report was published in October 2023. The Valuation Report shows notional assets of 222.2bn and liabilities of £262.0bn, resulting in a scheme deficit of £39.8bn.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Independent School's Pension Scheme

Defined Benefit

Until April 2020 the School operated a defined benefit scheme for support staff, through its participation in the Independent School's Pension Scheme administered by the Pensions Trust (ISPEN). ISPEN. The scheme, a multi-employer scheme which provides benefits to some 61 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the school to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme. The scheme was closed to new members of staff with effect from 31 March 2017 and was closed to future benefit accrual for all members with effect from April 2020.

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

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

With effect from 1 April 2015 the school operated only one benefit structure – a career average revaluated earnings (CARE) structure with a 1/80th accrual rate. Contributions have been made to the scheme in accordance with the recommendations of the scheme's Actuary.

The pension charge for the year includes contributions payable to the ISPEN of £nil (2024: £nil). At the balance sheet date there were no (2024: nil) active members of the Scheme employed by the school. In addition, the school paid contributions totalling £81,466 (2024: £79,093) in respect of the past service deficit.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2023. This actuarial valuation was certified on 11 December 2024 and showed assets of £99.2m, liabilities of £151.5m and a deficit of £52.3m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers to the scheme as follows:

Deficit contributions

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

From 1 September 2025 to 30 June 2034	£6,000,000 per annum (payable monthly and increasing by 3% on each 1 September)
---------------------------------------	---

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 September 2022 to 31 August 2032	£2,687,000 per annum (payable monthly and increasing by 3% on each 1 September)
---	---

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

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

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

Present Value of Provision for School's deficit funding obligations:

	31 July 2025 £'000	<i>31 July 2024 £'000</i>	<i>31 July 2023 £'000</i>
Present value of provision	1,307	599	622

Reconciliation of opening and closing provisions

	Group and School	
	2025 £'000	<i>2024 £'000</i>
Provision at start of period	599	622
Unwinding of discount factor (interest expense)	26	33
Deficit contribution paid	(81)	(79)
Remeasurements- impact of any change in assumptions	(4)	23
Remeasurements- amendments to the contribution schedule	767	-
Provision at end of period	1,307	599

Income and expenditure impact

	2025 £'000	<i>2024 £'000</i>
Interest expense	26	33
Remeasurements- impact of any change in assumptions	(4)	23
Remeasurements- amendments to the contribution schedule	767	-
	789	56

Assumptions	Year to 31 July 2025	<i>Year to 31 July 2024</i>	<i>Year to 31 July 2023</i>
Rate of discount % per annum	4.7	4.6	5.7

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

Defined contribution scheme

The school operates a defined contribution pension scheme in connection with its auto-enrolment obligations. The assets of the scheme are held separately from those of the school in two funds one independently administered by The Pensions Trust and one by AVIVA. The pension cost charge includes contributions payable by the school to the fund amounting to £360,631 (2024: £251,298). As at the balance sheet date there were £nil (2024: £nil) contributions outstanding payable to the pension fund.

24. SUBSIDIARIES AND BASIS OF CONSOLIDATION

The school has two connected trading companies, King's School Worcester Activities Limited registered number 01472145 (a company limited by guarantee) and KSW Enterprises Limited registered number 07141348 (a company limited by shares, of which all of the issued share capital is

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

owned by the school). The results of both are consolidated with those of the school and in the case of King's School Worcester Activities Limited are included within the unrestricted funds shown in the financial statements and in restricted funds in the case of KSW Enterprises Limited.

King's School Worcester Activities Limited (KSWA Ltd), a company limited by guarantee, carries out various trading activities on behalf of the school and accounts for including vending machine sales, the lettings to third parties of school facilities other than the school AstroTurf pitch and sundry other non-charitable trading items. The letting of the AstroTurf pitch is administered and accounted for by KSW Enterprises Limited (KSW Ent Ltd).

For over ten years the school has had a long-term fundraising initiative to create a Foundation Development fund. Donations to this fund are made to The King's School Worcester Charitable Trust, (formerly The King's School Development Trust) which then makes grants to the school. This Trust is a separate registered charity which is not controlled by the school and its results are not included within the consolidated financial statements but it is recognised as a related party (see note 26).

Trading results extracted from the financial statements of the trading subsidiaries are shown below:

	KSWA Ltd £'000	KSW Ent Ltd £'000	Total 2025 £'000	<i>KSWA Ltd £'000</i>	<i>KSW Ent Ltd £'000</i>	<i>Total 2024 £'000</i>
Turnover	306	11	317	258	12	270
Cost of sales	(90)	-	(90)	(153)	-	(153)
Administrative costs	(19)	(9)	(28)	(8)	(6)	(14)
Operating profit	197	2	199	97	6	103
Gift aid donation	(197)	-	(197)	(97)	-	(97)
Retained profit	-	2	2	-	6	6
Net assets	19	(6)	13	19	(8)	11
Balance owed to the school at 31 July	197	5	202	(94)	(25)	(119)

The trading companies make gift aid donations of all taxable profits to the school with the result that both trading subsidiary companies have a nil annual corporation tax liability. The King's School Worcester, as a registered charity, has no liability to UK corporation tax in respect of its income and gains properly applied for its charitable purposes.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

25. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025		2024	
	£'000	£'000	£'000	£'000
Net income resources		(2,602)		(127)
Elimination of non-operating cash flows:				
(Gains) on investments	(2)		(26)	
Investment income	(211)		(188)	
Finance costs	301		167	
Defined benefit pension scheme finance cost	26		33	
Defined benefit pension scheme re-measurement	763		23	
Depreciation charge	1,136		1,082	
Profit on sale of fixed assets	-		-	
Decrease in stock	-		-	
(Increase) in debtors	(1,529)		(4)	
(Decrease) in creditors (excluding fees in advance scheme and deposits)	(303)		(303)	
(Decrease)/Increase in fees in advance scheme creditors	(1,056)		2,981	
(Increase) in parents' deposits	(1)		-	
		(876)		3,765
Net cash (outflow)/ inflow		(3,478)		3,638
Analysis of cash and cash equivalents				
	2025		2024	
Cash	3		4	
Bank	3,827		6,655	
	3,830		6,659	

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

26. RELATED PARTY TRANSACTIONS

As stated in note 1 to the financial statements, the school has two connected trading companies, King's School Worcester Activities Limited and KSW Enterprises Limited. A set off agreement exists between The King's School Worcester and King's School Worcester Activities Limited with Lloyds Bank plc for interest purposes only. The gift aid transactions between the school and these companies together with details of the year end balances are reported in note 24 to the financial statements.

In the course of its ordinary activities the school conducted business with the Dean and Chapter of Worcester Cathedral including their related Enterprise company in respect of events and staffing, all negotiated at arm's length on normal commercial terms, totalling £3,445 (2024: £3,736) and totalling £131,742 (2024: £99,872) in respect of choral scholarships.

The School Governors include a partner in Fisher German LLP, who administer Worcester Cathedral's property lets to the school. The value of rental services provided to the school during the year, all of which were negotiated at arm's length and supplied on normal commercial terms, amounted to £131,361 (2024: £114,899). The balance due to Fisher German LLP at the year-end was £nil (2024: £nil).

The Dean is an ex officio member of the school's Governing body, and six of the school's nominative Governors are nominated by the Dean and Chapter of Worcester Cathedral. The balance due from the Dean and Chapter of Worcester Cathedral and its trading entities at the year-end was £nil (2024: £nil). The Dean is also a Director of the Worcester Literacy Festival Limited the School spent £nil on advertising with them in the year (2024: £nil). The balance due to Worcester Literacy Festival Limited at the year-end was £nil (2024: £nil).

A school Governor is a trustee of The King's School Worcester Charitable Trust, a separate registered charity (see note 24). In the course of its ordinary activities the school conducted business with the King's School Worcester Charitable Trust in respect of events and fundraising activities. The school received from the Trust £9,297 (2024: £4,105) in respect of events income and expenses due to the school on normal commercial terms and grant funding, totalling £266,493 (2024: £209,248) for the year was due to the school at the year end. During the year the school received net donations of £10,142 (2024: £6,623) on behalf of the Trust and the net balance due to the School by the Trust at the year-end was £nil (2024: £nil). In addition, at the year end the School held cash balances as agent for The Charitable Trust amounting to £6,487 (2024: £5,061).

The School Governors includes two parents of the school, in addition six members of key management personnel are also parents. During the year they were charged School fees on commercial terms, and no balances were outstanding at the year end.

On the 9 February 2026 the School entered into an agreement to borrow £680,000 from the King's School Worcester Charitable Trust on arm's length terms. The loan is repayable within 3 years from drawdown and interest is charged at base rate plus 3%.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

27. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

Year to 31 July 2024		Unrestricted Funds	Restricted Funds	Endowed Funds	2024 Total	2023 Total
	Notes	£'000	£'000	£'000	£'000	£'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	19,011	-	-	19,011	17,658
Ancillary trading income	3	1,069	-	-	1,069	1,668
Other trading activities						
Non-ancillary trading income	4	270	-	-	270	239
Other activities	4	30	-	-	30	21
Investments						
Interest and investment income	5	184	3	1	188	146
Voluntary sources						
Grants and donations	6	17	214	-	231	316
Total incoming resources		20,581	217	1	20,799	20,048
Expenditure on:						
Raising funds						
Non-ancillary trading	7	167	-	-	167	227
Financing costs	8	200	-	-	200	152
Fundraising and development	7	149	-	-	149	134
Total		516	-	-	516	513
Charitable activities						
Education and grant making	7	20,199	214	-	20,413	19,351
Pension scheme re-measurement of the estimate of past service costs	23	23	-	-	23	(67)
Total expenditure		20,738	214	-	20,952	19,797
Net (outgoing)/incoming funds from operations before transfers and investment gains		(157)	3	1	(153)	251
Gains on investments	11	15	8	3	26	(1)
Net income		(142)	11	4	(127)	250
Transfers between funds	22	-	-	-	-	-
Net movement in funds for the year		(142)	11	4	(127)	250
Fund balances brought forward at 1 August 2022		23,582	360	59	24,001	23,751
Fund balances carried forward at 31 July 2023	22	23,440	371	63	23,874	24,001

Accounts

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

THE KING'S SCHOOL WORCESTER
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2024

Contents	Page
Governors, Officers and Advisers	3
Annual Report of the Governors	5
Strategic Report	11
Statement of Accounting and Reporting Responsibilities	20
Independent Auditor's Report	23
Consolidated Statement of Financial Activities	27
Consolidated Summary Income and Expenditure Account	28
Consolidated and School Balance Sheets	29
Consolidated Cashflow Statement	30
Notes to the Financial Statements	31

THE KING'S SCHOOL WORCESTER
GOVERNORS, OFFICERS AND ADVISERS
YEAR ENDED 31 JULY 2024

GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

The Governors of the King's School Worcester ("the school") are the School's charity trustees under charity law and the directors of the charitable company. The members of the Governing Body who served in office as Governors during the year and subsequently are detailed below:

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
P Preston (Chair)		●	●	●		●				
The Very Rev'd P G Atkinson	Retired 25 August 2023	●				●				
The Very Rev'd S M Edwards	Appointed 15 September 2024	●				●				
G W Ballard		●				●				
T Brock	Appointed 3 November 2023			●						
S Hincks			●	●	●	●				
A Mathur	Appointed 3 November 2023	●								
W Milne-Bennett	Appointed 1 September 2023			●					●	
A Penn	Appointed on 22 March 2024		●							
C Pike (Vice Chair)				●		●				
A Plunkett			●	●	●					
R Prestidge		●								
J Riaz	Resigned 1 October 2023		●							
E Robson	Appointed 3 November 2023			●				●		
Dr J Salkeld	Appointed 17 November 2023	●								
Prof. M Stringer	Appointed 17 October 2023		●							●
R Tomlinson *		●								
A Underwood		●								
P Walker (Vice Chair)		●				●				
S Williams *	Appointed 6 October 2023		●				●			

During the year the activities of the Governing Body were carried out through the main board and the above committees. The membership of these committees is shown above for each Governor.

- (1) Finance and General Purposes Committee
- (2) Education Committee
- (3) Compliance Committee
- (4) Safeguarding Governors
- (5) Nominations and Governance Committee
- (6) SEND Governor
- (7) Digital Governor
- (8) Health and Safety Governor
- (9) Well-being Governor

*Parent of pupil at the school

THE KING'S SCHOOL WORCESTER
GOVERNORS, OFFICERS AND ADVISERS (Continued)
YEAR ENDED 31 JULY 2024

OFFICERS

G E Doodes	Head – Foundation (Resigned 31 August 2024)
A R Oliver	Acting Head – Foundation (Appointed 1 September 2024)
R A Chapman	Head – King's St Alban's Prep School (Resigned 31 December 2023)
N Hawker	Head – King's St Alban's Prep School (Appointed 1 January 2024)
T Butt	Head – King's Hawford Prep School
G M Mason	Director of Finance and Business Development
A Winter	Director of Operations
E L Sydenham	Clerk to Governors

Principal address and Registered Office

5 College Green, Worcester, WR1 2LL

Auditor

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

Bankers

Lloyds Plc, 4 The Cross, Worcester, WR1 3PY

Solicitors

Wilsons Solicitors LLP, 4 Lincoln's Inn Fields, London, WC2A 3AA

Parkinson Wright LLP, St Nicholas Street Worcester, WR1 1UN

Surveyors

Gwilliam Darby Carr, 7 Severn Street, Worcester, WR1 2ND

Charity number

1098236

Company Number

04776324

Website

www.ksw.org.uk

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2024

The members of The King's School Worcester Governing Body present their Annual Report for the year ended 31 July 2024 under the Charities Act 2011 including the Directors' Report and Strategic Report and the Companies Act 2006, together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The King's School Worcester ("the school") was founded in 1541. It is constituted as a company limited by guarantee registered in England, No. 04776324, and is registered with the Charity Commission under Charity No.1098236. The Charity Commissioners for England and Wales have issued a uniting direction in respect of the school and the unincorporated precursor charity that went by the same name (having the registered name of Worcester Cathedral Grammar School, charity number 527536) whereby single entity financial statements may be prepared.

The school operates one senior school and two prep schools known as King's St Alban's and King's Hawford.

There is one Governing Body for all three Schools. Details of the members of the Governing Body, together with the school's officers and principal advisers, are given on pages 3 and 4.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The school is governed by its Memorandum of Association and Articles of Association incorporated 23 May 2003, as amended on 4 July 2003, 3 July 2009, 30 November 2018 and 19 March 2021, and by the Scheme of the Charity Commissioners dated 18 August 2003.

Governing Body

Under the Charity Commission Scheme the Board of Governors shall not exceed eighteen members comprising one ex-officio, eight nominative and nine co-opted Governors. Of the nominative Governors seven are nominated by the Dean and Chapter of Worcester Cathedral and one by the Bishop of Worcester. Nominative Governors serve for a term of four years. Co-opted Governors are appointed for a term of four years by resolution of the Governors. Retiring Governors may be re-appointed.

Recruitment and training of Governors

The school's elected Governors are appointed at a meeting of the Board of Governors on the basis of nominations received from the three nominating bodies specified within the Charity Commission Scheme. All nominations (including co-optative appointments) are made having regard to the Board's requirements concerning eligibility, personal competence, specialist skills, and availability.

New Governors are inducted into the workings of the school, including governing body policy and procedures, through visits to the school and the provision of a comprehensive briefing pack and by personal contact with other Governors, the Head of Foundation, Prep School Heads, the Director of Finance and Business Development and the Director of Operations. All Governors are offered the opportunity to attend relevant training seminars and receive briefings on current issues in the sector and regulatory requirements.

Organisational management

The Governors, as the charity trustees, are legally responsible for the overall management and control of the school. They meet at least three times a year and on other occasions as required. The work of implementing their policies is facilitated by four sub-committees:

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2024

- the Finance and General Purposes Committee (F&GP) has specific responsibility for financial matters including the review of budgets and finalising the audited financial statements and annual report for approval by the Board.
- the Education Committee considers strategic academic issues.
- the Nominations and Governance Committee considers the recruitment and retirement of Governors, terms of reference and committee membership.
- the Compliance Committee provides oversight of all elements of compliance and risk.

There are no other standing committees of Governors but there are nominated governors who have specific responsibility for Safeguarding, Health and Safety, SEND, and Digital and Well-being.

The day to day running of the schools is delegated to the Head of Foundation supported by the Director of Finance and Business Development, the Director of Operations, members of the Foundation Leadership Team and the three Senior Leadership Teams. Together this group represent the key management personnel. All meetings of the full Board of Governors, the F&GP and Compliance Committees are attended by the Head of Foundation and the Director of Finance and Business Development and the Director of Operations. The pay and remuneration of the key management personnel are determined by Governors.

The Head of Foundation, Senior Deputy and Prep School Heads attend all meetings of the full Board of Governors and of the Compliance, Education and F&GP Committees. The Director of Finance and Business Development and the Director of Operations attend all meetings of the full Board of Governors and of the Compliance and F&GP Committees.

Group Structure and Relationships

The school has two related non-charitable subsidiary companies, King's School Worcester Activities Limited (Company No: 01472145) and KSW Enterprises Limited (Company No: 07141348). A minimum of one half of the number of serving directors on the Board of each subsidiary are also members of the Board of Governors. King's School Worcester Activities Limited is a company limited by guarantee and does not have a share capital. As such the liability of each member of the company is limited to an amount not exceeding £1. This company is the enterprise through which commercial activities, including the hire of general school facilities, take place. KSW Enterprises Limited is a company limited by shares and its issued share capital of £1 is wholly owned by the charity. This company administers the community lettings of the Astroturf constructed by the school on the site of Bishop Perowne Church of England College.

Employment Policy

The school is an Equal Opportunities Employer. Full and fair consideration is given to all job applications and due consideration is given to training and employment needs. Consultation with employees, or their representatives, is undertaken at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

The Governors recognise the importance of good communications with all employees and involve employees within the school's strategic planning procedures. In addition to communication through normal management and departmental channels employees are kept well informed of the performance, financial position and objectives of the school through personal briefings, regular meetings, e-mail, staff newsletters and presentations throughout the year.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2024

Promotion of the success of the organisation to benefit its members

The Governors confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider most likely to achieve the purposes of the Company. In making this assessment, the Governors consider the relevant actions of the Board as described throughout the report. Taking the areas required for disclosure in turn:

a. The likely consequences of any decision in the long term

The long-term sustainability of the school is detailed in the Strategic Report. Specifically, the Governors consider both operating results and financial projections and the key risks that could negatively impact the sustainability of the school. The Finance and General Purposes Committee and the full board review management information, budgets, forecasts, cashflow projections and progress against budget on a regular basis. Risk Management and the level of reserves are also discussed further in the report.

b. The interests of the company's employees

In relation to employee engagement, weekly briefings keep staff informed of school wide matters of interest. The Governors receive regular reports from management on the wellbeing of the employees and speak directly to staff during visits to the school. A Staff and Governor Forum has been set up which provides staff representatives with the opportunity to meet with the Chair and Vice Chair of Governors on a termly basis.

c. The need to foster the company's business relationships with parents, suppliers, and others.

In relation to key stakeholder engagement, the Governors worked closely with management to communicate with parents, staff and pupils. Parents receive weekly news update from the Foundation via email.

In accordance with financial procedures and standard payment terms, supplier payment is due within 30 days after the school receives the invoice from the supplier.

d. The impact of the company's operations on the community and the environment

The Governors continue to review how the activities of the school impact on the local community and the environment. There is a review of Greenhouse gas emissions later in this report in compliance with the Streamlined Energy and Carbon Reporting (SECR) Report. During July 2024 the school submitted its ESOS Phase 3 Report detailing opportunities to reduce energy consumption across the estate. An example of the school's commitment to reduce its impact is the school transport network which has continued to expand year on year. As at September 2024 we now transport 130 pupils to and from school in minibuses or coaches reducing the need for household cars to enter the city.

e. The desirability of the company maintaining a reputation for high standards of business conduct

The school takes a zero-tolerance approach towards fraud, bribery and corruption. It is committed to complying with all applicable laws and regulations relating to fraud, bribery and corruption.

f. The need to act fairly as between members of the company

The Governors understand the Charity Commission requirements and acknowledge the need to avoid and manage potential conflicts of interest. The Company is limited by guarantee so does not have share capital with the result that issues relating to Director shareholders or relations between majority and minority shareholders do not apply.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2024

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The School's Objects and principal activities, as set out in the Memorandum of Association, are to advance education and training, including physical training, by the provision and conduct, in or near Worcester, of day and/or boarding schools for boys and girls with the provision of accommodation and educational facilities for the Choristers of the Cathedral Church of Worcester and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

In pursuing its charitable objects, the school's mission is to help young people reach their potential at school in preparation for leading confident, fulfilled and unselfish lives as adults.

In furtherance of these Objects for the public benefit the school, which operates three schools (one senior and two prep) known collectively as The King's School Worcester, has established and administers bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects. The Governing Body is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In connection with this the Board has monitored closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Aims

The school's aims for the public benefit are:

- to provide a first-class independent education within an ethos of spiritual awareness and tolerance that is widely accessible, irrespective of family financial circumstances; and
- to establish the school as a community in which there are strong and active partnerships between parents and the three schools, and between the local community and the three schools.

Primary objectives

The primary objectives of the school to fulfil these aims are:

- to maintain the aspiration to high standards in academic performance and extra-curricular activities whilst preserving a healthy balance between the two.
- to widen access to the education provided by the school through the provision of financial support for pupils whose parents are unable to afford the full fees and through a range of projects and activities with the local community, including "out of hours" access to the schools' facilities in order that they are put to good educational use when not otherwise needed.
- to provide a stimulating learning environment in which pupils can develop their academic potential to the full.
- to provide appropriate teaching resources and accommodation throughout all three schools.
- to provide a happy and secure pastoral environment which promotes and develops independent learning, supports pupils in the achievement of their individual potential and fosters a sense of community mutual respect and good citizenship.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2024

- to provide an effective management structure and the administrative and logistic framework necessary to meet the needs of staff and pupils alike.

The aims and objectives set for the school's subsidiaries are to facilitate the achievement of the school's aims and objectives as above.

Strategies to achieve the primary objectives

A key strategy towards the achievement of the primary objectives is the annual review and update of the School's Development Plan and its approval by the Governing Body. An important part of the review process is an assessment of performance during the year against the targets set for the period, with the results of that assessment being used to inform proposed targets and action plans for the future.

The Development Plan embodies the operational aims and future plans of the school (summarised on page 18) and, once approved by Governors, becomes a tool for use by the key management personnel to inform operational planning and decision making.

The Governing Body also keeps under review the facilities available to pupils and staff on all three sites and the extent to which additional or improved resources may facilitate the achievement of the development plan targets.

Principal activity

The school's principal activity, as specified in the Memorandum of Association, is the advancement of education and in this the school has again had a successful year.

The School Roll averaged 1,211 (2023: 1,225) pupils across all year groups from Reception upwards with an additional 87 pupils (2023: 109) in Kindergarten on a full or part time basis. The school continues to maintain the high standards and ethos for which The King's School Worcester has become known.

Public benefit

The King's School Worcester remains committed to the aim of providing public benefit. In setting the school's objectives and planning its activities the Governors, as charity trustees, have given careful consideration to the Charity Commission's general guidance on public benefit requirements (under the Charities Act 2011) and in particular to its supplementary public benefit guidance on advancing education and on fee-charging. Whilst the aims of the school include maintaining and enhancing the academic success of its pupils, the school welcomes pupils from all backgrounds and it is important that access to the education offered is not restricted to those who can afford the fees.

The Governors believe that pupils benefit from learning within a diverse community and established the School's Bursary Scheme (and related Development Office fundraising function). The Governors' policy is to award grants and bursaries on the basis of educational ability and parental means (subject to any restrictions imposed by any donor of the funds) to enable pupils to join the school, or to ensure continuity of education if this would otherwise be at risk due to unforeseen hardship or temporary difficulty.

The pupils who attend the school and who receive financial support contribute to the whole school community in a variety of ways, conferring benefit upon the whole institution and, in some cases, to the wider community. Financial support is provided not only through bursaries but also through the provision of scholarships, grants, and fee concessions. This year the school provided financial support totalling £2.3m to 510 pupils (2023: £2.1m to 496 pupils). Within this, mean tested awards ranging

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2024**

from 10% to 100% remission totalling £0.7m were made to 69 pupils (2023: £0.6m to 61 pupils), with further grants to assist with the cost of extra-curricular activities, equipment and school trips. Of this total number, 16 pupils benefitted from 100% remission of fees, with a further 21 receiving awards equivalent to at least 75% fee remission. Included in these figures are 5 full bursaries granted to Ukrainian pupils in the summer term of 2022.

The Governors take the view that the provision of bursaries is important but not to the exclusion of the much wider benefit that the school provides to the community. The school engages in many other activities that provide wider public benefit.

During the year the school's facilities were used to support local schools providing access to swimming and sports hall facilities, they are also made available to local charities and community groups. The school has a number of well-established partnerships with local maintained senior and primary schools. Activities include creative writing and reading activities, maths challenges, workshops in music, sports events engaging local primary schools and drama workshops.

The school provides public access to cultural and educational events, activities and productions during the year.

Pupils within all three schools are encouraged to develop an awareness of the social context of the education they receive at the school and engage in fund raising activities on behalf of a wide range of local, national and international charities. This has been particularly pertinent given the cost-of-living crisis.

The school is a member of the Rivers Teaching Alliance sharing best practices and has taken pupils from Gloucester and Worcester Universities, amongst others, on initial teacher training courses or PGCE.

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2024**

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Leadership

In August 2024, after a period of considerable thought and reflection, the Headmaster, Gareth Doodes, decided that after 14 years as a Head he would take a year away from school leadership to focus on his professional development and undertake some consultancy work, before returning to a leadership role elsewhere. The Governors allowed him to do so with immediate effect, having thanked him for his work and most valuable contribution to the King's Foundation.

Dr Alison Oliver, Senior Deputy, assumed the role of Acting Head on 1 September 2024 whilst the governors commenced their search for a new Head of Foundation. Dr Oliver, supported by a strong and experienced Foundation Leadership Team and our highly professional and dedicated staff body, has ensured that the school has operated as normal throughout the period.

Fundraising performance

The Foundation Development fundraising initiative is a long-term programme, which is the responsibility of the Alumni and Business Development Office (ABDO). The ABDO fundraises for the benefit of the School through The King's School Worcester Development Trust, with appropriate costs borne by the Trust. This arrangement offers greater assurance to donors about the custody of their gifts and aims to encourage a broader cross-section of the constituent members of the wider school community to engage with fund raising activities.

The school has a long-term bursary fundraising strategy, the aim of which is to fulfil the original objective set by our founder, Henry VIII, of supporting 40 free places at the school.

Investment policy, objectives and performance

The investments currently held by the charity are not material. They are, for the most part, invested through CCLA Management Limited in either COIF charity funds or CBF Church of England Funds, and no formal investment performance review is considered necessary.

FINANCIAL REVIEW

Results for the year

This academic year has seen a return to more normal times, with a broad range of co-curricular events across all three schools within the Foundation. The Governors are pleased with the public exams results where grades were in line with 2019 for GCSE'S and at A-level, results were higher than in 2019 in all areas.

However, the year has not been without its challenges. As costs continue to rise driven by increased wage costs off the back of increases in National Living Wage and changes in the employer contribution rate to Teachers Pensions the focus continues to be on keeping close control of resources. The School has reported a small deficit of £127,000 which was in line with expectations for the year. Considering all these factors, the Governors are pleased with this result in what has been another challenging year.

The net outgoing resources of the group for the year from operations were £152,000 (2023: incoming resources £251,000). The net decrease in funds for the year was £127,000 (2023: increase £250,000).

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2024

The retained resources are at a level where the school has been able to take action to finance the future development of the school's facilities and educational programme. During the year, the school continued with its Development Plans for the Sixth Form Centre, as the Sixth Form (Years 12 and 13) continues to be a key target market; the enhanced Sixth Form facilities completed in September 2024 sit alongside a change in the curriculum offered at this age by the school. Another key Development Project for the year was the refurbishment of the swimming pool which also completed in September 2024 and now provides the Foundation with a state of the art swimming facilities.

Reserves Level and Policy

The School's Reserves Policy is to maintain sufficient unrestricted income reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall and to rely upon its realisable general purposes fixed assets as adequate cover for the School's longer-term financial obligations, including the actuarially calculated but transient funding deficit of £0.62m on the School's defined benefit staff pension scheme that under FRS102 is accrued as a liability.

The school's unrestricted reserves are deployed as funds for part of the school's premises and equipment and at the year end free reserves represented a balance of £1.1m (2023: £3.4m). The Governors consider that free reserves in the order of £4.2m, or approximately three months' expenditure, would be desirable to cover the risks and uncertainties of operating as an independent educational establishment. However, the Governors have actively agreed to a reduction in the free reserves in order to complete the pool refurbishment and Sixth Form Development projects. The Foundation ended with cash and cash equivalents of £6.7m an increase on 2023 balance of £6.4m.

The long-term policy objective is to build up reserves out of annual operating surpluses, supplemented by Foundation Development fundraising, until that level is reached, subject to the prior demands of further capital expenditure to equip the school with the up-to-date facilities needed to maintain the standard of educational services currently provided.

The school's tangible fixed assets are all held for use by the school as disclosed in Note 10 to the financial statements. Given the specialist nature of the school's land and buildings, Governors are unable to comment on the market value of such properties and whether this is materially different from that shown in the financial statements.

Senior School review of achievements and performance for the year

Public Exams continued as usual this year; the only adaptations were formulae sheets in some subjects at GCSE. The aim of Government was to return the distribution of grades to the levels of 2019. At King's this was largely the case for GCSE, although a greater percentage of pupils achieved all 10 GCSES at top grades than in 2019.

At A-level, results were higher than in 2019 in all areas. Post-18 places were secured easily, with the vast majority of pupils achieving their first-choice university. Only 5 pupils out of a cohort of 134 did not gain entry to their first or second choice university.

GCSE:

- 64% of pupils achieved Grade 9-7 and 96% achieved Grades 9 to 4.
- 47 pupils (31% of the cohort) were awarded Grades 9 to 7 in all their subjects, with one pupil achieving Grade 9s in 11 subjects.
- 70 pupils (46% of the cohort) were awarded Grades 9 to 7 in 8 subjects or more.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2024

A Level:

- 47% A*/A, 76% A*B, 90% A-C.
- 8 pupils received 3 A* grades.
- 37 pupils (28%) received A* or A grades in all their subjects.

As a whole, performance in this year's external examinations aligns well with the school's strategic vision for academic excellence and to provide pupils with an outstanding preparation for life.

Pupils at King's Worcester have furthermore been able to benefit from the wealth of co-curricular opportunities offered, opportunities which form such an integral part of their education here at King's. The Governors are grateful for the work of the teaching and support staff in providing what is a rich and impressive co-curricular programme.

With service, determination and enquiry as key tenets of an education here at King's, our Combined Cadet Force takes an important role in school life. The RAF Section excelled at the National Air Squadron Trophy Competition, coming first in General Service Knowledge and Second in Drill and Turnout in the regional round and thus securing a place at the National Final.

The Sixth Form Charity Committee again delivered a programme of charitable and fundraising events, one highlight being once again the organisation and delivery of a fun day at a local special school. Throughout the year, events have been organised to raise money for charities, one example being the December Boat Club annual mammoth overnight challenge to row one million metres.

In Model United Nations, pupils participated in the online "Good Cop Bad Cop" conference and attended the BISMUN annual conference, the latter of which saw pupils awarded as follows: Best Delegate in the Security Council, Highly Commended and Best Young Delegate in the Human Rights Committee, Commended in Environment, Highly Commended in Science and Technology. In Young Enterprise, the L6 company *La Vie Naturelle* took part in the local area Showcase Event of the Company of the Year Award and won the Sales and Marketing Award.

King's Worcester was delighted to this year be named within the top 30 schools for Sport in the country. The list, independently created by School Sport Magazine, is compiled from 20 different sports and over 120 different events. Weighting is given to success in a range of sports rather than a particular sport, and to those sports with more schools competing. To be listed, schools must have reached the later stages of at least two, three or four national competitions. Further to this, though Rowing is not included within the competitions which account for the rating, the school is proud to have been recognised by the Good Schools Guide as one of the top eight schools for Rowing in the UK.

King's full sporting programme enables pupils to learn skills of teamwork, communication, endurance and commitment, in addition to particular expertise in the sporting discipline. It is a point of import to the school that teams of high calibre are fielded as well as those with developing interest and ability. In the Athletics School Games, Spring Finals, the Year 7 team took Gold and Year 8 Silver and in the Worcester City U15 and U17 Championships, King's athletes placed first in five of the 12 track events and first in seven of the 12 field events. In addition to participation and success at the many regattas through the year, Year 10 rowers represented the West Midlands in the annual Junior Inter-Regional Regatta and crews across the age groups placed third, fourth and sixth in various divisions at the Junior Sculling Regatta. King's 1st XI Hockey Team took Bronze in the Independent School Hockey Cup and the 1st XI Football Team were crowned county champions.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2024

The school is committed also to the support of individual expertise and excellence in Sport. In year 11 alone, there are the following examples: a water polo player who has been selected for the GB U18 squad; a footballer who plays centre-back for U18 West Bromwich Albion, and has this academic year represented New Zealand in the Men's U17 squad; a swimmer who has been crowned English National Champion in Butterfly stroke.

This coming year a Swimming Academy launches, a venture which will complement well the newly refurbished swimming pool. Swimmers at King's perform at the highest levels throughout the year and some highlights include awards achieved at the National Finals.

The *F1 In Schools* team secured a place in the F1 in Schools National Final following a win in the 'Central Regional Final Professional Class Award' at Aston University. With 30 professional class teams from around the UK taking part, the level of excellence across the judging areas was very high. The three podium slots could have been filled by at least six of the teams and, just like in the real world of motor racing, it came down in the end to very fine margins.

The arts are a fundamental part of the academic and co-curricular life of The King's School, and each year many of the keenest pupils extend their experience and develop their understanding by undertaking individual projects for the Bronze, Silver, or Gold Arts Award. This year 27 pupils successfully completed their Award. In addition, 65 pupils entered LAMDA examinations, with 90% achieving Distinction.

With two outstanding drama productions, an exceptional musical production, termly dance showcases and termly formal, informal and chamber music concerts, Open Mic Nights and more, pupils at King's have been able to develop confidence and skill alike in Drama and Dance and Music. In the Spring term alone 27 pupils achieved outstanding success in Associated Board (ABRSM) and London College of Music (LCM) exams. Nine pupils took London College of Music (LCM) Musical Theatre exams ranging from Grades 4 to 6, with all of them achieving Distinctions and eight pupils took the Pop Vocals exam and all of them achieved Merits or Distinctions. Two pupils achieved Diplomas, meaning they can now put "Dip LCM" after their name.

A range of tours and trips takes place throughout the year to complement the co-curricular programme. Examples include a Classics trip to Italy, Geography trips to Iceland and field work trips to Devon and the French Alps, Sports Tours to South Africa, Languages trips to Germany, Spain and France, Ski Trips to Italy, Cricket, Rugby and Football development UK tours and a London Theatre tour.

In the academic year 2023 / 2024, Pupil Voice initiative at King's has seen significant developments with the aim of seeing pupils' views informing both the operational and strategic development of school life.

For example, the School Council has been reformed to become a project-based group that maintains a particular focus across 12 months. For this first year, the School Council had 'creating an upstander community at King's' as their project, and their work included assemblies and workshops to their peers on techniques for upstanding, presenting to the school's Governing Body and reviewing the Foundation's Anti-Bullying Policy.

There are a range of avenues for pupil voice to inform decision making and quality assurance in the school. These include pupil panels as part of the recruitment of all new staff with pupil-facing roles,

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2024

and governors holding pupil voice focus groups. For example, the safeguarding governors met with a group of pupils in March 2024 to explore how safe pupils feel in school and pupil behaviour.

To capture wider pupil insight, pupil voice surveys were undertaken in January 2024 and again in June 2024. The results have been analysed and offer much reassurance as to how positively pupils feel about their school life. Importantly, there were also emerging themes for future developments, for example the resulting theme for the next year's School Council project being 'promoting an inclusive community at King's'.

King's Hawford

The year at King's Hawford has been marked by ambition, seeking to reach new heights in all endeavours. This ambition is evident in academic achievements, where 19 out of 38 pupils transitioning to the senior school have earned scholarships or awards. Such accomplishments reflect a commitment to fostering an environment where every pupil is encouraged to strive for excellence, continually pushing the boundaries of what they can achieve.

Notable achievements include girls winning Malvern College's Aquathlon, U11 boys winning RGS' 6-a-side cricket tournament and girls winning the county cricket tournament, again at RGS. By far the highlight of the sporting year has been the U11 girls travelling to Bristol Grammar School and beating all comers to become IAPS cricket champions.

Pupil voice has once again been a continued area of focus this year with the democratically-elected Pupil Parliament affording the opportunity to over 50 children from across the school an active involvement in one of the three committees that sit within the Parliament – Co-curricular, Eco and Wellbeing. The children also have an integral role in selecting, again by democratic vote, the charities they wish to support as a school community throughout the year.

Resilience has been at the core of the community's spirit, especially in the face of challenges. This year, pupils have demonstrated tenacity, whether participating in academic programmes or engaging in physically demanding activities like the open-water aquathlon. An holistic approach ensures that resilience isn't just a buzzword but a lived experience, preparing pupils to face future challenges with confidence and determination.

Creativity has flourished at King's Hawford, with pupils showcasing their talents in various artistic and intellectual pursuits. From the productions of Robin Hood and Scheherazade to the performances of our Senior Choir – recognised for the second year running in Cheltenham – creativity informs the curriculum. This creative spirit is nurtured by dedicated staff, who constantly inspire pupils to explore and express their unique perspectives. In particular, over 45 pupils took part in the inaugural Leonardo competition with the focus of "Our Planet".

Kindness is the glue that holds the community together, fostering a supportive and inclusive environment. This is most evident in the everyday interactions among pupils, staff, and families, where mutual respect and encouragement are the norms. A commitment to kindness extends beyond the immediate community, with significant fundraising efforts totalling £10100 for the charities Project Gambia, Cool Earth, and the Midlands Air Ambulance, reflecting an ethos of caring for others.

Humility is a cornerstone of values in the school, and pupils exemplify this through their willingness to help others, as seen in activities like the Year 6 cohort assisting in the Kindergarten. 48 pupils regularly gave up their time as King's Hawford Pupil Parliamentarians, a main vehicle for pupil voice.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2024

Overall, the approach continues to encourage all pupils at King's Hawford to embrace every opportunity and give everything a go.

King's St Alban's

The school bid farewell to Richard Chapman, Head of KSA for seven years in January 2024 and welcomed Nick Hawker and his family as the new Head for the start of the Spring Term 2024.

Following the assessments for KSW in January, 22 Year 6 pupils received a scholarship or other award to King's Senior School and 53 pupils in Year 6 made this move into the senior school. A great deal of work has taken place on transition from the School to King's Senior and this is seen as the natural move for nearly all pupils.

All pupils in the school from Nursery to Year 6 have benefitted from an extensive programme of educational visits and trips, with residential and overnight trips for all Year groups from Year 2. Among the many highlights were Year 2's overnight stay at Boundless Outdoors in the Malvern Hills, Year 3's residential at Oaker Wood near Leominster, Year 4 staying at the Pinoeer Centre in Shropshire, Year 5 enjoying a two-night stay at the PLG Centre at Boreatton Park and Year 6 undertaking a week-long trip to Normandy and a two-night camp at the Old Chapel in the Brecon Beacons.

King's St Alban's continued to build on its 'Wellbeing Award for Schools' this year to underline the commitment to pupil and staff well-being and emotional development. Provision has developed in this area in many ways: weekly "Well-being Wednesdays" have been in place all year; Well-being Champions (Year 2 to 6) have been introduced, clubs' provision developed, lockable worry boxes in classrooms begun, "Who can I talk to?" posters and the A-Z Well-being Display established, more playtime equipment purchased, a buddy-bench launched, increased provision for "draw and talk" started and good use of our new outdoor classroom made.

The school's prefect roles for pupils in Year 6 see pupils take on responsibilities across many areas of school life: academic, sport, the arts, community and heads of School. Indeed, Pupil Voice is an ever-growing and important part of the development of KSA, with pupils' views sought on many aspects of school life, including the school's academic and pastoral provision. The prefects meet with the school's leadership team on a weekly basis to discuss their roles and responsibilities as well as to give insight into life at KSA from the pupils' perspective. The prefect team plays an important role in canvassing the views of pupils across the school and sharing these with the school's SLT. The School Council (made up of representatives from all forms across the schools) meets at least three times each half term to discuss various aspects of school life. These can include the school's charity work, organisation of house events, leading assemblies or chapel and discussions about recent/proposed changes in school.

In addition to the School Council, the School's Charity Committee's work remains active; along with food donations at Harvest and Christmas to local foodbanks, and book donations to Project Gambia, the school has raised over £3000 for many charities: Acorns, The Children's Society, NSPCC, Comic Relief and Birmingham Children's Hospital are just some of the charities supported this year

Sport continues to be very inclusive, with all pupils regularly representing the school. Attendance at clubs is at an all-time high and pupils have competed well at many national competitions; swimming and cricket are particularly strong areas. The school continues its strong and successful commitment to the arts through music, dance, drama, and art. The annual Creative Connexions performances, a celebration of dance, poetry and art, took the theme of My Generation this year and were a highlight in a busy arts calendar. 11 of our pupils are Cathedral Choristers.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2024

Alumni Relations

The past year has once again demonstrated the incredible involvement and enthusiasm of our Old Vigornian (OV) community. The Alumni Team has warmly welcomed numerous OVs back to the school, and their support has been invaluable in various career and mentoring activities. The second annual Careers Extravaganza welcomed over 500 pupils and their families from across the county over two days, with many OVs supporting the events, sharing their experience, advice, and insights. It has also been a pleasure to see so many OVs attending events such as the New OV BBQ, the 120th Annual OV Reunion Weekend, and gatherings for different year groups.

The Development Trust is immensely grateful for the support we receive from OVs, parents, and other members of the Vigornian community. Their volunteering, advice, time, and financial contributions make a significant difference. The primary focus of fundraising for the King's School Development Trust has always been and continues to be providing bursaries for pupils. In our ever evolving and diverse world, it is crucial to open the doors of King's to support talented and capable young individuals.

Thanks to the generous donations of individuals, our "Open the Door" Bursary Campaign has raised over £2.85m since its launch in May 2018. We were able to support twelve bursaries during the year leading up to July 2024, including two pupils whose places were funded by the generous donation from the Kildare Trust. Each Kildare Bursary provides seven years of fully funded education, offering a remarkable opportunity for these pupils to benefit from everything King's has to offer.

We are delighted that, due to the generosity of OV Michael Pimley (H 61-71), a new bursary has been created. The Trapé Bursary, given by Michael Pimley, will provide a pupil with seven years of fully funded education at King's from September 2024. The idea behind this grant is that it will provide the opportunity of an education at King's to a pupil attending a local primary school, who would not otherwise be in a position to consider such an education, giving them the opportunity to benefit from everything on offer at one of the top ten independent schools in the West Midlands.

Our thanks also go to OV, the late Ray Franklin (CI 43-49) for kindly remembering the King's School Worcester Development Trust in his will. His generous legacy will have a great impact on the King's bursary programme, for which we are very grateful.

A range of OV branded merchandise was launched in November 2023 as OVs, staff, parents, and former parents from across the Foundation added some Vigornian festive spirit to their Christmas tree with a King's Bauble.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2024

Streamlined Energy and Carbon Reporting (SECR) Disclosure

a. Emissions Summary

The SECR disclosure presents our carbon footprint emissions; an appropriate intensity metric; the total energy use of electricity, gas and transport fuel; and an energy efficiency actions summary.

Energy consumption used to calculate emissions (kWh)	4,076,424
Emissions from consumption of gas (Scope 1) tCO ₂ e	468
Emissions from combustion of fuel for transport purposes (Scope 1) tCO ₂ e	44
Emissions from the generation of bioenergy (Scope 1) tCO ₂ e	2
Emissions from combustion of oil for heating purposes (Scope 1) tCO ₂ e	57
Emissions from purchased electricity (Scope 2, location based) tCO ₂ e	215
Emissions from business travel in employee owned vehicles (Scope 3) tCO ₂ e	1
Emissions from consumption of bioenergy (Out of Scope) tCO ₂ e	64
Total Gross tCO ₂ e based on above	851
Intensity Ratio (tCO ₂ e/total pupils)	0.6526

SECR Methodology notes

Reporting period	1 st August 2023 to 31 st July 2024
Boundary (consolidation approach)	Operational approach
Alignment with financial reporting	SECR disclosure is prepared in line with King's School annual accounts made up to 31 st July 2024
Emission and conversion factor source	UK Government GHG Conversion Factors for Company Reporting
Calculation method	Activity data x Emission Factor = GHG emissions Activity data x Conversion factor = kWh consumption
Rounding	The results in the table are expressed in tons CO ₂ and may not add up precisely due to rounding
Other relevant information	Diesel, petrol and EV split not available for business mileage, therefore factor for "Unknown" used from conversion table
Reason for intensity metric choice	King's School is an independent day school, therefore, the appropriate intensity metric is pupil numbers

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2024

b. Energy Efficiency Action Summary

The school continues to achieve direct savings in energy and associated carbon emissions, by placing sustainability at the heart of its strategy, and delivering through business as usual tasks and new projects.

- A phased programme to replace existing lighting with energy efficient LED lighting continues.
- New buildings and refurbishments use natural ventilation, and where possible, Part L BC standards are applied to old buildings to increase thermal efficiency.
- The Keyes Building and Boathouse at the senior school use bio-mass boilers. Alternate renewable sources are being looked at across the Foundation.
- The school has registered an interest in the council's scheme to assess the feasibility of a river source heat pump based city-wide heat network
- Oil is being phased out at Hawford with high efficiency gas boilers (hydrogen-ready) adopted as the replacements.
- Building management systems have been extended throughout the Foundation to reduce energy costs.
- Sensor controlled lighting is installed in new buildings and refurbishments.
- A programme is in place to replace all single glazed windows with energy efficient double-glazed units. Two elevations of Kings Hawford Main house were replaced during 2022/2023 and parts of Kings St Albans during the summer break 2024. Phase one of the new sixth form centre project at the senior school included replacement of the majority of windows in School House with triple glazed units.
- The school continues to look at replacing boilers with more energy efficient units.
- Waterless urinals were introduced in 2023 for the sixth form centre and if successful will be rolled out across the Foundation as a water-saving measure.
- The school transport network has continued to increase by 50% year on year. As at September 2024, we now transport 130 pupils to and from school in minibuses or coaches reducing the need for household cars to enter the city.

FUTURE PLANS

The school's Development Plan, informed by an overarching Strategic Vision, evolves to suit the needs of the 21st century as the school looks further forwards towards our 500th anniversary year in 2041.

The vision of the Foundation is defined in three imperatives for all staff and pupils: **be curious, be caring, be confident**. These will enable us to achieve the mission of our Foundation, which is to seek excellence in all we do and provide an outstanding preparation for life. Underpinning this are the five key values: ambition, resilience, humility, creativity and kindness.

Within the plan, four strategic pillars encapsulate what we focus upon to achieve excellence in all areas, with pupil success at the centre of everything we do. **Foundation** is the heart of the school. It celebrates the importance of being confident in who we are as we build for the future. **Futures** outlines how we strengthen each aspect of our pupils' educational experience, so they are fully prepared and ready for the world beyond King's. **Sustainability** captures how we invest sustainably in our future from both an environmental and financial perspective. **Community and Outreach** underscores the role each of us plays in celebrating equality, inclusion, and diversity, supporting our pupils and our school through in addition to our work with the wider Worcester community.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2024

The key aims which continue to underpin planning are:

- To maintain and enhance the current high standards of academic achievement and excellence, by means of careful monitoring of the progress of each pupil, setting appropriate targets and by providing effective feedback;
- To continue to focus on the development in pupils of self-esteem, resilience and independent learning skills;
- To continue to review staff development and related matters in order to be an outstanding school at which to be an employee, strengthening staff recruitment and retention as a result;
- To maintain and develop further existing local partnerships, and to ensure that the school both plays a significant part in the life of and shares facilities with the local community;
- To promote widely the availability of 100% fee remission places to academically able pupils and at least maintain the existing level of funding for means tested bursaries;
- To promote recruitment of pupils into the Foundation and to generate additional income sources to support the educational offer;
- To promote wider community use of the sports, dance and drama facilities available within the Foundation;
- To fundraise for a bursary fund capable of supporting the equivalent of 40 free places in perpetuity;
- To continue to establish build relationships with our alumni, cementing their place in our Foundation community.

In September 2024 after years of planning and searching, we have successfully acquired a prime plot of land in Battenhall, Worcester, to greatly enhance our sports facilities and expand our available playing fields.

The new acquisition is especially notable, ensuring that pupils, including those at our Prep Schools, King's Hawford and King's St Alban's can, subject to planning permission, benefit from superb new sports facilities. This move is a direct response to the long-standing aspirations of many within the current and former King's community, who have eagerly awaited the opportunity.

RISK MANAGEMENT

The Board of Governors is responsible for the management of the risks faced by the charity. Risks are identified, assessed, and controlled throughout the year. The school employs a Health and Safety adviser and engages professional advisers as required.

A formal review of the charity's Risk Register is undertaken by the Foundation Leadership Team and the Board on a termly basis.

The key controls used by the school to minimise and manage risk include:

- Formal agendas for all Committee and Board meetings.
- Advance circulation of detailed briefing papers prior to Committee and Board meetings.
- Comprehensive strategic planning, budgeting, and cash flow forecasting.
- Established organisational structure and lines of reporting.
- Formal written policies and procedures.

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2024**

- Vetting procedures as required by law for the protection of the vulnerable.

The Governors have reviewed and endorsed the Risk Register as a summary of the principal areas of the schools' operations and the major risks faced in each of these areas, examples of which include:

- Parents' ability to pay fees during times of economic uncertainty, and with the added impact of VAT on school fees.
- The effect of legislative changes relating to compliance, staff costs including the employers' pension provision, and charitable status.
- The impact of demographic changes and the development and expansion of local schools upon pupil numbers.
- Income source dependency from over reliance on fee income.

Considering the ongoing economic uncertainty which has come with the current cost of living crisis we well as a changing legislative environment with the election of a new Government, the Governors have reviewed the school's cash flow for the next eighteen months and have considered a number of scenarios and consider that the school has sufficient funds to manage the cash position during this period.

In the opinion of the Governors, the resources and management processes within the schools should, under normal conditions, allow these risks to be mitigated to an acceptable level in their day-to-day operations. The Governors are mindful of the forever changing landscape and continue to monitor the cost-of-living crisis and the changing political environment and its impact on the school. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governors (who are also the directors of The King's School Worcester for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Under company law the Governors are required to prepare financial statements for each financial year. The Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure of the charitable group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments 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 KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2024**

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group, enabling them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charitable company and the group and for taking reasonable steps for the prevention and detection of fraud.

DISCLOSURE OF INFORMATION TO AUDITOR

In so far as each of the Directors of the charitable company, as members of the Governing Body, at the date of approval of this report is aware, there is no relevant audit information (information needed by the school's auditor in connection with preparing the audit report) of which the school's and group auditor is unaware. Each member of the Governing Body has taken all the steps that ought to be taken as a Governor in order to make themselves aware of any relevant audit information and to establish that the school's auditor is aware of that information.

AUDITOR

The Board of Governors has decided to recommend Crowe UK LLP for re-appointment as statutory auditor to the company. Crowe UK LLP have expressed their willingness to continue to act and a resolution proposing their re-appointment will be submitted to the forthcoming Annual General Meeting.

This Governors' Annual Report, prepared under the Charities Act 2011 and Companies Act 2006, was approved by the Board of Governors of The King's School Worcester on 6 December 2024 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Mrs P Preston
Chair of Governors

THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER

Opinion

We have audited the financial statements of The King's School Worcester for the year ended 31 July 2024 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 July 2024 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended*
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and*
- have been prepared in accordance with the requirements of the Companies Act 2006.*

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the governor's 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 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 governors with respect to going concern are described in the relevant sections of this report.

Other information

The governors 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.

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

THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER

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 Governors' 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 Governors' report have been prepared in accordance with applicable legal requirements.*

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

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

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

Responsibilities of governors

As explained more fully in the Governors' responsibilities statement on page 20 the governors (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 governors 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 governors 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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER

the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the charity 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 Charities Act 2011, 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 charity'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, General Data Protection Regulation (GDPR), Health and Safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of governors 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 with the completeness and accuracy of non-fee income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, the Director of Finance and Business Development and the Finance & General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, designing audit procedures over non-fee income, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

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.

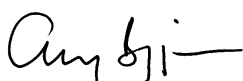
For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there 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.

**THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER**

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

Use of our report

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



Guy Biggin

Senior Statutory Auditor

For and on behalf of

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

Date: 12 December 2024

THE KING'S SCHOOL WORCESTER
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2024

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2024 Total £'000	2023 Total £'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	19,011	-	-	19,011	17,658
Ancillary trading income	3	1,069	-	-	1,069	1,668
Other trading activities						
Non-ancillary trading income	4	270	-	-	270	239
Other activities	4	30	-	-	30	21
Investments						
Interest and investment income	5	184	3	1	188	146
Voluntary sources						
Grants and donations	6	17	214	-	231	316
Total incoming resources		20,581	217	1	20,799	20,048
Expenditure on:						
Raising funds						
Non-ancillary trading	7	167	-	-	167	227
Financing costs	8	200	-	-	200	152
Fundraising and development	7	149	-	-	149	134
Total		516	-	-	516	513
Charitable activities						
Education and grant making	7	20,199	214	-	20,413	19,351
Pension scheme re-measurement of the estimate of past service costs	23	23	-	-	23	(67)
Total expenditure		20,738	214	-	20,952	19,797
Net incoming funds from operations before transfers & investment gains		(157)	3	1	(153)	251
Gains/(Losses) on investments	11	15	8	3	26	(1)
Net (deficit)/surplus		(142)	11	4	(127)	250
Transfers between funds	22	-	-	-	-	-
Net movement in funds for the year		(142)	11	4	(127)	250
Fund balances brought forward at 1 August 2023		23,582	360	59	24,001	23,751
Fund balances carried forward at 31 July 2024	22	23,440	371	62	23,874	24,001

The notes on pages 31 to 56 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2024

	2024	2023
	Unrestricted and Restricted Funds	<i>Unrestricted and Restricted Funds</i>
	Total	Total
	£'000	£'000
INCOME FROM:		
Charitable activities		
School fees	19,011	17,658
Ancillary trading	1,069	1,668
Other trading activities		
Fundraising trading	270	239
Other income	30	21
Investments		
Dividends, bank and other interest	188	146
Voluntary sources		
Grants and donations	-Unrestricted 17	71
	-Restricted 214	245
Total income	20,799	20,048
Expenditure on:		
Raising funds		
Trading costs	167	227
Financing costs	200	152
Development costs	149	134
Charitable activities		
Education and grant-making	20,413	19,351
Pension scheme re-measurement	23	(67)
Total expenditure	20,952	19,797
Net funds before investment gains and inter-fund transfers	(153)	251
Net investment gains/(losses) for the year	26	(1)
Net (deficit)/surplus for the year	(127)	250

The above Summary Income and Expenditure Account represents the total unrestricted and restricted income and expenditure as shown in the consolidated Statement of Financial Activities on page 27 and its presentation is required under the Companies Act 2006.

The notes on pages 31 to 56 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
CONSOLIDATED AND SCHOOL BALANCE SHEETS
AS AT 31 JULY 2024

Company Registered No:
04776324

		Consolidated		School	
		2024	2023	2024	2023
	Notes	£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	10	23,917	22,270	23,917	22,270
Securities investments	11	329	303	329	303
		24,246	22,573	24,246	22,573
CURRENT ASSETS					
Stock		1	1	1	1
Debtors	12	615	608	701	618
Cash and deposits		6,659	6,408	6,544	6,374
		7,275	7,017	7,246	6,993
CURRENT LIABILITIES					
Creditors payable within one year	13	(3,825)	(3,063)	(3,807)	(3,044)
		3,450	3,954	3,439	3,949
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES					
		27,696	26,527	27,685	26,522
LONG TERM LIABILITIES					
Creditors payable after one year	14	(3,223)	(1,904)	(3,223)	(1,904)
Pension Scheme funding deficit	23	(599)	(622)	(599)	(622)
		23,874	24,001	23,863	23,996
NET ASSETS					
REPRESENTED BY:					
ENDOWED FUNDS	22	63	59	63	59
RESTRICTED FUNDS	22	371	360	371	360
UNRESTRICTED FUNDS					
General reserve	22	23,440	23,582	23,429	23,577
		23,874	24,001	23,863	23,996

The net movement in funds for the school in the year is a deficit of £134,000 (2023: surplus £264,000).

These financial statements were approved by the Governing Body on the 6 December 2024 and were signed on its behalf by

P Preston
Chair of Governors

G W Ballard
Chair of the Finance and General Purposes Committee

The notes on pages 31 to 56 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2024

		2024		2023	
	Note	£'000	£'000	£'000	£'000
Net cash inflow from operations					
Net cash provided by operating activities	25		3,638		1,707
Cash flows from investing activities:					
Payments for tangible fixed assets		(2,730)		(1,489)	
Proceeds on sale of fixed assets		-		-	
Investment income and bank interest received		188		146	
Net cash (used in) investing activities			(2,542)		(1,343)
Cash flows from financing activities:					
Loan advances (net of repayments)		-		171	
Loan repayments		(599)		(1,097)	
Pension deficit payments		(79)		(76)	
Finance costs paid		(167)		(129)	
Net cash (used) by financing activities			(845)		(1,131)
Change in cash and cash equivalents in the reporting period			251		(767)
Cash and cash equivalents at 1 August 2023			6,408		7,175
Cash and cash equivalents at 31 July 2024	25		6,659		6,408

The notes on pages 31 to 56 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

1. ACCOUNTING POLICIES

Charity information

The school is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 23 May 2003 (company number: 04776324) and registered as a charity (with charity number: 1098236), the registered office address being 5 College Green, Worcester, WR1 2LL.

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

The financial statements are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The financial statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the school and its wholly owned subsidiaries King's School Worcester Activities Limited and KSW Enterprises Limited. The net movement in funds for the year of the group was a deficit of £127,000 for the year ended 31 July 2024 (2023: surplus £250,000).

No separate Statement of Financial Activities has been presented for the school alone, as permitted by Section 408 of the Companies Act 2006. The net results of the school are disclosed within the Balance Sheet.

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

Going concern

Having reviewed the funding facilities available to the school together with the expected ongoing demand for places and the school's future projected cash flows, the Governors have a reasonable expectation that the school has adequate resources to continue its activities for the foreseeable future, particularly in reference to the statement under Risk Management as set out in the Governors' report. The Governors consider that there were no material uncertainties over the school's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 20.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the school's financial statements.

1.1 Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the school against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

1.2 Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates.

1.3 Non-ancillary trading income

Income comprises the value of sales (excluding VAT and similar taxes and trade discounts) of goods and services made by the school's trading subsidiaries in the normal course of business.

1.4 Donations, legacies, grants and other voluntary incoming resources

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the school is considered probable.

Voluntary income for the school's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the school in the case of donated services or facilities.

1.5 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the school and its subsidiaries are excluded from consolidated trading income and expenditure.

Redundancy and termination costs only occur where absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy or terminate an employee's contract has been made.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

1.6 Tangible fixed assets

Buildings erected before 1947 are not included in these financial statements. There is no expenditure incurred in the improvement of these properties capitalised in the financial statements as all amounts of expenditure were of a revenue nature.

Fixtures, fittings, equipment purchased for direct use with pupils (academic and extra-curricular) and ICT equipment costs are written off as an expense as acquired. Expenditure on the acquisition of land, construction of new buildings, motor vehicles and other non-ICT assets intended to be used for more than two years are capitalised on acquisition and depreciated over their estimated useful life. ICT equipment used to support the school's systems infrastructure is capitalised on acquisitions and depreciated over their estimated useful life.

Other expenditure on equipment incurred in the normal day-to-day running of the school and its subsidiaries is charged to the Statement of Financial Activities as incurred.

1.7 Depreciation

Depreciation is provided on all tangible fixed assets on a straight-line basis at rates calculated to write off the cost of the assets over its estimated useful life as follows:

Freehold and long leasehold buildings	- over 40 years (or the lease term if shorter)
Freehold and leasehold buildings repairs and refurbishment	- over 5 to 10 years
Fixtures, fittings and equipment	- over 3 to 10 years
Motor vehicles	- over 5 years
ICT Equipment	- over 5 to 10 years (or lease term is shorter)
Assets in the course of construction	- not depreciated

1.8 Investments

Investment assets are carried at their market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

1.9 Stock

Stock is carried at the lower of cost and net realisable value.

1.10 Fund accounting

The charitable trust funds of the school and its subsidiaries are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the school's corporate reserves, spendable at the discretion of the Governors either to further the School's Objects or to benefit the school itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

The endowed funds comprise a number of individual trust funds established by specific donors, the capital of which may not be expended.

Restricted income comprises gifts, legacies, and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

1.11 Pension costs

Retirement benefits to employees of the school are provided through two pension schemes, one defined benefit and one defined contribution. The pension costs charged in the Statement of Financial Activities are determined as follows:

- (a) The Teachers' Pension Scheme - This scheme is an unfunded multi-employer defined benefit pension scheme. It is not possible to identify the school's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The school's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.
- (b) The King's School Worcester Personal Pension Plan - This is a defined contribution group personal pension plan with The Pensions Trust. Employer's pensions costs are charged in the period in which the salaries to which they relate are payable.
- (c) The Support Staff Pension Scheme administered by The Pensions Trust. This is an occupational defined benefit scheme. The Independent Schools' Pension Scheme (ISPEN) is a multi-employer scheme. As such it is not possible in the normal course of events to identify the share of the underlying assets belonging to the individual participating employers, and accordingly, in accordance with section 28 of FRS 102 it is accounted for as a defined contributions scheme with contributions being recorded as they become payable. A liability is recognised on the balance sheet however equal to the present value of contributions payable under the agreement to fund a deficit. The present value is calculated using the discount rate of 4.60% (2023: 5.70%). The unwinding of the discount rate is recognised as a finance cost.

1.12 Operating leases

Rentals under operating leases are charged on a straight-line 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.

1.13 Finance leases

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Company.

Assets held under finance leases are recognised initially at the fair value of the leased asset or, if lower, the present value of the minimum lease payments at the inception of the lease. The corresponding liability is included in the balance sheet as obligations under finance leases within creditors. Lease payments are apportioned between finance charges and reduction of the lease liability using the effective interest method to achieve a constant rate of interest on the remaining balance of the liability.

1.13 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors and accrued income. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except fees in advance, social security and other

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

1.14 Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value. The school has a base rate cap contract in place to cap the exposure to interest rate movements. The movement in the fair value of the derivative instrument is recorded with financing costs. Hedge accounting has not been applied.

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE

	2024 £'000	2023 £'000
Fees receivable consist of:		
School fees	21,119	19,616
Less: total bursaries, grants, scholarships and allowances	(2,346)	(2,225)
	<u>18,773</u>	<u>17,391</u>
Add back: Bursaries and other awards paid for by restricted funds	209	222
Add back: Fee remission under salary sacrifice scheme	29	45
	<u>19,011</u>	<u>17,658</u>

Scholarships, bursaries and other remission awards were paid to 510 pupils (2023: 496). Within this means tested bursaries totalling £695,938 were paid to 69 pupils (2023: £629,758 to 61 pupils).

3. CHARITABLE ACTIVITIES – ANCILLARY TRADING INCOME

	2024 £'000	2023 £'000
Pupils' extras charges	875	1,441
Registration fees	15	15
Break service	22	16
Holiday clubs	141	182
Training income	1	3
Letting of property	15	11
	<u>1,069</u>	<u>1,668</u>

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

4. OTHER TRADING ACTIVITIES

	2024 £'000	2023 £'000
Non-ancillary trading income		
King's School Worcester Activities Ltd	258	230
KSW Enterprises Ltd	12	9
	<u>270</u>	<u>239</u>
	2024 £'000	2023 £'000
Other activities		
Late payment administration charges	1	1
Renewable energy and other income	29	20
	<u>30</u>	<u>21</u>

5. BANK INTEREST AND INVESTMENT INCOME

	Unrestricted £'000	Restricted £'000	Endowed £'000	2024 £'000	2023 £'000
Investment Income:					
Equities	2	3	1	6	6
Bank interest	182	-	-	182	140

6. GRANTS AND DONATIONS RECEIVABLE

	Unrestricted £'000	Restricted £'000	Endowed £'000	2024 £'000	2023 £'000
Received from King's School					
Worcester Development Trust for:					
Bursaries	-	209	-	209	222
Other donations	17	5	-	22	44
Homes for Ukraine	-	-	-	-	50
	<u>17</u>	<u>214</u>	<u>-</u>	<u>231</u>	<u>316</u>

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

7. ANALYSIS OF EXPENDITURE

a) Expenditure

	Staff costs (note 9) £'000	Deprec'n (note 10) £'000	Other £'000	Total 2024 £'000	Total 2023 £'000
Costs of generating funds					
Trading costs	-	-	167	167	227
Cost of other activities	-	-	-	-	-
Financing costs (note 8)	-	-	200	200	152
Foundation Development costs	107	-	42	149	134
Total costs of generating funds	107	-	409	516	513
Charitable expenditure					
<i>Education and grant making</i>					
Teaching	10,582	84	2,507	13,173	12,747
Welfare	632	4	555	1,191	1,044
Premises	660	994	1,931	3,585	3,409
Support costs and governance	1,601	-	649	2,250	1,905
Grants, awards and prizes (note 7b)	-	-	214	214	246
Total charitable expenditure	13,475	1,082	5,856	20,413	19,351
Total expended	13,582	1,082	6,265	20,929	19,864

b) Grants awards and prizes

	2024 £'000	2023 £'000
From Restricted Funds:		
Bursaries	209	222
Other grants and awards	5	24
	214	246

c) Governance included in support costs:

	2024 £'000	2023 £'000
Remuneration paid to auditor for audit services	27	20
Reimbursement of personal expenses to Governors – travel costs	-	1
	27	21

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

Travel expenses were claimed by 1 member (2023: 1) of the Governing body. No Governor received any remuneration during the year ended 31 July 2024 (2023: nil) and no retirement benefits are accruing.

In addition to the above audit remuneration the financial statements include amounts payable to the auditor in respect of taxation and Teachers' Pension compliance services and advice totalling £1,254 (2023: £1,140).

8. FINANCE AND OTHER COSTS

	2024	<i>2023</i>
	£'000	<i>£'000</i>
Fees in advance financing cost	23	<i>11</i>
Loan financing cost	92	<i>105</i>
Finance lease interest	10	<i>-</i>
Impairment losses charged to financial assets	18	<i>31</i>
Derivative financial instruments gains/(losses)	24	<i>(18)</i>
Pension Scheme financing cost	33	<i>23</i>
	200	<i>152</i>

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

9. STAFF COSTS

The aggregate payroll costs for the year were as follows:

	2024	<i>Restated</i> 2023
	£'000	£'000
Wages and salaries	10,120	9,369
Social Security costs	971	904
Pension cost	1,837	1,643
	12,928	11,916
Staff non-salary benefits	71	75
Contract catering and agency staff costs	519	473
Apprenticeship levy	35	32
Fee Remission under Salary Sacrifice scheme and benefits	29	45
	13,582	12,541
Aggregate employee benefits of key management personnel:	1,009	922
	2024	2023
Number of higher paid employees in bands of:		
£60,000 to £70,000	3	2
£70,001 to £80,000	3	2
£80,001 to £90,000	3	3
£130,0001 to £140,000	-	1
£140,001 to £150,000	1	-
	2024	2023
The number of staff with retirement benefits accruing:		
in Defined Contribution schemes was	146	138
of which the contributions amounted to	£251,298	£208,140
in Defined Benefit schemes was	146	146

The average number of staff employed during the year was 371 (2023: 352).

The average number of full-time equivalent staff during the year was:

	2024	2023
Teaching	194.0	195.3
Domestic	3.8	4.1
Premises	23.4	24.8
Administration	38.8	36.4
Fundraising	3.0	2.3
	263.0	262.9

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

During the year redundancy and termination payments (or otherwise relating to compromise agreements) were due of £22,469 (2023: £nil). The amounts outstanding at the year end were £nil (2023: £ nil).

10. TANGIBLE FIXED ASSETS

Group and School	Freehold Property £'000	Long leasehold property £'000	Assets in course of construction £'000	Fixtures, fittings & equip't £'000	Motor Vehicles £'000	IT £'000	Total £'000
Cost							
At 1 August 2023	33,768	3,811	930	1,165	279	-	39,953
Additions	-	-	2,663	19	47	-	2,729
Disposals	-	-	-	-	-	-	-
Transfers	1,436	63	(1,989)	230	-	260	-
At 31 July 2024	35,204	3,874	1,604	1,414	326	260	42,682
Depreciation							
At 1 August 2023	13,080	3,743	-	672	188	-	17,683
Charge for year	903	10	-	85	36	48	1,082
Disposals	-	-	-	-	-	-	-
At 31 July 2024	13,983	3,753	-	757	224	48	18,765
Net book value							
At 1 August 2023	20,688	68	930	493	91	-	22,270
At 31 July 2024	21,221	121	1,604	657	102	212	23,917

The school has a number of long-held historic assets, which are used in the course of the school's educational activities in accordance with the Charity Commissioners Approved Scheme (under which transfer of a major interest in such property by the school would require the consent of the charity Commission). These comprise listed buildings on the school site together with manuscripts and other artefacts within the school archive. Given the age, nature and restricted use of the buildings and the unique nature of other archive items, reliable historical cost information is not available for these assets and could not be obtained except at disproportionate expense. However, in the opinion of the Governors the depreciated historical cost of these assets would now be immaterial.

Capital Commitments

	Group and School	
	2024	2023
	£'000	£'000
Future capital expenditure		
Authorised and contracted for but not yet completed	662	2,274

Capital Commitments

The school has been granted an option to purchase the freehold interest of one of its leasehold properties, exercisable at a future date and has security of tenure until that date. In respect of the same property, the school has granted the lessor, (and successors in title), an option to require the

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

school to purchase the freehold interest on the death of the lessor or if the lease is forfeited. In the event that either option is exercised the purchase price of the freehold interest will be based upon a valuation of the property on the date of the exercise of the option.

Tangible fixed assets include two properties with a net book value of £5.1m (2023: £5.4m) which are charged as security for a proportion of the school's bank loans. Tangible fixed assets include assets with a net book value of £140k which are secured under finance leases.

11. INVESTMENTS

Group and School	Unrestricted £'000	Restricted £'000	Endowed £'000	Total £'000
Equity investments				
At 1 August 2023	165	102	36	303
Unrealised gains in year	15	8	3	26
At 31 July 2024	180	110	39	329

All investments are listed on the UK stock exchange and are held by the school.

Subsidiary undertakings

By virtue of common control King's School Worcester Activities Limited (Company No: 01472145), a company limited by guarantee and registered in England and Wales, is recognised as a wholly owned subsidiary undertaking of the school. KSW Enterprises Limited (Company No: 07141348) is a company registered in England with an issue share capital of £1, which is wholly owned by the school. The results of these subsidiaries are reported in note 24 to the financial statements.

12. DEBTORS

	Group		School	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Fees and extras receivable	103	109	103	109
Trade debtors	32	22	-	-
Due from subsidiary companies	-	-	119	32
Derivative financial instruments	10	34	10	34
Sundry debtors	35	17	34	17
Prepayments and accrued income	435	426	435	426
	615	608	701	618

All debtors are due within one year. Fees and extras receivable are stated after a provision for impairment losses of £162,707 (2023:£149,681)

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

13. CREDITORS: amounts falling due within one year

	Group		School	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bank loan (note 15)	494	498	494	498
Finance lease creditor (note 16)	41	39	41	39
Trade creditors	289	667	287	663
Registration deposits	229	230	229	230
Taxation and social security	232	235	232	235
Due to subsidiary companies	-	-	-	-
Other creditors	429	321	429	318
Fees in advance scheme (note 17)	1,385	226	1,385	226
Accruals and deferred income	726	847	710	835
	3,825	3,063	3,807	3,044

14. CREDITORS: amounts falling due after more than one year

	Group		School	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bank loan (note 15)	1,238	1,701	1,238	1,701
Finance lease creditor (note 16)	91	132	91	132
Fees in advance scheme (note 17)	1,894	71	1,894	71
	3,223	1,904	3,223	1,904

15. BANK LOANS

	Group and School	
	2024	2023
	£'000	£'000
The bank loans are repayable by instalments:		
Due after more than 5 years	-	210
Due within 2 – 5 years	1,238	1,491
Due after more than one year	1,238	1,701
Due within 1 year	494	498
	1,732	2,199

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

The bank loans are secured by way of a fixed charge dated 4 September 2009 over two of the company's freehold properties (the site known as King's Hawford and the new pre-preparatory school located at Mill Street Worcester). The loans, which are repayable over a period of up to 20 years from July 2009, 13 years from June 2014 and 15 years from January 2016, are mainly variable rate borrowings at interest rates ranging from 1.20% to 1.31% above Bank of England base rate. The CBIL loan is a fixed rate loan at 1.96% repayable over 5 years from August 2021.

A base rate cap has been put in place covering £653,980 of the bank loans capping interest at 3.7%, see note 18.

Post year end the Foundation has secured an additional loan of £1.5m drawn in September 2024, repayable over 15 years with an initial 4 year fixed period at 6.09%

16. FINANCE LEASES

The future minimum lease payments are as follows:

	Group and School	
	2024	2023
	£'000	£'000
Not later than one year	49	49
Later than one year and not later than five years	98	147
	147	196
Future finance charges	(15)	(25)
Net obligations under finance leases	132	171

The finance leases are for IT equipment which is being acquired under a finance lease over a period of 4 years. The assets are recognised as tangible fixed assets.

17. FEES IN ADVANCE SCHEME

Parents may enter into a contract to pay to the school tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the school advance fees will be applied as follows:

	Group and School	
	2024	2023
	£'000	£'000
Within 2 - 5 years	1,010	-
Within 1-2 years	884	-
After more than one year	1,894	71
Within 1 year	1,385	226

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

3,279	297
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Summary of movements in liability

	£'000
Balance at 1 August 2023	297
New contracts	3,536
Amounts accrued to contracts as debt financing cost	23
Amounts used to pay fees	(577)
Balance at 31 July 2024	3,279

18. FINANCIAL INSTRUMENTS

Group and School	
2024	2023
£'000	£'000

Financial assets measured at fair value	329	303
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Financial assets held at fair value include assets held as investments.

Impairment losses charged to financial assets measured at amortised cost in the year amounted to £18,000 (2023: £31,000).

The school has entered into a base rate cap contract to mitigate the risk of rising exchange rates.

At the 31 July 2024 the school had the following outstanding contracts:

Group and School	
2024	2023
£'000	£'000

Within 1 year	10	34
	10	34

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

19. OPERATING LEASES

Commitments

The total remaining operating lease commitment in respect of the unexpired period of current operating leases is as follows:

Group and School	2024			2023		
	Land and buildings £'000	Other £'000	Total £'000	Land and buildings £'000	Other £'000	Total £'000
On leases						
Within 1 year	114	51	165	108	16	124
Between 1-2 years	114	30	144	103	1	104
Between 2-5 years	333	71	404	310	-	310
After 5 years	944	-	944	1,042	-	1,042
	1,505	152	1,657	1,563	17	1,580

Charge for the year

The amounts payable under operating leases and charged as expenditure during the year are as follows:

Group and School	2024 £'000	2023 £'000
Leases in respect of:		
Land and buildings	113	114
Plant and equipment	60	29
	173	143

20. FUNDS OF THE SCHOOL

The school's funds are analysed under the following headings.

a) Endowed Funds

The endowed fund comprises an individual trust set up by an individual donor to support specific scholarships. A distinguishing feature of the special trust is the donor's express requirement or implicit intention that the funds shall not be spent immediately but should be retained. The trust is not pooled for investment and is credited with the relevant investment income and bears its own expenses.

The Dean Forrest Fund to support a scholarship, with preference for former choristers intending to take Holy Orders or who are sons of clergy.

THE KING'S SCHOOL WORCESTER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

b) Restricted Funds

Over a number of years, the school has received donations where the donors have placed restrictions on the uses to which the gifts may be put. The Funds thus restricted under charity law, and which are partly invested in separate investment securities and partly in the school's pooled deposits, are:

The Canon Catley Scholarship and Bursary Fund	to provide bursaries to pupils.
The Specific Small School Projects Fund	to provide resources for specific named projects and pupils.
The Annual Fund	donations solicited from parents of pupils each year to be expended in the short term upon a range of additional pupil resources.
The Reeves Maths Prize Fund	to award prizes for excellence in mathematics.
The Astroturf Fund	to provide resources for the future resurfacing of the pitch.
The M Stevens Fund	to provide bursaries in respect of the cost of trips and extracurricular activities.

The Foundation Development Funds represent donations received from external donors through the charity The King's School Worcester Development Trust charity where the sums received are for specific purposes but where there is no requirement to preserve capital. Expenditure directly financed by such donations is shown under restricted funds.

The Foundation Development Bursary Fund	to provide bursary support to pupils
The Keyes Building	to provide a contribution to the total capital cost (circa £9m) of the new building
The Foundation Development Sundry Special funds	represent funds received to support a number of small projects the balances on each individual fund being below £10,000

Foundation Development Sundry Special funds

At 31 July 2024 these were:

	£
School Flag Fund	320
Cricket Pavilion Fund	1,369
Annual Fund	7,057
Reeves Maths Prize Fund	1,000
M Stevens Fund	6,794
	16,540

Donations received through the Foundation Development Office for the general benefit of the school without any restriction are accumulated within unrestricted funds.

Although expenses may be apportioned across all the individual funds arising as a result of the fund-raising activities of the Foundation Development Office this policy has not been adopted in order that

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

the financial statements give a clear indication of the total value of donations made to specific projects.

c) Unrestricted Funds

Unrestricted funds represent accumulated income from the school's activities and other sources and are available for the general purposes of the school.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2024	Unrestricted £'000	Restricted £'000	Endowed £' 000	Total £'000
Tangible fixed assets	23,917	-	-	23,917
Investments- securities	179	112	38	329
Net current assets	3,166	259	25	3,450
Long term liabilities	(3,822)	-	-	(3,822)
	23,440	371	63	23,874
2023	Unrestricted £'000	Restricted £'000	Endowed £' 000	Total £'000
Tangible fixed assets	22,270	-	-	22,270
Investments- securities	165	102	36	303
Net current assets	3,675	256	23	3,954
Long term liabilities	(2,526)	-	-	(2,526)
	23,584	358	59	24,001

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

22. GROUP SUMMARY OF MOVEMENT ON FUNDS

a) Year to 31 July 2024

	At 1 August 2023 £'000	Incoming resources £'000	Resources expended £'000	Transfers between funds £'000	Unrealised gains /(losses) £'000	At 31 July 2024 £'000
Unrestricted funds						
General reserve	23,577	20,311	(20,571)	97	15	23,429
Trading subsidiary reserves	5	270	(167)	(97)	-	11
	23,582	20,581	(20,738)	-	15	23,440
Restricted funds						
Canon Catley fund	168	3	-	-	8	179
Astroturf fund	99	-	-	-	-	99
Specific Small School Projects fund	3	5	(5)	-	-	3
Foundation Development restricted funds						
Bursary fund	80	209	(209)	-	-	80
Sundry Specific funds	10	-	-	-	-	10
	360	217	(214)	-	8	371
Permanent Endowed funds						
Dean Forrest	59	1	-	-	3	63
	59	1	-	-	3	63
Total Funds	24,001	20,939	(21,092)	-	26	23,874

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

22. GROUP SUMMARY OF MOVEMENT ON MAJOR FUNDS

b) Year to 31 July 2023

	At 1 August 2022 £'000	Incoming resources £'000	Resources expended £'000	Transfers between funds £'000	Unrealised gains /(losses) £'000	At 31 July 2023 £'000
Unrestricted funds						
General reserve	23,313	19,561	(19,324)	26	1	23,577
Trading subsidiary reserves	19	239	(227)	(26)	-	5
	23,332	19,800	(19,551)	-	1	23,582
Restricted funds						
Canon Catley fund	168	2	-	-	(2)	168
Astroturf fund	99	-	-	-	-	99
Specific Small School Projects fund	4	23	(24)	-	-	3
Foundation Development restricted funds						
Bursary fund	80	222	(222)	-	-	80
Sundry Specific funds	10	-	-	-	-	10
	361	247	(246)	-	(2)	360
Permanent Endowed funds						
Dean Forrest	58	1	-	-	-	59
	58	1	-	-	-	59
Total Funds	23,751	20,048	(19,797)	-	(1)	24,001

23. PENSION SCHEMES

Retirement benefits to employees of the school are provided through two defined benefit schemes and one defined contribution scheme, which are funded by the school's and employees' contributions.

DEFINED BENEFIT SCHEMES

Teachers' Pension Scheme

The school participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,577,656 (2023: £1,427,250) and at the year end £nil (2023 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

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 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation has valued the 'greater value' benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Independent School's Pension Scheme

Defined Benefit

Until April 2020 the School operated a defined benefit scheme for support staff, through its participation in the Independent School's Pension Scheme administered by the Pensions Trust (ISPEN). ISPEN. The scheme, a multi-employer scheme which provides benefits to some 61 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the school to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme. The scheme was closed to new members of staff with effect from 31 March 2017 and was closed to future benefit accrual for all members with effect from April 2020.

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

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

With effect from 1 April 2015 the school operated only one benefit structure – a career average revaluated earnings (CARE) structure with a 1/80th accrual rate. Contributions have been made to the scheme in accordance with the recommendations of the scheme's Actuary.

The pension charge for the year includes contributions payable to the ISPEN of £nil (2023: £nil). At the balance sheet date there were no (2023: nil) active members of the Scheme employed by the school. In addition, the school paid contributions totalling £79,093 (2023: £76,320) in respect of the past service deficit.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

participating employers have agreed that additional contributions will be paid, in combination from all employers to the scheme as follows:

Deficit contributions

From 1 September 2022 to 30 June 2032	£2,687,000 per annum (payable monthly and increasing by 3% on each 1 September)
---------------------------------------	---

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 September 2019 to 31 August 2030	£2,387,357 per annum (payable monthly and increasing by 3% on each 1 September)
---	---

The recovery plan contributions are allocated to each participating employer in line with they estimated share of the scheme liabilities.

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

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

Present Value of Provision for School's deficit funding obligations:

	31 July 2024 £'000	31 July 2023 £'000	31 July 2022 £'000
Present value of provision	599	622	742

Reconciliation of opening and closing provisions

	Group and School	
	2024 £'000	2023 £'000
Provision at start of period	622	742
Unwinding of discount factor (interest expense)	33	23
Deficit contribution paid	(79)	(76)
Remeasurements- impact of any change in assumptions	23	(67)
Remeasurements- amendments to the contribution schedule	-	-
Provision at end of period	599	622

Income and expenditure impact

	2023 £'000	2022 £'000
Interest expense	33	23
Remeasurements- impact of any change in assumptions	23	(67)
Remeasurements- amendments to the contribution schedule	-	-
	56	44

Assumptions	Year to 31 July 2024	Year to 31 July 2023	Year to 31 July 2022
Rate of discount % per annum	4.6	5.7	3.24

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

Defined contribution scheme

The school operates a defined contribution pension scheme in connection with its auto-enrolment obligations. The assets of the scheme are held separately from those of the school in a fund independently administered by The Pensions Trust. The pension cost charge includes contributions payable by the school to the fund amounting to £251,298 (2023: £208,140). As at the balance sheet date there were £nil (2023: £nil) contributions outstanding payable to the pension fund.

24. SUBSIDIARIES AND BASIS OF CONSOLIDATION

The school has two connected trading companies, King's School Worcester Activities Limited registered number 01472145 (a company limited by guarantee) and KSW Enterprises Limited registered number 07141348 (a company limited by shares, of which all of the issued share capital is owned by the school). The results of both are consolidated with those of the school and in the case of

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

King's School Worcester Activities Limited are included within the unrestricted funds shown in the financial statements and in restricted funds in the case of KSW Enterprises Limited.

King's School Worcester Activities Limited (KSWA Ltd), a company limited by guarantee, carries out various trading activities on behalf of the school and accounts for including vending machine sales, the lettings to third parties of school facilities other than the school AstroTurf pitch and sundry other non-charitable trading items. The letting of the AstroTurf pitch is administered and accounted for by KSW Enterprises Limited (KSW Ent Ltd).

For over ten years the school has had a long-term fundraising initiative to create a Foundation Development fund. Donations to this fund are made to The King's School Worcester Development Trust, (formerly The King's School Development Trust) which then makes grants to the school. This Trust is a separate registered charity which is not controlled by the school and its results are not included within the consolidated financial statements but it is recognised as a related party (see note 26).

Trading results extracted from the financial statements of the trading subsidiaries are shown below:

	KSWA Ltd £'000	KSW Ent Ltd £'000	Total 2024 £'000	KSWA Ltd £'000	KSW Ent Ltd £'000	Total 2023 £'000
Turnover	258	12	270	230	9	239
Cost of sales	(153)	-	(153)	(211)	-	(211)
Administrative costs	(8)	(6)	(14)	(9)	(7)	(16)
Operating profit	97	6	103	10	2	12
Gift aid donation	(97)	-	(97)	(26)	-	(26)
Retained profit	-	6	6	(16)	2	(14)
Net assets	19	(8)	11	19	(14)	5
Balance owed by the school at 31 July	(94)	(25)	(118)	(9)	(24)	(33)

The trading companies make gift aid donations of all taxable profits to the school with the result that both trading subsidiary companies have a nil annual corporation tax liability. The King's School Worcester, as a registered charity, has no liability to UK corporation tax in respect of its income and gains properly applied for its charitable purposes.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

25. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£'000	£'000
Net income resources	(127)	250
Elimination of non-operating cash flows:		
(Gains)/Losses on investments	(26)	1
Investment income	(188)	(146)
Finance costs	167	129
Defined benefit pension scheme finance cost	33	23
Defined benefit pension scheme re-measurement	23	(67)
Depreciation charge	1,082	959
Profit on sale of fixed assets	-	-
Decrease in stock	-	-
(Increase) in debtors	(4)	(2)
(Decrease)/Increase in creditors (excluding fees in advance scheme and deposits)	(303)	638
Decrease/(Increase) in fees in advance scheme creditors	2,981	(70)
(Decrease) in parents' deposits	-	(8)
	3,765	1,457
Net cash inflow	3,638	1,707
Analysis of cash and cash equivalents		
	2024	2023
Cash	4	4
Bank	6,655	6,404
	6,659	6,408

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

26. RELATED PARTY TRANSACTIONS

As stated in note 1 to the financial statements, the school has two connected trading companies, King's School Worcester Activities Limited and KSW Enterprises Limited. A set off agreement exists between The King's School Worcester and King's School Worcester Activities Limited with Lloyds Bank plc for interest purposes only. The gift aid transactions between the school and these companies together with details of the year end balances are reported in note 24 to the financial statements.

In the course of its ordinary activities the school conducted business with the Dean and Chapter of Worcester Cathedral including their related Enterprise company in respect of events and staffing, all negotiated at arm's length on normal commercial terms, totalling £3,736 (2023: £4,930) and totalling £99,872 (2023: £98,726) in respect of choral scholarships.

The School Governors include a partner in Fisher German LLP, who administer Worcester Cathedral's property lets to the school. The value of rental services provided to the school during the year, all of which were negotiated at arm's length and supplied on normal commercial terms, amounted to £114,899 (2023: £107,712). The balance due to Fisher German LLP at the year end was £nil (2023: £nil).

The Dean is an ex officio member of the school's Governing body, and six of the school's nominative Governors are nominated by the Dean and Chapter of Worcester Cathedral. The balance due from the Dean and Chapter of Worcester Cathedral and its trading entities at the year end was £nil (2023: £nil). The Dean is also a Director of the Worcester Literacy Festival Limited the School spent £nil on advertising with them in the year (2023: £ nil). The balance due to Worcester Literacy Festival Limited at the year end was £nil (2023: £nil).

A school Governor is a trustee of The King's School Worcester Development Trust, a separate registered charity (see note 24). In the course of its ordinary activities the school conducted business with the King's School Worcester Development Trust in respect of events and fundraising activities. The school received from the Trust £4,105 (2023: £209) in respect of events income and expenses due to the school on normal commercial terms and grant funding, totalling £209,248 (2023: £221,874) for the year was due to the school at the year end. During the year the school received net donations of £6,623 (2023: £4,083) on behalf of the Trust and the net balance due to the School by the Trust at the year end was £nil (2023: £nil). In addition at the year end the School held cash balances as agent for The Development Trust amounting to £5,061 (2023: £5).

The School Governors includes two parents of the school, in addition six members of key management personnel are also parents. During the year they were charged School fees on commercial terms and no balances were outstanding at the year end.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

27. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

Year to 31 July 2023		Unrestricted Funds	Restricted Funds	Endowed Funds	2023 Total	2022 Total
	Notes	£'000	£'000	£'000	£'000	£'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	17,658	-	-	17,658	16,828
Ancillary trading income	3	1,668	-	-	1,668	808
Other trading activities						
Non-ancillary trading income	4	239	-	-	239	192
Other activities	4	21	-	-	21	42
Investments						
Interest and investment income	5	143	2	1	146	16
Voluntary sources						
Grants and donations	6	71	245	-	316	300
Total incoming resources		19,800	247	1	20,048	18,186
Expenditure on:						
Raising funds						
Non-ancillary trading	7	227	-	-	227	183
Financing costs	8	152	-	-	152	62
Fundraising and development	7	134	-	-	134	129
Total		513	-	-	513	374
Charitable activities						
Education and grant making	7	19,105	246	-	19,351	17,478
Pension scheme re-measurement of the estimate of past service costs	23	(67)	-	-	(67)	157
Total expenditure		19,551	246	-	19,797	18,009
Net (outgoing)/incoming funds from operations before transfers and investment gains		249	1	1	251	177
Gains on investments	11	1	(2)	0	(1)	(4)
Net income		250	(1)	1	250	173
Transfers between funds	22	-	-	-	-	-
Net movement in funds for the year		250	(1)	1	250	173
Fund balances brought forward at 1 August 2022		23,332	361	58	23,751	23,578
Fund balances carried forward at 31 July 2023	22	23,582	360	59	24,001	23,751

Accounts

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2023**

Contents	Page
Governors, Officers and Advisers	3
Annual Report of the Governors	5
Strategic Report	11
Statement of Accounting and Reporting Responsibilities	21
Independent Auditor's Report	23
Consolidated Statement of Financial Activities	27
Consolidated Summary Income and Expenditure Account	28
Consolidated and School Balance Sheets	29
Consolidated Cashflow Statement	30
Notes to the Financial Statements	31

THE KING'S SCHOOL WORCESTER
GOVERNORS, OFFICERS AND ADVISERS
YEAR ENDED 31 JULY 2023

GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

The Governors of the King's School Worcester ("the School") are the School's charity trustees under charity law and the directors of the charitable company. The members of the Governing Body who served in office as Governors during the year and subsequently are detailed below:

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
P Preston (Chair)		●	●			●			●	
The Very Rev'd P G Atkinson	Retired 25 August 2023	●				●				
G W Ballard		●				●				
T Brock	Appointed 3 November 2023								●	
K Brunt	Resigned 30 June 2023		●					●		
D B Dale	Retired 24 March 2023	●				●				
D L Green	Retired 30 June 2023		●	●					●	
J W R Goulding	Resigned 30 June 2023		●							
S E Hincks	Appointed 1 September 2022		●		●	●			●	
C Hoddinott	Resigned 30 June 2023		●			●				
J H Jarvis	Retired 30 June 2023				●		●		●	
A Mathur	Appointed 3 November 2023	●								
W Milne-Bennett	Appointed 1 September 2023			●					●	
C Pike						●			●	
A A Plunkett	Appointed 1 September 2022		●		●				●	
R Prestidge	Appointed 24 November 2022	●								
J Riaz	Resigned 1 October 2023		●							●
E Robson	Appointed 3 November 2023								●	
Dr. J Salkeld	Appointed 17 November 2023	●								
Prof. M Stringer	Appointed 17 October 2023		●							
R Tomlinson *		●								
A Underwood		●								
P Walker		●				●				
S Williams *	Appointed 6 October 2023		●					●		

During the year the activities of the Governing Body were carried out through the main board and the above committees. The membership of these committees is shown above for each Governor.

- (1) Finance and General Purposes Committee
- (2) Education Committee
- (3) Representative on School Health and Safety Committee
- (4) Safeguarding Governors
- (5) Nominations and Governance Committee
- (6) EYFS Governor
- (7) Prep School Governors
- (8) Compliance Committee
- (9) EID Governor

*Parent of pupil at the School

THE KING'S SCHOOL WORCESTER
GOVERNORS, OFFICERS AND ADVISERS (Continued)
YEAR ENDED 31 JULY 2023

OFFICERS

G E Doodes	Headmaster - Foundation
R A Chapman	Head – King's St Alban's Prep School
J Phillips	Head – King's Hawford Prep School (Resigned 31 August 2022)
T Butt	Head – King's Hawford Prep School (Appointed 1 November 2022)
G M Mason	Director of Finance and Business Development Acting Clerk to Governors (16 January – 18 April 2023)
S Holden	Director of Operations (Resigned 15 January 2023) Clerk to the Governors (Resigned 15 January 2023)
A Winter	Director of Operations (Appointed 1 April 2023)
E L Sydenham	Clerk to Governors (Appointed 19 April 2023)

Principal address and Registered Office

5 College Green, Worcester, WR1 2LL

Auditor

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

Bankers

Lloyds Plc, 4 The Cross, Worcester, WR1 3PY

Solicitors

Harrison Clark Rickerbys Ltd, Wellington Street Cheltenham, GL50 1YD

Parkinson Wright LLP, St Nicholas Street Worcester, WR1 1UN

Surveyors

Gwilliam Darby Carr, 7 Severn Street, Worcester, WR1 2ND

Charity number

1098236

Company Number

04776324

Website

www.ksw.org.uk

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2023

The members of The King's School Worcester Governing Body present their Annual Report for the year ended 31 July 2023 under the Charities Act 2011 including the Directors' Report and Strategic Report and the Companies Act 2006, together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The King's School Worcester ("the School") was founded in 1541. It is constituted as a company limited by guarantee registered in England, No. 04776324, and is registered with the Charity Commission under Charity No.1098236. The Charity Commissioners for England and Wales have issued a uniting direction in respect of the School and the unincorporated precursor charity that went by the same name (having the registered name of Worcester Cathedral Grammar School, charity number 527536) whereby single entity financial statements may be prepared.

The School operates one senior school and two prep schools known as King's St Alban's and King's Hawford.

There is one Governing Body for all three Schools. Details of the members of the Governing Body, together with the School's officers and principal advisers, are given on pages 3 and 4.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The School is governed by its Memorandum of Association and Articles of Association and by the Scheme of the Charity Commissioners dated 22 May 2003, as amended on 4 July 2003, 3 July 2009, 30 November 2018 and 19 March 2021.

Governing Body

Under the Charity Commission Scheme the Board of Governors shall not exceed eighteen members comprising one ex-officio, eight nominative and nine co-opted Governors. Of the nominative Governors seven are nominated by the Dean and Chapter of Worcester Cathedral and one by the Bishop of Worcester. Nominative Governors serve for a term of four years. Co-opted Governors are appointed for a term of four years by resolution of the Governors. Retiring Governors may be re-appointed.

Recruitment and training of Governors

The School's elected Governors are appointed at a meeting of the Board of Governors on the basis of nominations received from the three nominating bodies specified within the Charity Commission Scheme. All nominations (including co-optative appointments) are made having regard to the Board's requirements concerning eligibility, personal competence, specialist skills, and availability.

New Governors are inducted into the workings of the School, including governing body policy and procedures, through visits to the School and the provision of a comprehensive briefing pack and by personal contact with other Governors, the Headmaster, the Director of Finance and Business Development and the Director of Operations. All Governors are offered the opportunity to attend relevant training seminars and receive briefings on current issues in the sector and regulatory requirements.

Organisational management

The Governors, as the charity trustees, are legally responsible for the overall management and control of the School. They meet at least three times a year and on other occasions as required. The work of implementing their policies is facilitated by four sub-committees:

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2023

- the Finance and General Purposes Committee (F&GP) has specific responsibility for financial matters including the review of budgets and finalising the audited financial statements and annual report for approval by the Board.
- the Education Committee considers strategic academic issues.
- the Nominations and Governance Committee considers the recruitment and retirement of Governors, terms of reference and committee membership.
- the Compliance Committee provides oversight of all elements of compliance and risk.

There are no other standing committees of Governors but the membership of the School's Health and Safety Committee is chaired by a Governor and there are nominated governors who have specific responsibility for liaising with the prep schools, early years and child protection. In addition, there is Governor representation on various ad hoc school management committees as may be required from time to time.

The day to day running of the schools is delegated to the Headmaster supported by the Director of Finance and Business Development, the Director of Operations, members of the Foundation Leadership Team and the three Senior Leadership Teams. Together this group represent the key management personnel. All meetings of the full Board of Governors, the F&GP and Compliance Committees are attended by the Headmaster and the Director of Finance and Business Development and the Director of Operations. The pay and remuneration of the key management personnel are determined by Governors.

The Senior Deputy attends all meetings of the full Board of Governors and of the F&GP and Education Committees. The Prep School Heads attend all meetings of the full Board of Governors and of the Compliance, Education and F&GP Committees.

Group Structure and Relationships

The School has two related non-charitable subsidiary companies, King's School Worcester Activities Limited (Company No: 01472145) and KSW Enterprises Limited (Company No: 07141348). A minimum of one half of the number of serving directors on the Board of each subsidiary are also members of the Board of Governors. King's School Worcester Activities Limited is a company limited by guarantee and does not have a share capital. As such the liability of each member of the company is limited to an amount not exceeding £1. This company is the enterprise through which commercial activities, including the hire of general school facilities, take place. KSW Enterprises Limited is a company limited by shares and its issued share capital of £1 is wholly owned by the charity. This company administers the community lettings of the Astroturf constructed by the school on the site of Bishop Perowne Church of England College.

Employment Policy

The School is an Equal Opportunities Employer. Full and fair consideration is given to all job applications and due consideration is given to training and employment needs. Consultation with employees, or their representatives, is undertaken at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

The Governors recognise the importance of good communications with all employees and involve employees within the School's strategic planning procedures. In addition to communication through normal management and departmental channels employees are kept well informed of the performance, financial position and objectives of the School through personal briefings, regular meetings, e-mail and presentations throughout the year.

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2023**

Promotion of the success of the organisation to benefit its members

The Governors confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider most likely to achieve the purposes of the Company. In making this assessment, the Governors consider the relevant actions of the Board as described throughout the report.

Taking the areas required for disclosure in turn:

a. The likely consequences of any decision in the long term

The long-term sustainability of the School is detailed in the Strategic Report. Specifically, the Governors consider both operating results and financial projections and the key risks that could negatively impact the sustainability of the School. The Finance and General Purposes Committee and the full board review management information, budgets, forecasts, cashflow projections and progress against budget on a regular basis. Risk Management and the level of reserves are also discussed further in the report.

b. The interests of the company's employees

In relation to employee engagement, weekly briefings keep staff informed of school wide matters of interest. The Governors receive regular reports from management on the wellbeing of the employees and speak directly to staff during visits to the school. During the year a Staff and Governor Forum has been set up which provides staff representatives with the opportunity to meet with the Chair and Vice Chair of Governors.

c. The need to foster the company's business relationships with parents, suppliers, and others.

In relation to key stakeholder engagement, the Governors worked closely with management to communicate with parents, staff and pupils. Parents receive weekly news update from the Foundation via email.

In accordance with financial procedures and standard payment terms, supplier payment is due within 30 days after the School receives the invoice from the supplier.

d. The impact of the company's operations on the community and the environment

The Governors continue to review how the activities of the School impact on the local community and the environment. There is a review of Greenhouse gas emissions later in this report in compliance with the Streamlined Energy and Carbon Reporting (SECR) Report. An example of this is the School transport network which has continued to expand year on year. As at September 2023 we now transport 150 pupils to and from school in minibuses or coaches reducing the need for household cars to enter the city

e. The desirability of the company maintaining a reputation for high standards of business conduct

The School takes a zero-tolerance approach towards fraud, bribery and corruption. It is committed to complying with all applicable laws and regulations relating to fraud, bribery and corruption.

f. The need to act fairly as between members of the company

The Governors understand the Charity Commission requirements and acknowledge the need to avoid and manage potential conflicts of interest. The Company is limited by guarantee so does not have share capital with the result that issues relating to Director shareholders or relations between majority and minority shareholders do not apply.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2023

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The School's Objects and principal activities, as set out in the Memorandum of Association, are to advance education and training, including physical training, by the provision and conduct, in or near Worcester, of day and/or boarding schools for boys and girls with the provision of accommodation and educational facilities for the Choristers of the Cathedral Church of Worcester and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

In pursuing its charitable objects, the School's mission is to help young people reach their potential at school in preparation for leading confident, fulfilled and unselfish lives as adults.

In furtherance of these Objects for the public benefit the School, which operates three schools (one senior and two prep) known collectively as The King's School Worcester, has established and administers bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects. The Governing Body is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In connection with this the Board has monitored closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Aims

The School's aims for the public benefit are:

- to provide a first-class independent education within an ethos of spiritual awareness and tolerance that is widely accessible, irrespective of family financial circumstances; and
- to establish the School as a community in which there are strong and active partnerships between parents and the three schools, and between the local community and the three schools.

Primary objectives

The primary objectives of the School to fulfil these aims are:

- to maintain the aspiration to high standards in academic performance and extra-curricular activities whilst preserving a healthy balance between the two.
- to widen access to the education provided by the school through the provision of financial support for children whose parents are unable to afford the full fees and through a range of projects and activities with the local community, including "out of hours" access to the schools' facilities in order that they are put to good educational use when not otherwise needed.
- to provide a stimulating learning environment in which pupils can develop their academic potential to the full.
- to provide appropriate teaching resources and accommodation throughout all three schools.
- to provide a happy and secure pastoral environment which promotes and develops independent learning, supports pupils in the achievement of their individual potential and fosters a sense of community mutual respect and good citizenship.
- to provide an effective management structure and the administrative and logistic framework necessary to meet the needs of staff and pupils alike.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2023

The aims and objectives set for the School's subsidiaries are to facilitate the achievement of the School's aims and objectives as above.

Strategies to achieve the primary objectives

A key strategy towards the achievement of the primary objectives is the annual review and update of the School's Development Plan and its approval by the Governing Body. An important part of the review process is an assessment of performance during the year against the targets set for the period, with the results of that assessment being used to inform proposed targets and action plans for the future.

The Development Plan embodies the operational aims and future plans of the School (summarised on page 19) and, once approved by Governors, becomes a tool for use by the key management personnel to inform operational planning and decision making.

The Governing Body also keeps under review the facilities available to pupils and staff on all three sites and the extent to which additional or improved resources may facilitate the achievement of the development plan targets.

Principal activity

The School's principal activity, as specified in the Memorandum of Association, is the advancement of education and in this the School has again had a successful year.

The School Roll averaged 1,225 (2022: 1,238) pupils across all year groups from Reception upwards with an additional 109 pupils (2022: 122) in Kindergarten on a full or part time basis. The School continues to maintain the high standards and ethos for which The King's School Worcester has become known.

Public benefit

The King's School Worcester remains committed to the aim of providing public benefit. In setting the School's objectives and planning its activities the Governors, as charity trustees, have given careful consideration to the Charity Commission's general guidance on public benefit requirements (under the Charities Act 2011) and in particular to its supplementary public benefit guidance on advancing education and on fee-charging. Whilst the aims of the School include maintaining and enhancing the academic success of its pupils, the School welcomes pupils from all backgrounds and it is important that access to the education offered is not restricted to those who can afford the fees.

The Governors believe that pupils benefit from learning within a diverse community and established the School's Bursary Scheme (and related Development Office fundraising function). In 2017 the Foundation launched a campaign to raise additional funds for bursaries. The Governors' policy is to award grants and bursaries on the basis of educational ability and parental means (subject to any restrictions imposed by any donor of the funds) to enable pupils to join the School, or to ensure continuity of education if this would otherwise be at risk due to unforeseen hardship or temporary difficulty.

The pupils who attend the School and who receive financial support contribute to the whole school community in a variety of ways, conferring benefit upon the whole institution and, in some cases, to the wider community. Financial support is provided not only through bursaries but also through the provision of scholarships, grants, and fee concessions. This year the School provided financial support totalling £2.1m to 496 pupils (2022: £2.1m to 523 pupils). Within this, mean tested awards ranging from 10% to 100% remission totalling £0.6m were made to 61 pupils (2022: £0.63m to 77

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2023**

pupils), with further grants to assist with the cost of extra-curricular activities, equipment and school trips. Of this total number, 16 pupils benefitted from 100% remission of fees, with a further 18 receiving awards equivalent to at least 75% fee remission. Included in these figures are 5 full bursaries granted to Ukrainian pupils in the summer term of 22.

The Governors take the view that the provision of bursaries is important but not to the exclusion of the much wider benefit that the School provides to the community. The School engages in many other activities that provide wider public benefit.

During the year the School's facilities were used to support local schools providing access to swimming and sports hall facilities, they are also made available to local charities and community groups. The School has a number of well-established partnerships with local maintained senior and primary schools. Activities include inter school quizzes at primary level for local schools, maths challenges, workshops in music, sports events engaging local primary schools and drama workshops.

The School provides public access to cultural and educational events, activities and productions during the year this has included a series of mental health workshops.

Pupils within all three schools are encouraged to develop an awareness of the social context of the education they receive at the School and engage in fund raising activities on behalf of a wide range of local, national and international charities. This has been particularly pertinent given the cost-of-living crisis.

The School is a member of the Rivers Teaching Alliance sharing best practices and has taken students from Gloucester and Worcester Universities, amongst others, on initial teacher training courses or PGCE.

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2023**

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Senior School review of achievements and performance for the year

Fundraising performance

The Foundation Development fundraising initiative is a long-term programme, which is the responsibility of the Alumni and Business Development Office (ABDO). The ABDO fundraises for the benefit of the School through The King's School Worcester Development Trust, with appropriate costs borne by the Trust. This arrangement offers greater assurance to donors about the custody of their gifts and aims to encourage a broader cross-section of the constituent members of the wider school community to engage with fund raising activities.

The School has a long-term bursary fundraising strategy, the aim of which is to fulfil the original objective set by our founder, Henry VIII, of supporting 40 free places at the School.

Investment policy, objectives and performance

The investments currently held by the charity are not material. They are, for the most part, invested through CCLA Management Limited in either COIF charity funds or CBF Church of England Funds, and no formal investment performance review is considered necessary.

FINANCIAL REVIEW

Results for the year

This academic year has seen a return to more normal times, with almost all of our co-curricular events able to run throughout the year and a second year of public exams in their conventional form.

However, the year has not been without its challenges. With the current cost of living crisis, our parents have seen increasing pressure on the affordability of fees; facing rising costs from increasing interest rates and food and fuel costs, the Foundation kept close control of resources over the year and, as a result, has reported a surplus of £250,000. Considering all these factors, the Governors are pleased with this result in what has been another challenging year.

The net incoming resources of the group for the year from operations were £251,000 (2022: incoming resources £177,000). The net increase in funds for the year was £250,000 (2022: increase £173,000).

The net incoming resources for the year from operations of £250,000 are better than was expected for the year, and this reflects the cautious nature that the Foundation has taken to controlling costs during the year. The retained resources are at a level where the School has been able to take action to finance the future development of the School's facilities and educational programme. During the year, the School announced its Development Plans for the Sixth Form Centre, as the Sixth Form (Years 12 and 13) continues to be a key target market; the enhanced Sixth Form facilities sit alongside a change in the curriculum offered at this age by the School. The Governors made the decision during the year to repay some loans early, as well as entering into a base-rate cap on some other loans. The School is cautious in terms of acting against these plans while the future impact of the cost of living crisis remains uncertain.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2023

ACHIEVEMENTS AND PERFORMANCE

Reserves Level and Policy

The School's Reserves Policy is to maintain sufficient unrestricted income reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall and to rely upon its realisable general purposes fixed assets as adequate cover for the School's longer-term financial obligations, including the actuarially calculated but transient funding deficit of £0.62m on the School's defined benefit staff pension scheme that under FRS102 is accrued as a liability.

The School's unrestricted reserves are deployed as funds for part of the School's premises and equipment and at the year end free reserves represented a balance of £3.4m (2022: £4.7m). The Governors consider that free reserves in the order of £4.2m, or approximately three months' expenditure, would be desirable to cover the risks and uncertainties of operating as an independent educational establishment. However, the Governors have actively agreed to a reduction in the free reserves in order to repay borrowings which cash balances allow in order to reduce the interest burden on the School.

The long-term policy objective is therefore to build up reserves out of annual operating surpluses, supplemented by Foundation Development fundraising, until that level is reached, subject to the prior demands of further capital expenditure to equip the School with the up-to-date facilities needed to maintain the standard of educational services currently provided.

The School's tangible fixed assets are all held for use by the School as disclosed in Note 10 to the financial statements. Given the specialist nature of the School's land and buildings, Governors are unable to comment on the market value of such properties and whether this is materially different from that shown in the financial statements.

Review of achievements and performance for the year

Public Exams continued as usual this year. The only adaptations were formulae sheets in some subjects at GCSE. The aim of Government was to return the distribution of grades to the levels of 2019. At King's this was largely the case for GCSE, although a greater percentage of pupils achieved all 10 GCSEs at top grades than in 2019. At A-level, results were higher than in 2019, with a very strong pass rate at A*-C. Post-18 places were secured easily, with the vast majority of students achieving their first-choice university and fewer than 10 achieving neither their first or second choice.

GCSE:

- 63% of our pupils achieved Grade 9-7 and 94% achieved Grades 9 to 4.
- 34 pupils (30% of the cohort) were awarded Grades 9 to 7 in all their subjects, with two pupils achieving Grade 9s in 11 subjects.
- 49 pupils (44% of the cohort) were awarded Grades 9 to 7 in 8 subjects or more.

A Level:

- 46% A*/A, 77% A*B, 93% A-C.
- 9 students received 3 A*grades.
- 34 students (28%) received A* or A grades in all their subjects.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2023

Parents' Evenings continue to take place online through a dedicated platform. A survey conducted at the end of the year confirmed that 75% of parents would prefer to keep online parents' evenings. All teaching took place in person, although those pupils with long-term health issues preventing them from attending school were able to access lessons through Microsoft Teams.

Our pupils have once again been able to benefit from the wealth of co-curricular opportunities offered, opportunities which form such an integral part of their education here at King's. The Governors are grateful for the work of the teaching and support staff in providing what is a rich and impressive co-curricular programme.

Our Senior Debating Team qualified for the National Finals of the English-Speaking Union Mace Debating Competition, after winning the Wales and West of England Regional Finals. They made their way through to the final stage of the Final, narrowly losing out on the title itself. In Model United Nations, five Lower Sixth (Year 12) and two Year 10 pupils participated in an online international conference entitled Good COP23. This climate-based conference involved pupils from four continents and King's led the discussion of Resolution Five, on the topic of food waste.

Two examples of excellence within our Combined Cadet Force are worth highlighting: one Lower Sixth student was selected for the highly competitive RAF Air Cadet Leadership Course and, following a weekend of assessment at the HQ West Midlands Brigade Military Skills Competition in First Aid, Fieldcraft and Tactics, Navigation, Leadership, Signals and Shooting, our Army Section were placed first, with an excellent score of 101 points out of a possible total of 130.

Our F1 In Schools team came second in the Regional Final at Aston University, also winning the Professional Class Fastest Car and Best Engineered Car. Following this success, they competed in the National Final in early July.

With two outstanding drama productions, an exceptional musical production, termly dance showcases and termly formal, informal and chamber music concerts, Open Mic Nights and more, our pupils have been able to develop confidence and skill alike in Drama and Dance. We also applaud our pupils' success in their LAMDA examinations, and we are delighted to have been named once again as a Trinity Arts Award Champion Centre. As in previous years, our cohorts were entered for, and succeeded in securing, one of the nationally recognised qualifications. In addition, many pupils have this year secured success in their ARRSM and Trinity Music examinations. In addition to our regular schedule of termly music events, one of our Upper Sixth (Year 13) Music Scholars was offered an Organ Scholarship at Somerville College, Oxford.

Our Sixth Form Charity Committee again delivered a programme of charitable and fundraising events, one highlight being once again the organisation and delivery of a fun day at a local special school. Throughout the year, events have been organised to raise money for charities, one example being our December Boat Club annual mammoth overnight challenge to row one million metres, raising over £4,000 for Mental Health UK in the process.

Sport remains central to school life. It is impossible to capture every success, but some highlights will follow, the first being that all three of our age group teams (U14, U16 and U19) competed at the West Midlands Netball Regional Finals and all three made it through to the semi-finals. The U14s then went even further, reaching the finals and, despite a subsequent defeat in the Cup Final, they were placed an outstanding sixth in the country.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2023

Our Intermediate-age girls ran fantastically well at the School Athletics Cross Country Cup, where they qualified for the National Finals as the Regional Winners. We also achieved success in the U15 District Championship with Years 8 and 9 pupils competing well above their age-group, achieving 15 out of the 23 medals on offer, with many of our athletes gaining places at the Hereford and Worcester Country Championships. Furthermore, in the Track and Field Cup competition, our teams finished second in all four age groups, all progressing to the Midlands Finals as a result.

In Cricket, in our very own Mini-Ashes, we welcomed St Peter's College from Adelaide for a very enjoyable 1st XI game. Our boys put on an excellent performance as they chased down a score of 154 with seven wickets to spare. Both of our U13 and U15 Girls' Cricket teams enjoyed great success at the Lady Taverers Indoor Cricket competitions, making it through to the regional finals stage of the competition after being crowned County Champions.

Our swimmers continue to excel, with one example being remarkable success at West Midlands Swimming Championships, including Gold in the 200m Backstroke, 400m Freestyle and 200m Butterfly. One of our Year 10 pupils was awarded the title of Top Junior Male at the West Midland Summer Championships 2023. Twelve swimmers competed in the English Schools Swimming Association National Final, after the regional qualifying rounds in which three King's teams were ranked in the top 30 in the country.

The 1st XI Hockey team progressed to the semi-finals of the England Hockey competition. Equally impressive is the achievement of the U18 Football team, who advanced to the last 16 of the Independent Schools' FA U18 Shield. Our U15 Rugby team travelled down to the StoneX Stadium in London, for the England Rugby Schools Plate Final, coming away with a convincing win.

Prowess in Rowing continues. At the National Schools' Regatta, our Year 10 pupils raced in coxed quad sculls and all boats progressed into the finals. Our Championship Boys' Quad Scull claimed a top spot in the D-Final, being then rewarded with a most commendable second place. The Girls' Eight were in the B-Final, also claiming an excellent second place. At the annual Marlow Regatta, our Boys' Eight came fifth in the D-Final, while the Year 11 Boys' Quad Scull rowed up as J18s and placed fourth in the F-Final, and the Senior Boys Quad raced in the E-Final. At Henley Women's Regatta, our Year 11 Girls' Coxed Four raced well, just missing out on qualifying; the Senior Girls' Eight raced superbly well and took one of the 16 coveted qualification places.

Individual excellence in Sport is important too. One of our Lower Sixth students was selected for the 2022-2023 North Midlands U18 Girls' Rugby Team and a Year 10 pupil has been selected for the England U16 Hockey Squad. An Upper Sixth student continued to represent Wales in Hockey and is one of ten players chosen to represent Wales at the EuroHockey5s Championships. A Year 10 pupil has been called up to Worcestershire Cricket's 2nd XI, one of the youngest players ever to have been selected to play in the Men's 2nd XI.

A range of tours and trips take place throughout the year to complement our co-curricular programme, this academic year seeing a full suite of opportunities restored for the first time since the pandemic. Examples include the Berlin German and Art Trip, a Madrid Football Tour, South Africa Rugby, Netball and Hockey Tours, a senior Cricket Tour to India, a Paris Music Tour, a Disneyland Paris Dance Tour, and a Physics CERN visit.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2023

All of this outstanding work and achievement has only been possible because of the exceptional efforts of our teaching and support staff.

King's Hawford

The strength of the whole King's Hawford community has shone through this year as we have put the spectre of Covid-19 firmly behind us and moved forward with a full calendar of academic, pastoral and co-curricular opportunities for every child. Staff, who care deeply about the School, have once again been able to imbue the unique school spirit into the children, and the parental support throughout the year has been integral in achieving this.

Our Year 6 cohort performed extremely well in their entrance tests, with 19 children gaining scholarships and awards to King's Senior School. Learning outside the classroom is such an integral part of how we work at King's Hawford; we were therefore delighted, once again, to be awarded the Learning Outside the Classroom Gold Award following the re-accreditation process.

Every year group from Kindergarten to Year 6 has benefitted from an extensive programme of educational trips and visits, with residential and overnight trips for all year groups from Year 2 upwards. Among the many highlights were Year 2's "fantastic finish" at Warwick Castle and their Barn sleepover, Year 3 on the Malvern Hills, Year 4's brilliant beach experience in Broad Haven, Year 5 enjoying the Peak District and outdoor adventure at Dukes Barn and Year 6 capping off a superb year camping at the Old Chapel in the Brecon Beacons, with water sports at Dolygaer.

Sport, music, dance, art, and drama all continued to be an integral part of the curriculum and our co-curricular offering. Highlights on the sports field included the U11 rugby boys competing hard at Rosslyn Park, Warwick and Millfield, the U11 hockey girls making it through to the regional IAPS finals and one Year 6 girl winning a national bronze in the 200m, after also reaching a national final in the IAPS swimming earlier in the year. Music has been an integral part of school life, with over 150 children taking regular peripatetic music lessons, two choirs, an orchestra and five ensembles, including the newly formed Hawford Harps. The Senior Choir led the way with victory at the Cheltenham Festival of Performing Arts. Dance and Drama go from strength to strength and a full programme of productions from Kindergarten and Early Years Nativities to the year ending crescendo of The Tempest ensured every child had the opportunity to showcase their performance talent.

As at King's St Alban's and in the Senior School, pupils have a voice at King's Hawford and take an active role in much of the decision-making regarding development in many areas. This year we had three main charities: Project Gambia, The Grace Kelly Childhood Cancer Trust and Get Kids Going; we raised a staggering £8544 through many varied events for these charities. Included in this total, we also donated significant amounts to the Poppy Appeal and the DEC appeal after the Turkey/Syria earthquake.

The Hawford Sustainability Drive has gathered pace this year as we have planted over 100 native trees, put up owl and bat boxes, constructed a hedgehog haven, dug a nature pond to mark King Charles III's Coronation, taken delivery of our soon-to-be-populated beehive and set aside large areas of the school site as no-mow areas. We have had a range of environmentally minded speakers

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2023

visit us this year to share their knowledge, including experts on apiculture, water conservation and waste management.

Finally, we have continued to focus on Growth Mindset with the children throughout the year, both in class and assemblies. This has allowed us to encourage all children at King's Hawford not to fear the unknown or make mistakes, but to embrace every opportunity and give everything a go. We are extremely proud of their efforts throughout the year.

King's St Alban's

2022/23 saw a return to complete normality after three years affected by COVID. Digital provision has remained in some areas post-COVID and this has enhanced the learning provision. Staff and pupil absence levels have returned to pre-COVID levels and the Year 6 trip to Normandy took place for the first time in four years.

The School's Nursery continued to grow and thrive in its fourth year and picked up its another national award. It is now an integral and established part of the School. An outdoor classroom has been added to augment the already well-resourced site.

15 Year 6 children received a scholarship or other award to King's Senior School and 33 children made this move. A great deal of work has taken place on transition from the School to King's Senior and this is seen as the natural move for nearly all children.

King's St Alban's was awarded the 'Wellbeing Award for Schools' this year to underline our commitment to pupil and staff well-being and emotional development. We have developed our provision in this area in many ways: weekly "Well-being Wednesdays" have been in place all year; we have also introduced Well-being Champions (Year 2 to 6), developed our clubs' provision, added lockable worry boxes in classrooms, produced "Who can I talk to?" posters and the A-Z Well-being Display, bought more playtime equipment, added a buddy-bench, increased provision for "draw and talk" and made good use of our new outdoor classroom.

Sport continues to be very inclusive, with all children regularly representing the school. Attendance at clubs is at an all-time high and we have competed well at many national competitions; swimming and cricket are particularly strong areas. The School continues its strong and successful commitment to the arts through music, dance, drama, and art. Our annual Creative Connexions performances, a celebration of dance, poetry and art, took the theme of *Our Precious Planet* this year and were a highlight in a busy arts calendar. 12 of our children are Cathedral Choristers.

The School continues to enjoy an enviable reputation for both its academic and pastoral provision.

Alumni Relations

The past year has shown how active and engaged the Old Vigornian (OV) community is, with the Alumni Team welcoming many OVs back on school visits, as well as receiving their support in various careers and mentoring activities.

After many COVID-cancelled events, it was lovely to have so many OVs in attendance at the New OV BBQ, the 119th Annual OV Reunion Weekend, and other year group gatherings. As we head into the

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2023

new academic year, we will continue to rebuild our strong calendar of events, which is so important to the King's Community.

The School remains very grateful for the support provided by OV's, parents and other members of the local community in terms of volunteering, advice, time and financial contributions. The principal fundraising activity for the King's School Development Trust has long been and continues to be for pupil bursaries. In our diverse, dynamic, and developing world, being able to open the door to King's and offer a life-changing education to young people has never been more important.

Our "Open the Door" Bursary Campaign has raised over £2.7m since its launch in May 2018 and in 2022/23 the Trust supported thirteen full bursaries alongside the King's Ukrainian Fund, which continues to support the five pupils who have been offered places at the School.

In addition, we were very grateful to the Kildare Trust for their generous donations, which will support two fully funded places from September 2023. Each Kildare Bursary will provide a child with seven years of funded education and these bursaries present a unique opportunity to benefit from everything on offer at King's.

To ensure the Kildare Trust bursaries were awarded according to the Trust's aspirations, a substantial outreach programme was implemented to find children and their families or guardians who might not have been aware of such potential support. All primary schools within a certain geography were contacted with information about the bursaries. In addition, local sporting and community organisations were also contacted.

Following the positive response we had from the local community, we were delighted to offer places to two young people from Worcestershire. Both young people are academically very competent and will be able to develop their passions for drawing, dancing and music through the School's extensive co-curricular programme; they will undoubtedly embody the School's vision for everyone to be curious, to be caring and to be confident.

Streamlined Energy and Carbon Reporting (SECR) Disclosure

a. Emissions Summary

The SECR disclosure presents our carbon footprint emissions; an appropriate intensity metric; the total energy use of electricity, gas and transport fuel; and an energy efficiency actions summary.

Energy consumption used to calculate emissions (kWh)	4,318,596
Emissions from consumption of gas (Scope 1) tCO ₂ e	507
Emissions from combustion of fuel for transport purposes (Scope 1) tCO ₂ e	40
Emissions from the generation of bioenergy (Scope 1) tCO ₂ e	2
Emissions from combustion of oil for heating purposes (Scope 1) tCO ₂ e	57
Emissions from purchased electricity (Scope 2, location based) tCO ₂ e	214
Emissions from business travel in employee owned vehicles (Scope 3) tCO ₂ e	2
Emissions from consumption of bioenergy (Out of Scope) tCO ₂ e	79
Total Gross tCO ₂ e based on above	902
Intensity Ratio (tCO ₂ e/total pupils)	0.6736

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2023

SECR Methodology notes

Reporting period	1 st August 2022 to 31 st July 2023
Boundary (consolidation approach)	Operational approach
Alignment with financial reporting	SECR disclosure is prepared in line with King's School annual accounts made up to 31 st July 2023
Emission and conversion factor source	UK Government GHG Conversion Factors for Company Reporting
Calculation method	Activity data x Emission Factor = GHG emissions Activity data x Conversion factor = kWh consumption
Rounding	The results in the table are expressed in tons CO ₂ and may not add up precisely due to rounding
Other relevant information	Diesel, petrol and EV split not available for business mileage, therefore factor for "Unknown" used from conversion table
Reason for intensity metric choice	King's School is an independent day school, therefore, the appropriate intensity metric is pupil numbers

b. Energy Efficiency Action Summary

The School continues to achieve direct savings in energy and associated carbon emissions, by placing sustainability at the heart of its strategy, and delivering through business as usual tasks and new projects.

- A phased programme to replace existing lighting with energy efficient LED lighting continues.
- New buildings and refurbishments use natural ventilation, and where possible, Part L BC standards are applied to old buildings to increase thermal efficiency.
- The Keyes Building and Boathouse at the senior school use bio-mass boilers. Alternate renewable sources are being looked at across the Foundation.
- Oil is being phased out at Hawford with high efficiency gas boilers (hydrogen-ready) adopted as the replacements.
- Building management systems have been extended throughout the Foundation to reduce energy costs.
- Sensor controlled lighting is installed in new buildings and refurbishments.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2023

- A programme is in place to replace all single glazed windows with energy efficient double-glazed units. Two elevations of Kings Hawford Main house were replaced during 2022/2023. Phase one of the new sixth form centre project at the senior school included replacement of the majority of windows in School House with triple glazed units. The school continues to look at replacing boilers with more energy efficient units.
- Waterless urinals were introduced in 2023 for the sixth form centre and if successful will be rolled out across the Foundation as a water-saving measure.
- The School transport network has continued to increase by 50% year on year. As at September 2023, we now transport 150 pupils to and from school in minibuses or coaches reducing the need for household cars to enter the city.

FUTURE PLANS

The School's Development Plan is subject to annual review alongside the approval each year of the medium-term Strategic Plan for the charity. However, this year has seen the completion of the long-term Foundation Strategic Plan, *Shaped By King's*, which aims to celebrate who we are and what makes us great but also acknowledges the need to ensure the Foundation evolves to suit the needs of the 21st century over the next fifteen years and as we look further forwards towards our 500th anniversary year in 2041.

The vision of the Foundation has been identified in three imperatives for all staff and pupils: **be curious, be caring, be confident**. These will enable us to achieve the mission of our Foundation, which is to seek excellence in all we do and provide an outstanding preparation for life. Underpinning this are the five key values which are at the heart of everything we do: ambition, resilience, humility, creativity and kindness.

Shaped By King's is founded on the broadest consultations possible. Pupils, governors, staff, parents, and alumni were all involved. We have aspired to reinforce and enhance our reputation as one of the West Midlands' leading independent schools. The Strategic Plan will inform the Foundation's Development and Implementation Plans, led by the Foundation Leadership Team and the Senior Leadership Teams of the Foundation's three schools.

Within the plan, four strategic pillars encapsulate what we will focus upon to achieve excellence in all areas, with pupil success at the centre of everything we do. **Foundation** is the heart of our school. It celebrates the importance of being confident but not arrogant in who we are as we build for the future. **Futures** outlines how we will strengthen each aspect of our pupils' educational experience, so they are fully prepared and ready for the world beyond King's. **Sustainability** captures how we will invest sustainably in our future from both an environmental and financial perspective. **Community and Outreach** underscores the role each of us plays in celebrating equality, inclusion, and diversity, supporting our pupils and our school through to 2036 and beyond in addition to our work with the wider Worcester community.

The key aims and objectives which continue to underpin planning are:

- To maintain and enhance the current high standards of academic achievement and excellence, by means of careful monitoring of the progress of each pupil, setting appropriate targets and by providing effective feedback; these can be measured by external examinations and independent value-added criteria.

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2023**

- To continue to focus on the development in pupils of self-esteem, resilience and independent learning skills.
- To continue to review staff development and related matters in order to be an outstanding school at which to be an employee, strengthening staff recruitment and retention as a result.
- To maintain and develop further existing local partnerships, and to ensure that the School both plays a significant part in the life of and shares facilities with the local community.
- To promote widely the availability of 100% fee remission places to academically able pupils and at least maintain the existing level of funding for means tested bursaries.
- To promote recruitment of pupils into the Foundation and to generate additional income sources to support the educational offer.
- To promote wider community use of the sports, dance and drama facilities available within the Foundation.
- To fundraise for a bursary fund capable of supporting the equivalent of 40 free places in perpetuity.
- To continue to establish build relationships with our alumni, cementing their place in our Foundation community.

RISK MANAGEMENT

The Board of Governors is responsible for the management of the risks faced by the charity. Risks are identified, assessed, and controlled throughout the year. The School employs a Health and Safety adviser and engages professional advisers as required.

A formal review of the charity's Risk Register is undertaken by the Foundation Leadership Team and the Board on a termly basis.

The key controls used by the School to minimise and manage risk include:

- Formal agendas for all Committee and Board meetings.
- Advance circulation of detailed briefing papers prior to Committee and Board meetings.
- Comprehensive strategic planning, budgeting, and cash flow forecasting.
- Established organisational structure and lines of reporting.
- Formal written policies and procedures.
- Vetting procedures as required by law for the protection of the vulnerable.
- Circulation of all minutes of the standing Health and Safety Committee to all Governors.

The Governors have reviewed and endorsed the Risk Register as a summary of the principal areas of the schools' operations and the major risks faced in each of these areas, examples of which include:

- Parents' ability to pay fees during times of economic uncertainty.
- The effect of legislative changes relating to compliance, staff costs including the employers' pension provision, and charitable status.
- The impact of demographic changes and the development and expansion of local schools upon pupil numbers.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2023

With the war in Ukraine and the ongoing economic uncertainty which has come with the current cost of living crisis, the Governors have reviewed the School's cash flow for the next eighteen months and have considered a number of scenarios and consider that the School has sufficient funds to manage the cash position during this period.

In the opinion of the Governors, the resources and management processes within the schools should, under normal conditions, allow these risks to be mitigated to an acceptable level in their day-to-day operations. Indeed, given the lessons learned during this pandemic the School is in a much stronger position to adapt to future challenges. The Governors are mindful of the forever changing landscape and continue to monitor the cost-of-living crisis and the changing political environment and its impact on the School. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governors (who are also the directors of The King's School Worcester for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Under company law the Governors are required to prepare financial statements for each financial year. The Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure of the charitable group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments 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 Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group, enabling them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charitable company and the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITOR

In so far as each of the Directors of the charitable company, as members of the Governing Body, at the date of approval of this report is aware, there is no relevant audit information (information

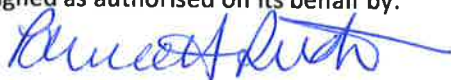
**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2023**

needed by the School's auditor in connection with preparing the audit report) of which the School's and group auditor is unaware. Each member of the Governing Body has taken all the steps that ought to be taken as a Governor in order to make themselves aware of any relevant audit information and to establish that the School's auditor is aware of that information.

AUDITOR

The Board of Governors has decided to recommend Crowe UK LLP for re-appointment as statutory auditor to the company. Crowe UK LLP have expressed their willingness to continue to act and a resolution proposing their re-appointment will be submitted to the forthcoming Annual General Meeting.

This Governors' Annual Report, prepared under the Charities Act 2011 and Companies Act 2006, was approved by the Board of Governors of The King's School Worcester on 8 December 2023 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Mrs P Preston
Chair of Governors

**THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER**

Opinion

We have audited the financial statements of The King's School Worcester for the year ended 31 July 2023 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 July 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended*
- *have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and*
- *have been prepared in accordance with the requirements of the Companies Act 2006.*

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the governor's 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 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 governors with respect to going concern are described in the relevant sections of this report.

Other information

The governors 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.

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

**THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER**

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 Governors' 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 Governors' report have been prepared in accordance with applicable legal requirements.*

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

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

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

Responsibilities of governors

As explained more fully in the Governors' responsibilities statement on page 20 the governors (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 governors 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 governors 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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

**THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER**

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.

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 design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the charity 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 Charities Act 2011, 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 charity'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, General Data Protection Regulation (GDPR), Health and Safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of governors 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 with the completeness and accuracy of non-fee income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, the Director of Finance and Business Development and the Finance & General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, designing audit procedures over non-fee income, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

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.

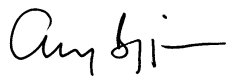
For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there 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.

**THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER**

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

Use of our report

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



Guy Biggin

Senior Statutory Auditor

For and on behalf of

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

Date: 13 December 2023

THE KING'S SCHOOL WORCESTER
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2023

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2023 Total £'000	2022 Total £'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	17,658	-	-	17,658	16,828
Ancillary trading income	3	1,668	-	-	1,668	808
Other trading activities						
Non-ancillary trading income	4	239	-	-	239	192
Other activities	4	21	-	-	21	42
Investments						
Interest and investment income	5	143	2	1	146	16
Voluntary sources						
Grants and donations	6	71	245	-	316	300
Total incoming resources		19,800	247	1	20,048	18,186
Expenditure on:						
Raising funds						
Non-ancillary trading	7	227	-	-	227	183
Financing costs	8	152	-	-	152	62
Fundraising and development	7	134	-	-	134	129
Total		513	-	-	513	374
Charitable activities						
Education and grant making	7	19,105	246	-	19,351	17,478
Pension scheme re-measurement of the estimate of past service costs	23	(67)	-	-	(67)	157
Total expenditure		19,551	246	-	19,797	18,009
Net incoming funds from operations before transfers & investment gains		249	1	1	251	177
(Losses) on investments	11	1	(2)	0	(1)	(4)
Net surplus		250	(1)	1	250	173
Transfers between funds	22	-	-	-	-	-
Net movement in funds for the year		250	(1)	1	250	173
Fund balances brought forward at 1 August 2022		23,332	361	58	23,751	23,578
Fund balances carried forward at 31 July 2023	22	23,582	360	59	24,001	23,751

The notes on pages 31 to 56 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2023

	2023	2022
	Unrestricted and Restricted Funds	<i>Unrestricted and Restricted Funds</i>
	Total	<i>Total</i>
	£'000	<i>£'000</i>
INCOME FROM:		
Charitable activities		
School fees	17,658	<i>16,828</i>
Ancillary trading	1,668	<i>808</i>
Other trading activities		
Fundraising trading	239	<i>192</i>
Other income	21	<i>42</i>
Investments		
Dividends, bank and other interest	146	<i>16</i>
Voluntary sources		
Grants and donations	-Unrestricted 71	<i>-</i>
	-Restricted 245	<i>300</i>
Total income	20,048	<i>18,186</i>
Expenditure on:		
Raising funds		
Trading costs	227	<i>183</i>
Financing costs	152	<i>62</i>
Development costs	134	<i>129</i>
Charitable activities		
Education and grant-making	19,351	<i>17,478</i>
Pension scheme re-measurement	(67)	<i>157</i>
Total expenditure	19,797	<i>18,009</i>
Net funds before investment gains and inter-fund transfers	251	<i>177</i>
Net investment (losses) for the year	(1)	<i>(4)</i>
Net income for the year	250	<i>173</i>

The above Summary Income and Expenditure Account represents the total unrestricted and restricted income and expenditure as shown in the consolidated Statement of Financial Activities on page 26 and its presentation is required under the Companies Act 2006.

The notes on pages 31 to 56 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
CONSOLIDATED AND SCHOOL BALANCE SHEETS
AS AT 31 JULY 2023

Company Registered No:

04776324

		Consolidated		School	
		2023	2022	2023	2022
	Notes	£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	10	22,270	21,740	22,270	21,740
Securities investments	11	303	304	303	304
		22,573	22,044	22,573	22,044
CURRENT ASSETS					
Stock		1	1	1	1
Debtors	12	608	606	618	775
Cash and deposits		6,408	7,175	6,374	6,959
		7,017	7,782	6,993	7,735
CURRENT LIABILITIES					
Creditors payable within one year	13	(3,063)	(2,551)	(3,044)	(2,523)
		3,954	5,231	3,949	5,212
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES					
		26,527	27,275	26,522	27,256
LONG TERM LIABILITIES					
Creditors payable after one year	14	(1,904)	(2,782)	(1,904)	(2,782)
Pension Scheme funding deficit	23	(622)	(742)	(622)	(742)
		24,001	23,751	23,996	23,732
NET ASSETS					
REPRESENTED BY:					
ENDOWED FUNDS	22	59	58	59	58
RESTRICTED FUNDS	22	360	361	360	361
UNRESTRICTED FUNDS					
General reserve	22	23,582	23,332	23,577	23,313
		24,001	23,751	23,996	23,732

The net movement in funds for the School in the year is a surplus of £264,000 (2022: £165,000).

These financial statements were approved by the Governing Body on the 8 December 2023 and were signed on its behalf by



P Preston
Chair of Governors



G W Ballard
Chair of the Finance and General Purposes Committee

The notes on pages 31 to 56 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2023

		2023		2022	
	Note	£'000	£'000	£'000	£'000
Net cash inflow from operations					
Net cash provided by operating activities	25		1,707		1,335
Cash flows from investing activities:					
Payments for tangible fixed assets		(1,489)		(283)	
Proceeds on sale of fixed assets		-		-	
Investment income and bank interest received		146		16	
Net cash (used in) investing activities			(1,343)		(267)
Cash flows from financing activities:					
Loan advances (net of repayments)		171		-	
Loan repayments		(1,097)		(729)	
Pension deficit payments		(76)		(69)	
Finance costs paid		(129)		(56)	
Net cash (used) by financing activities			(1,131)		(854)
Change in cash and cash equivalents in the reporting period			(767)		214
Cash and cash equivalents at 1 August 2022			7,175		6,961
Cash and cash equivalents at 31 July 2023	25		6,408		7,175

The notes on pages 31 to 56 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

1. ACCOUNTING POLICIES

Charity information

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 23 May 2003 (company number: 04776324) and registered as a charity (with charity number: 1098236), the registered office address being 5 College Green, Worcester, WR1 2LL.

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

The financial statements are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The financial statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the School and its wholly owned subsidiaries King's School Worcester Activities Limited and KSW Enterprises Limited. The net movement in funds for the year of the group was a surplus of £250,000 for the year ended 31 July 2023 (2022: surplus £173,000).

No separate Statement of Financial Activities has been presented for the School alone, as permitted by Section 408 of the Companies Act 2006. The net results of the School are disclosed within the Balance Sheet.

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

Going concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future, particularly in reference to the statement under Risk Management as set out in the Governors' report. The Governors consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 21.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are

**THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

1.1 Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

1.2 Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates.

1.3 Non-ancillary trading income

Income comprises the value of sales (excluding VAT and similar taxes and trade discounts) of goods and services made by the School's trading subsidiaries in the normal course of business.

1.4 Donations, legacies, grants and other voluntary incoming resources

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the School in the case of donated services or facilities.

1.5 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the School and its subsidiaries are excluded from consolidated trading income and expenditure.

Redundancy and termination costs only occur where absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy or terminate an employee's contract has been made.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

1.6 Tangible fixed assets

Buildings erected before 1947 are not included in these financial statements. There is no expenditure incurred in the improvement of these properties capitalised in the financial statements as all amounts of expenditure were of a revenue nature.

Fixtures, fittings, equipment purchased for direct use with pupils (academic and extra-curricular) and ICT equipment costs are written off as an expense as acquired. Expenditure on the acquisition of land, construction of new buildings, motor vehicles and other non ICT assets intended to be used for more than two years are capitalised on acquisition and depreciated over their estimated useful life. ICT equipment used to support the School's systems infrastructure is capitalised on acquisitions and depreciated over their estimated useful life.

Other expenditure on equipment incurred in the normal day-to-day running of the School and its subsidiaries is charged to the Statement of Financial Activities as incurred.

1.7 Depreciation

Depreciation is provided on all tangible fixed assets on a straight-line basis at rates calculated to write off the cost of the assets over its estimated useful life as follows:

Freehold and long leasehold buildings	- over 40 years (or the lease term if shorter)
Freehold and leasehold buildings repairs and refurbishment	- over 5 to 10 years
Fixtures, fittings and equipment	- over 3 to 10 years
Motor vehicles	- over 5 years
ICT Equipment	- over 5 to 10 years (or lease term is shorter)
Assets in the course of construction	- not depreciated

1.8 Investments

Investment assets are carried at their market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

1.9 Stock

Stock is carried at the lower of cost and net realisable value.

1.10 Fund accounting

The charitable trust funds of the School and its subsidiaries are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's Objects or to benefit the School itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

The endowed funds comprise a number of individual trust funds established by specific donors, the capital of which may not be expended.

Restricted income comprises gifts, legacies, and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

1.11 Pension costs

Retirement benefits to employees of the School are provided through two pension schemes, one defined benefit and one defined contribution. The pension costs charged in the Statement of Financial Activities are determined as follows:

- (a) The Teachers' Pension Scheme - This scheme is an unfunded multi-employer defined benefit pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.
- (b) The King's School Worcester Personal Pension Plan - This is a defined contribution group personal pension plan with The Pensions Trust. Employer's pensions costs are charged in the period in which the salaries to which they relate are payable.
- (c) The Support Staff Pension Scheme administered by The Pensions Trust. This is an occupational defined benefit scheme. The Independent Schools' Pension Scheme (ISPEN) is a multi-employer scheme. As such it is not possible in the normal course of events to identify the share of the underlying assets belonging to the individual participating employers, and accordingly, in accordance with section 28 of FRS 102 it is accounted for as a defined contributions scheme with contributions being recorded as they become payable. A liability is recognised on the balance sheet however equal to the present value of contributions payable under the agreement to fund a deficit. The present value is calculated using the discount rate of 5.70% (2022: 3.24%). The unwinding of the discount rate is recognised as a finance cost.

1.12 Operating leases

Rentals under operating leases are charged on a straight-line 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.

1.13 Finance leases

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Company.

Assets held under finance leases are recognised initially at the fair value of the leased asset or, if lower, the present value of the minimum lease payments at the inception of the lease. The corresponding liability is included in the balance sheet as obligations under finance leases within creditors. Lease payments are apportioned between finance charges and reduction of the lease liability using the effective interest method to achieve a constant rate of interest on the remaining balance of the liability.

1.13 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors and accrued income. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except fees in advance,

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

1.14 Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value. The School has a base rate cap contract in place to cap the exposure to interest rate movements. The movement in the fair value of the derivative instrument is recorded with financing costs. Hedge accounting has not been applied.

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE

	2023	2022
	£'000	£'000
Fees receivable consist of:		
School fees	19,616	18,788
Less: total bursaries, grants, scholarships and allowances	(2,225)	(2,200)
	17,391	16,588
Add back: Bursaries and other awards paid for by restricted funds	222	183
Add back: Fee remission under salary sacrifice scheme	45	57
	17,658	16,828

Scholarships, bursaries and other remission awards were paid to 496 pupils (2022: 518). Within this means tested bursaries totalling £629,758 were paid to 61 pupils (2022: £625,306 to 77 pupils).

3. CHARITABLE ACTIVITIES – ANCILLARY TRADING INCOME

	2023	2022
	£'000	£'000
Pupils' extras charges	1,441	598
Registration fees	15	13
Break service	16	28
Holiday clubs	182	145
Training income	3	2
Commission, events, and other income	-	1
Letting of property	11	21
Profit on sale of fixed assets	-	-
	1,668	808

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

4. OTHER TRADING ACTIVITIES

	2023	2022
	£'000	£'000
Non-ancillary trading income		
King's School Worcester Activities Ltd	230	179
KSW Enterprises Ltd	9	13
	239	192
	2023	2022
	£'000	£'000
Other activities		
Late payment administration charges	1	1
Renewable energy and other income	20	41
	21	42

5. BANK INTEREST AND INVESTMENT INCOME

	Unrestricted	Restricted	Endowed	2023	2022
	£'000	£'000	£'000	£'000	£'000
Investment Income:					
Equities	3	2	1	6	6
Bank interest	140	-	-	140	10

6. GRANTS AND DONATIONS RECEIVABLE

	Unrestricted	Restricted	Endowed	2023	2022
	£'000	£'000	£'000	£'000	£'000
Received from King's School Worcester Development Trust for:					
Bursaries	-	222	-	222	183
Other donations	21	23	-	44	117
Homes for Ukraine	50	-	-	50	-
	71	245	-	316	300

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

7. ANALYSIS OF EXPENDITURE

a) Expenditure

	Staff costs (note 9) £'000	Deprec'n (note 10) £'000	Other £'000	Total 2023 £'000	Total 2022 £'000
Costs of generating funds					
Trading costs	-	-	227	227	183
Cost of other activities	-	-	-	-	-
Financing costs (note 8)	-	-	152	152	62
Foundation Development costs	91	-	43	134	129
Total costs of generating funds	91	-	422	513	374
Charitable expenditure					
<i>Education and grant making</i>					
Teaching	9,876	38	2,833	12,747	11,208
Welfare	576	5	463	1,044	968
Premises	634	916	1,859	3,409	3,181
Support costs and governance	1,364	-	541	1,905	1,821
Grants, awards and prizes (note 7b)	-	-	246	246	300
Total charitable expenditure	12,450	959	5,942	19,351	17,478
Total expended	12,541	959	6,364	19,864	17,852

b) Grants awards and prizes

	2023 £'000	2022 £'000
From Restricted Funds:		
Bursaries	222	183
Other grants and awards	24	117
	246	300

c) Governance included in support costs:

	2023 £'000	2022 £'000
Remuneration paid to auditor for audit services	20	18
Reimbursement of personal expenses to Governors – travel costs	1	-
	21	18

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

Travel expenses were claimed by 1 member (2022: 1) of the Governing body. No Governor received any remuneration during the year ended 31 July 2023 (2022: nil) and no retirement benefits are accruing.

In addition to the above audit remuneration the financial statements include amounts payable to the auditor in respect of taxation and Teachers' Pension compliance services and advice totalling £1,140 (2022: £1,110).

8. FINANCE AND OTHER COSTS

	2023	<i>2022</i>
	£'000	<i>£'000</i>
Fees in advance financing cost	11	<i>3</i>
Loan financing cost	105	<i>72</i>
Impairment losses charged to financial assets	31	<i>(19)</i>
Derivative financial instruments gains/losses	(18)	<i>-</i>
Pension Scheme financing cost	23	<i>6</i>
	152	<i>62</i>

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

9. STAFF COSTS

The aggregate payroll costs for the year were as follows:

	2023 £'000	<i>Restated</i> 2022 £'000
Wages and salaries	9,369	8,954
Social Security costs	904	887
Pension cost	1,643	1,583
	11,916	11,424
Staff non-salary benefits	75	43
Contract catering and agency staff costs	473	431
Apprenticeship levy	32	30
Fee Remission under Salary Sacrifice scheme and benefits	45	57
	12,541	11,985
Aggregate employee benefits of key management personnel:	922	865
	2023	2022
Number of higher paid employees in bands of:		
£60,000 to £70,000	2	3
£70,001 to £80,000	2	4
£80,001 to £90,000	3	1
£130,001 to £140,000	1	1
	2023	2022
The number of staff with retirement benefits accruing:		
in Defined Contribution schemes was	138	130
of which the contributions amounted to	£208,140	£176,448
	2023	2022
in Defined Benefit schemes was	146	150

The average number of staff employed during the year was 352 (2022: 348).

The average number of full-time equivalent staff during the year was:

	2023	2022
Teaching	195.3	191.5
Domestic	4.1	3.7
Premises	24.8	25.1
Administration	36.4	34.9
Fundraising	2.3	2.3
	262.9	257.5

During the year redundancy and termination payments (or otherwise relating to compromise agreements) were due of £nil (2022: £20,894). The amounts outstanding at the year end were £nil (2022: £4,000).

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

10. TANGIBLE FIXED ASSETS

Group and School	Freehold Property £'000	Long leasehold property £'000	Assets in course of construction £'000	Fixtures, fittings & equip't £'000	Motor Vehicles £'000	Total £'000
Cost						
At 1 August 2022	33,691	3,811	25	1,070	245	38,842
Additions	77	-	1,179	199	34	1,489
Disposals	-	-	-	(378)	-	(378)
Transfers	-	-	(274)	274	-	-
At 31 July 2023	33,768	3,811	930	1,165	279	39,953
Depreciation						
At 1 August 2022	12,215	3,734	-	1,000	153	17,102
Charge for year	865	9	-	50	35	959
Disposals	-	-	-	(378)	-	(378)
At 31 July 2023	13,080	3,743	-	672	188	17,683
Net book value						
At 1 August 2022	21,476	77	25	70	92	21,740
At 31 July 2023	20,688	68	930	493	91	22,270

The School has a number of long-held historic assets, which are used in the course of the School's educational activities in accordance with the Charity Commissioners Approved Scheme (under which transfer of a major interest in such property by the School would require the consent of the charity Commission). These comprise listed buildings on the school site together with manuscripts and other artefacts within the school archive. Given the age, nature and restricted use of the buildings and the unique nature of other archive items, reliable historical cost information is not available for these assets and could not be obtained except at disproportionate expense. However, in the opinion of the Governors the depreciated historical cost of these assets would now be immaterial.

Capital Commitments

Group and School

	2023 £'000	2022 £'000
Future capital expenditure		
Authorised and contracted for but not yet completed	2,274	265

Capital Commitments

The School has been granted an option to purchase the freehold interest of one of its leasehold properties, exercisable at a future date and has security of tenure until that date. In respect of the same property, the School has granted the lessor, (and successors in title), an option to require the School to purchase the freehold interest on the death of the lessor or if the lease is forfeited. In the event that either option is exercised the purchase price of the freehold interest will be based upon a valuation of the property on the date of the exercise of the option.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

Tangible fixed assets include two properties with a net book value of £5.4m (2022: £5.5m) which are charged as security for a proportion of the School's bank loans. Tangible fixed assets include assets with a net book value of £171k which are secured under finance leases.

11. INVESTMENTS

Group and School	Unrestricted £'000	Restricted £'000	Endowed £'000	Total £'000
Equity investments				
At 1 August 2022	164	104	36	304
Unrealised losses in year	1	(2)	-	(1)
At 31 July 2023	165	102	36	303

All investments are listed on the UK stock exchange and are held by the School.

Subsidiary undertakings

By virtue of common control King's School Worcester Activities Limited (Company No: 01472145), a company limited by guarantee and registered in England and Wales, is recognised as a wholly owned subsidiary undertaking of the School. KSW Enterprises Limited (Company No: 07141348) is a company registered in England with an issue share capital of £1, which is wholly owned by the School. The results of these subsidiaries are reported in note 24 to the financial statements.

12. DEBTORS

	Group		School	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Fees and extras receivable	109	159	109	159
Trade debtors	22	3	-	-
Due from subsidiary companies	-	-	32	172
Derivative financial instruments	34	-	34	-
Sundry debtors	17	80	17	80
Prepayments and accrued income	426	364	426	364
	608	606	618	775

All debtors are due within one year.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

13. CREDITORS: amounts falling due within one year

	Group		School	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Bank loan (note 15)	498	568	498	568
Finance lease creditor (note 16)	39	-	39	-
Trade creditors	667	492	663	475
Registration deposits	230	221	230	221
Taxation and social security	235	223	235	223
Due to subsidiary companies	-	-	-	-
Other creditors	321	295	318	293
Fees in advance scheme (note 17)	226	173	226	173
Accruals and deferred income	841	579	835	570
	3,057	2,551	3,044	2,523

14. CREDITORS: amounts falling due after more than one year

	Group		School	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Bank loan (note 15)	1,701	2,728	1,701	2,728
Finance lease creditor (note 16)	132	-	132	-
Fees in advance scheme (note 17)	71	54	71	54
	1,904	2,782	1,904	2,782

15. BANK LOANS

	Group and School	
	2023	2022
	£'000	£'000
The bank loans are repayable by instalments:		
Due after more than 5 years	210	628
Due within 2 – 5 years	1,491	2,100
Due after more than one year	1,701	2,728
Due within 1 year	498	568
	2,199	3,296

The bank loans are secured by way of a fixed charge dated 4 September 2009 over two of the company's freehold properties (the site known as King's Hawford and the new pre-preparatory school located at Mill Street Worcester). The loans, which are repayable over a period of up to 20 years from

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

July 2009, 13 years from June 2014 and 15 years from January 2016, are mainly variable rate borrowings at interest rates ranging from 1.20% to 1.31% above Bank of England base rate. The CBIL loan is a fixed rate loan at 1.96% repayable over 5 years from August 2021.

In November 2022 one loan has been repaid early in agreement with the bank, this has had a positive impact on the future interest rate costs of the School with no impact on the associated covenants. In addition, a base rate cap has been put in place covering £806,727 of the bank loans capping interest at 3.7%, see note 18.

16. FINANCE LEASES

The future minimum lease payments are as follows:

	Group and School	
	2023	2022
	£'000	£'000
Not later than one year	49	-
Later than one year and not later than five years	147	-
	196	-
Future finance charges	(25)	-
Net obligations under finance leases	171	-

The finance leases are for IT equipment which is being acquired under a finance lease over a period of 4 years. The assets are recognised as tangible fixed assets.

17. FEES IN ADVANCE SCHEME

Parents may enter into a contract to pay to the School tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the School advance fees will be applied as follows:

	Group and School	
	2023	2022
	£'000	£'000
Within 2 - 5 years	-	-
Within 1-2 years	-	54
After more than one year	71	54
Within 1 year	226	173
	297	227

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

Summary of movements in liability

	£'000
Balance at 1 August 2022	227
New contracts	691
Amounts accrued to contracts as debt financing cost	11
Amounts used to pay fees	(632)
Balance at 31 July 2023	297

18. FINANCIAL INSTRUMENTS

	Group and School	
	2023	2022
	£'000	£'000
Financial assets measured at fair value	303	304

Financial assets held at fair value include assets held as investments.

Impairment losses charged to financial assets measured at amortised cost in the year amounted to £31,000 (2022: £nil).

The School has entered into a base rate cap contract to mitigate the risk of rising exchange rates.

At the 31 July 2023 the School had the following outstanding contracts:

	Group and School	
	2023	2022
	£'000	£'000
Within 1 year	34	-
	34	-

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

19. OPERATING LEASES

Commitments

The total remaining operating lease commitment in respect of the unexpired period of current operating leases is as follows:

Group and School	2023			2022		
	Land and buildings £'000	Other £'000	Total £'000	Land and buildings £'000	Other £'000	Total £'000
On leases						
Within 1 year	108	16	124	115	11	126
Between 1-2 years	103	1	104	108	6	114
Between 2-5 years	310	-	310	310	9	319
After 5 years	1,042	-	1,042	1,146	-	1,146
	1,563	17	1,580	1,679	26	1,705

Charge for the year

The amounts payable under operating leases and charged as expenditure during the year are as follows:

Group and School	2023 £'000	2022 £'000
Leases in respect of:		
Land and buildings	114	109
Plant and equipment	29	8
	143	117

20. FUNDS OF THE SCHOOL

The School's funds are analysed under the following headings.

a) Endowed Funds

The endowed fund comprises an individual trust set up by an individual donor to support specific scholarships. A distinguishing feature of the special trust is the donor's express requirement or implicit intention that the funds shall not be spent immediately but should be retained. The trust is not pooled for investment and is credited with the relevant investment income and bears its own expenses.

The Dean Forrest Fund to support a scholarship, with preference for former choristers intending to take Holy Orders or who are sons of clergy.

THE KING'S SCHOOL WORCESTER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

b) Restricted Funds

Over a number of years, the School has received donations where the donors have placed restrictions on the uses to which the gifts may be put. The Funds thus restricted under charity law, and which are partly invested in separate investment securities and partly in the School's pooled deposits, are:

The Canon Catley Scholarship to provide bursaries to pupils.
and Bursary Fund

The Specific Small School to provide resources for specific named projects and pupils.
Projects Fund

The Annual Fund donations solicited from parents of pupils each year to be expended
in the short term upon a range of additional pupil resources.

The Reeves Maths Prize Fund to award prizes for excellence in mathematics.

The Astroturf Fund to provide resources for the future resurfacing of the pitch.

The M Stevens Fund to provide bursaries in respect of the cost of trips and extracurricular
activities.

The Foundation Development Funds represent donations received from external donors through the charity The King's School Worcester Development Trust charity where the sums received are for specific purposes but where there is no requirement to preserve capital. Expenditure directly financed by such donations is shown under restricted funds.

The Foundation to provide bursary support to pupils
Development Bursary
Fund

The Keyes Building to provide a contribution to the total capital cost (circa £9m) of the
new building

The Foundation represent funds received to support a number of small projects the
Development Sundry balances on each individual fund being below £10,000
Special funds

Foundation Development Sundry Special funds

At 31 July 2023 these were:

	£
School Flag Fund	320
Cricket Pavilion Fund	1,369
Annual Fund	7,057
Reeves Maths Prize Fund	1,000
M Stevens Fund	6,794
	<u>16,540</u>

Donations received through the Foundation Development Office for the general benefit of the School without any restriction are accumulated within unrestricted funds.

Although expenses may be apportioned across all the individual funds arising as a result of the fund-raising activities of the Foundation Development Office this policy has not been adopted in order that

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

the financial statements give a clear indication of the total value of donations made to specific projects.

c) Unrestricted Funds

Unrestricted funds represent accumulated income from the School's activities and other sources and are available for the general purposes of the School.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2023	Unrestricted £'000	Restricted £'000	Endowed £' 000	Total £'000
Tangible fixed assets	22,270	-	-	22,270
Investments- securities	165	102	36	303
Net current assets	3,675	256	23	3,954
Long term liabilities	(2,526)	-	-	(2,526)
	23,784	358	59	24,001

2022	Unrestricted £'000	Restricted £'000	Endowed £' 000	Total £'000
Tangible fixed assets	21,740	-	-	21,740
Investments- securities	164	104	36	304
Net current assets	4,952	257	22	5,231
Long term liabilities	(3,524)	-	-	(3,524)
	23,332	361	58	23,751

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

22. GROUP SUMMARY OF MOVEMENT ON FUNDS

a) Year to 31 July 2023

	At 1 August 2022 £'000	Incoming resources £'000	Resources expended £'000	Transfers between funds £'000	Unrealised gains /(losses) £'000	At 31 July 2023 £'000
Unrestricted funds						
General reserve	23,313	19,561	(19,324)	26	1	23,577
Trading subsidiary reserves	19	239	(227)	(26)	-	5
	23,332	19,800	(19,551)	-	1	23,582
Restricted funds						
Canon Catley fund	168	2	-	-	(2)	168
Astroturf fund	99	-	-	-	-	99
Specific Small School Projects fund	4	23	(24)	-	-	3
Foundation Development restricted funds						
Bursary fund	80	222	(222)	-	-	80
Sundry Specific funds	10	-	-	-	-	10
	361	247	(246)	-	(2)	360
Permanent Endowed funds						
Dean Forrest	58	1	-	-	-	59
	58	1	-	-	-	59
Total Funds	23,751	20,048	(19,797)	-	(1)	24,001

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

22. GROUP SUMMARY OF MOVEMENT ON MAJOR FUNDS

b) Year to 31 July 2022

	At 1 August 2021 £'000	Incoming resources £'000	Resources expended £'000	Transfers between funds £'000	Unrealised gains /(losses) £'000	At 31 July 2022 £'000
Unrestricted funds						
General reserve	23,149	17,690	(17,526)	-	-	23,313
Trading subsidiary reserves	10	192	(183)	-	-	19
	23,159	17,882	(17,709)	-	-	23,332
Restricted funds						
Canon Catley fund	168	3	-	-	(3)	168
Astroturf fund	99	-	-	-	-	99
Specific Small School Projects fund	4	117	(117)	-	-	4
Foundation Development restricted funds						
Bursary fund	80	183	(183)	-	-	80
Sundry Specific funds	10	-	-	-	-	10
	361	303	(300)	-	(3)	361
Permanent Endowed funds						
Dean Forrest	58	1	-	-	(1)	58
	58	1	-	-	(1)	58
Total Funds	23,578	18,186	(18,009)	-	(4)	23,751

23. PENSION SCHEMES

Retirement benefits to employees of the School are provided through two defined benefit schemes and one defined contribution scheme, which are funded by the School's and employees' contributions.

DEFINED BENEFIT SCHEMES

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,427,250 (2022: £1,935,677) and at the year end £nil (2022 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

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 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Independent School's Pension Scheme

Defined Benefit

Until April 2020 the School operated a defined benefit scheme for support staff, through its participation in the Independent School's Pension Scheme administered by the Pensions Trust (ISPEN). ISPEN. The scheme, a multi-employer scheme which provides benefits to some 61 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme. The scheme was closed to new members of staff with effect from 31 March 2017 and was closed to future benefit accrual for all members with effect from April 2020.

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

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

With effect from 1 April 2015 the School operated only one benefit structure – a career average revaluated earnings (CARE) structure with a 1/80th accrual rate. Contributions have been made to the scheme in accordance with the recommendations of the scheme's Actuary.

The pension charge for the year includes contributions payable to the ISPEN of £nil (2022: £nil). At the balance sheet date there were no (2022: nil) active members of the Scheme employed by the School. In addition, the School paid contributions totalling £76,320 (2022: £66,923) in respect of the past service deficit.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities

**THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit contributions

From 1 September 2022 to 30 June 2032	£2,687,00 per annum (payable monthly and increasing by 3% on each 1 September)
---------------------------------------	--

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 September 2019 to 31 August 2030	£2,387,357 per annum (payable monthly and increasing by 3% on each 1 September)
---	---

The recovery plan contributions are allocated to each participating employer in line with they estimated share of the scheme liabilities.

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

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

Present Value of Provision for School's deficit funding obligations:

	31 July	<i>31 July</i>	<i>31 July</i>
	2023	<i>2022</i>	<i>2021</i>
	£'000	<i>£'000</i>	<i>£'000</i>
Present value of provision	622	<i>742</i>	<i>648</i>

Reconciliation of opening and closing provisions

	Group and School	
	2023	<i>2022</i>
	£'000	<i>£'000</i>
Provision at start of period	742	<i>648</i>
Unwinding of discount factor (interest expense)	23	<i>6</i>
Deficit contribution paid	(76)	<i>(69)</i>
Remeasurements- impact of any change in assumptions	(67)	<i>(84)</i>
Remeasurements- amendments to the contribution schedule	-	<i>241</i>
Provision at end of period	622	<i>742</i>

Income and expenditure impact

	2023	<i>2022</i>
	£'000	<i>£'000</i>
Interest expense	23	<i>6</i>
Remeasurements- impact of any change in assumptions	(67)	<i>(84)</i>
Remeasurements- amendments to the contribution schedule	-	<i>241</i>
	44	<i>163</i>

Assumptions	Year to 31	<i>Year to 31</i>	<i>Year to 31</i>
	July 2023	<i>July 2022</i>	<i>July 2021</i>
Rate of discount % per annum	5.7	<i>3.24</i>	<i>1.04</i>

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

Defined contribution scheme

The School operates a defined contribution pension scheme in connection with its auto-enrolment obligations. The assets of the scheme are held separately from those of the School in a fund independently administered by The Pensions Trust. The pension cost charge includes contributions payable by the School to the fund amounting to £208,140 (2022: £176,448). As at the balance sheet date there were £nil (2022: £nil) contributions outstanding payable to the pension fund.

24. SUBSIDIARIES AND BASIS OF CONSOLIDATION

The School has two connected trading companies, King's School Worcester Activities Limited registered number 01472145 (a company limited by guarantee) and KSW Enterprises Limited registered number 07141348 (a company limited by shares, of which all of the issued share capital is owned by the School). The results of both are consolidated with those of the school and in the case of

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

King's School Worcester Activities Limited are included within the unrestricted funds shown in the financial statements and in restricted funds in the case of KSW Enterprises Limited.

King's School Worcester Activities Limited (KSWA Ltd), a company limited by guarantee, carries out various trading activities on behalf of the School and accounts for including vending machine sales, the lettings to third parties of school facilities other than the school AstroTurf pitch and sundry other non-charitable trading items. The letting of the AstroTurf pitch is administered and accounted for by KSW Enterprises Limited (KSW Ent Ltd).

For over ten years the school has had a long-term fundraising initiative to create a Foundation Development fund. Donations to this fund are made to The King's School Worcester Development Trust, (formerly The King's School Development Trust) which then makes grants to the School. This Trust is a separate registered charity which is not controlled by the School and its results are not included within the consolidated financial statements but it is recognised as a related party (see note 26).

Trading results extracted from the financial statements of the trading subsidiaries are shown below:

	KSWA Ltd £'000	KSW Ent Ltd £'000	Total 2023 £'000	KSWA Ltd £'000	KSW Ent Ltd £'000	Total 2022 £'000
Turnover	230	9	239	179	13	192
Cost of sales	(211)	-	(211)	(155)	-	(155)
Administrative costs	(9)	(7)	(16)	(5)	(24)	(29)
Operating profit	10	2	12	19	(11)	8
Gift aid donation	(26)	-	(26)	-	-	-
Retained profit	(16)	2	(14)	19	(11)	8
Net assets	19	(14)	5	35	(16)	19
Balance owed by the School at 31 July	(9)	(24)	(33)	(150)	(22)	(172)

The trading companies make gift aid donations of all taxable profits to the School with the result that both trading subsidiary companies have a nil annual corporation tax liability. The King's School Worcester, as a registered charity, has no liability to UK corporation tax in respect of its income and gains properly applied for its charitable purposes.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

25. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023		2022	
	£'000	£'000	£'000	£'000
Net income resources		250		173
Elimination of non-operating cash flows:				
Losses on investments	1		4	
Investment income	(146)		(16)	
Finance costs	129		56	
Defined benefit pension scheme finance cost	23		6	
Defined benefit pension scheme re-measurement	(67)		157	
Depreciation charge	959		933	
Profit on sale of fixed assets	-		-	
Decrease in stock	-		16	
(Increase) in debtors	(2)		(11)	
Increase/(Decrease) in creditors (excluding fees in advance scheme and deposits)	638		(13)	
(Increase)/Decrease in fees in advance scheme creditors	(70)		41	
(Decrease) in parents' deposits	(8)		(11)	
		1,457		1,162
Net cash inflow		1,707		1,335
Analysis of cash and cash equivalents				
	2023		2022	
Cash	4		2	
Bank	6,404		7,173	
	6,408		7,175	

**THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

26. RELATED PARTY TRANSACTIONS

As stated in note 1 to the financial statements, the School has two connected trading companies, King's School Worcester Activities Limited and KSW Enterprises Limited. A set off agreement exists between The King's School Worcester and King's School Worcester Activities Limited with Lloyds Bank plc for interest purposes only. The gift aid transactions between the School and these companies together with details of the year end balances are reported in note 24 to the financial statements.

In the course of its ordinary activities the school conducted business with the Dean and Chapter of Worcester Cathedral including their related Enterprise company in respect of rent, events and staffing, all negotiated at arm's length on normal commercial terms, totalling £112,643 (2022: £217,479) and totalling £98,726 (2022: £92,735) in respect of choral scholarships.

The School Governors include a partner in Fisher German LLP, who administer Worcester Cathedral's property lets to the School. The value of rental services provided to the School during the year, all of which were negotiated at arm's length and supplied on normal commercial terms, amounted to £107,712 (2022: £153,317). The balance due to Fisher German LLP at the year end was £nil (2022: £nil).

The Dean is an ex officio member of the school's Governing body, and six of the school's nominative Governors are appointed by the Dean and Chapter of Worcester Cathedral. The balance due from the Dean and Chapter of Worcester Cathedral and its trading entities at the year end was £nil (2022: £nil). The Dean is also a Director of the Worcester Literacy Festival Limited the School spent £nil on advertising with them in the year (2022: £150). The balance due to Worcester Literacy Festival Limited at the year end was £nil (2022: £nil).

The School Governors include a director of the Worcestershire Cricket Board Limited who have supported the School with their cricket academy during the year the School spent £2,510 (2022: £1,740). The balance due to Worcestershire Cricket Board Limited at the year end was £nil (2022: £nil).

The School Governors include a Trustee of The Rivers CofE Multi Academy Trust. During the year the School engaged their services and spent £nil (2022: £85). The balance due to The Rivers CofE Multi Academy Trust at the year end was £nil (2022: £nil).

A number of school Governors are trustees of The King's School Worcester Development Trust, a separate registered charity (see note 24). In the course of its ordinary activities the school conducted business with the King's School Worcester Development Trust in respect of events and fundraising activities. The school received from the Trust £209 (2022: £1,326) in respect of events income and expenses due to the School on normal commercial terms and grant funding, totalling £221,874 (2022: £183,448) for the year was due to the School at the year end. During the year the school received net donations of £4,083 (2022: £4,972) on behalf of the Trust and the net balance due to the School by the Trust at the year end was £nil (2022: £59,235). In addition at the year end the School held cash balances as agent for The Development Trust amounting to £5 (2022: £5).

The School Governors includes a parent of the School, in addition three members of key management personnel are also parents during the year they were charged School fees on commercial terms and no balances were outstanding at the year end.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

27. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

Year to 31 July 2022		Unrestricted Funds	Restricted Funds	Endowed Funds	2022 Total	2021 Total
	Notes	£'000	£'000	£'000	£'000	£'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	16,828	-	-	16,828	15,717
Ancillary trading income	3	808	-	-	808	397
Other trading activities						
Non-ancillary trading income	4	192	-	-	192	82
Other activities	4	42	-	-	42	71
Investments						
Interest and investment income	5	12	3	1	16	9
Voluntary sources						
Grants and donations	6	-	300	-	300	315
Total incoming resources		17,882	303	1	18,186	16,591
Expenditure on:						
Raising funds						
Non-ancillary trading	7	183	-	-	183	90
Financing costs	8	62	-	-	62	51
Fundraising and development	7	129	-	-	129	130
Total		374	-	-	374	271
Charitable activities						
Education and grant making	7	17,178	300	-	17,478	16,397
Pension scheme re-measurement of the estimate of past service costs	23	157	-	-	157	(6)
Total expenditure		17,709	300	-	18,009	16,662
Net (outgoing)/incoming funds from operations before transfers and investment gains		173	3	1	177	(71)
Gains on investments	11	-	(3)	(1)	(4)	44
Net income		173	-	-	173	(27)
Transfers between funds	22	-	-	-	-	-
Net movement in funds for the year		173	-	-	173	(27)
Fund balances brought forward at 1 August 2021		23,159	361	58	23,578	23,605
Fund balances carried forward at 31 July 2022	22	23,332	361	58	23,751	23,578

Accounts

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

THE KING'S SCHOOL WORCESTER
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2022

Contents	Page
Governors, Officers and Advisers	3
Annual Report of the Governors	5
Strategic Report	10
Statement of Accounting and Reporting Responsibilities	20
Independent Auditor's Report	22
Consolidated Statement of Financial Activities	26
Consolidated Summary Income and Expenditure Account	27
Consolidated and School Balance Sheets	28
Consolidated Cashflow Statement	29
Notes to the Consolidated Cashflow Statement	30
Notes to the Financial Statements	31

THE KING'S SCHOOL WORCESTER

GOVERNORS, OFFICERS AND ADVISERS

YEAR ENDED 31 JULY 2022

GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

The Governors of the King's School Worcester ("the School") are the School's charity trustees under charity law and the directors of the charitable company. The members of the Governing Body who served in office as Governors during the year and subsequently are detailed below:

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Mrs P Preston (Chair)		●	●			●			●	
The Very Rev'd P G Atkinson		●				●				
G W Ballard		●								
Mrs K Brunt								●		
D B Dale		●				●				
D L Green			●	●				●	●	
J W R Goulding			●					●		
Miss S E Hinks	Appointed 1 September 2022		●							
Ms C Hoddinott			●			●				
Mrs J H Jarvis					●		●		●	
Mrs C Pike						●			●	
Ms A A Plunkett	Appointed 1 September 2022		●						●	
R Prestidge	Appointed 24 November 2022	●								
A Reekes	Resigned 23 March 2022	●	●			●				
J Riaz	Appointed 5 October 2021		●							●
Dr L Tether	Resigned 25 March 2022		●							
R. Tomlinson *		●								
A Underwood		●								
P Walker		●				●				

During the year the activities of the Governing Body were carried out through the main board and the above committees. The membership of these committees is shown above for each Governor.

- (1) Finance and General Purposes Committee
- (2) Education Committee
- (3) Representative on School Health and Safety Committee
- (4) Safeguarding Governors
- (5) Nominations and Governance Committee
- (6) Representative of EYFS
- (7) Representatives of Prep School's
- (8) Compliance Committee
- (9) EID Governor

*Parent of pupil at the School

THE KING'S SCHOOL WORCESTER
GOVERNORS, OFFICERS AND ADVISERS (Continued)
YEAR ENDED 31 JULY 2022

OFFICERS

G E Doodes	Headmaster - Foundation
R A Chapman	Head – King's St Alban's Prep School
J Phillips	Head – King's Hawford Prep School (Resigned 31 August 2022)
T Butt	Head – King's Hawford Prep School (Appointed 1 November 2022)
Miss H L Jackson	Bursar and Clerk to the Governors (Resigned 31 August 2021)
Miss G M Mason	Director of Finance and Business Development
S Holden	Director of Operations (Appointed 9 August 2021) Clerk to the Governors (Appointed 1 September 2021)

Principal address and Registered Office

5 College Green, Worcester, WR1 2LL

Auditor

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

Bankers

Lloyds Plc, 4 The Cross, Worcester, WR1 3PY

Solicitors

Harrison Clark Rickerbys Ltd, Wellington Street Cheltenham, GL50 1YD

Parkinson Wright LLP, St Nicholas Street Worcester, WR1 1UN

Surveyors

Gwilliam Darby Carr, 7 Severn Street, Worcester, WR1 2ND

Charity number

1098236

Company Number

04776324

Website

www.ksw.org.uk

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2022

The members of The King's School Worcester Governing Body present their Annual Report for the year ended 31 July 2022 under the Charities Act 2011 including the Directors' Report and Strategic Report and the Companies Act 2006, together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The King's School Worcester ("the School") was founded in 1541. It is constituted as a company limited by guarantee registered in England, No. 04776324, and is registered with the Charity Commission under Charity No.1098236. The Charity Commissioners for England and Wales have issued a uniting direction in respect of the School and the unincorporated precursor charity that went by the same name (having the registered name of Worcester Cathedral Grammar School, charity number 527536) whereby single entity financial statements may be prepared.

The School operates one senior school and two prep schools known as King's St Alban's and King's Hawford.

There is one Governing Body for all three Schools. Details of the members of the Governing Body, together with the School's officers and principal advisers, are given on pages 3 and 4.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The School is governed by its Memorandum of Association and Articles of Association and by the Scheme of the Charity Commissioners dated 18 August 2003, amended on 3 July 2009, 30 November 2018 and 13 May 2021.

Governing Body

Under the Charity Commission Scheme the Board of Governors shall not exceed eighteen members comprising one ex-officio, eight nominative and nine co-opted Governors. Of the nominative Governors seven are appointed by the Dean and Chapter of Worcester Cathedral and one by the Bishop of Worcester. Nominative Governors serve for a term of four years. Co-opted Governors are appointed for a term of four years by resolution of the Governors. Retiring Governors may be re-appointed.

Recruitment and training of Governors

The School's elected Governors are appointed at a meeting of the Board of Governors on the basis of nominations received from the three nominating bodies specified within the Charity Commission Scheme. All nominations (including co-optative appointments) are made having regard to the Board's requirements concerning eligibility, personal competence, specialist skills, and availability.

New Governors are inducted into the workings of the School, including governing body policy and procedures, through visits to the School and the provision of a comprehensive briefing pack and by personal contact with other Governors, the Headmaster, the Director of Finance and Business Development and the Director of Operations. All Governors are offered the opportunity to attend relevant training seminars and receive briefings on current issues in the sector and regulatory requirements.

Organisational management

The Governors, as the charity trustees, are legally responsible for the overall management and control of the School. They meet at least three times a year and on other occasions as required. The work of implementing their policies is facilitated by four sub-committees:

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2022

- the Finance and General Purposes Committee (F&GP) has specific responsibility for financial matters including the review of budgets and finalising the audited financial statements and annual report for approval by the Board.
- the Education Committee considers strategic academic issues.
- the Nominations and Governance Committee considered the recruitment and retirement of Governors, terms of reference and committee membership.
- the Compliance Committee provides oversight of all elements of compliance and risk.

There are no other standing committees of Governors but the membership of the school's Health and Safety Committee is chaired by a Governor and there are nominated governors who have specific responsibility for liaising with the prep schools, early years and child protection. In addition, there is Governor representation on various ad hoc school management committees as may be required from time to time.

The day to day running of the schools is delegated to the Headmaster supported by the Director of Finance and Business Development, the Director of Operations, members of the Foundation Leadership Team and the three Senior Leadership Teams. Together this group represent the key management personnel. All meetings of the full Board of Governors, the F&GP, Education and Nomination Committees are attended by the Headmaster and the Director of Finance and Business Development and the Director of Operations. The pay and remuneration of the key management personnel are determined by Governors.

The Senior Deputy attends all meetings of the full Board of Governors and of the F&GP and Education Committees and the Prep School Heads attend all meetings of the full Board of Governors.

Group Structure and Relationships

The School has two related non-charitable subsidiary companies, King's School Worcester Activities Limited (Company No: 01472145) and KSW Enterprises Limited (Company No: 07141348). A minimum of one half of the number of serving directors on the Board of each subsidiary are also members of the Board of Governors. King's School Worcester Activities Limited is a company limited by guarantee and does not have a share capital. As such the liability of each member of the company is limited to an amount not exceeding £1. This company is the enterprise through which commercial activities, including the hire of general school facilities, take place. KSW Enterprises Limited is a company limited by shares and its issued share capital of £1 is wholly owned by the charity. This company administers the community lettings of the Astroturf constructed by the school on the site of Bishop Perowne Church of England College.

Employment Policy

The School is an Equal Opportunities Employer. Full and fair consideration is given to all job applications and due consideration is given to training and employment needs. Consultation with employees, or their representatives, is undertaken at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

The Governors recognise the importance of good communications with all employees and involve employees within the School's strategic planning procedures. In addition to communication through normal management and departmental channels employees are kept well informed of the performance, financial position and objectives of the School through personal briefings, regular meetings, e-mail and presentations throughout the year.

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

Promotion of the success of the organisation to benefit its members

The Governors confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider most likely to achieve the purposes of the Company. In making this assessment, the Governors consider the relevant actions of the Board as described throughout the report.

Taking the areas required for disclosure in turn:

a. The likely consequences of any decision in the long term

The long-term sustainability of the School is detailed in the Strategic Report. Specifically, the Governors consider both operating results and financial projections and the key risks that could negatively impact the sustainability of the School. The Finance and General Purposes Committee and the full board review management information, budgets, forecasts, cashflow projections and progress against budget on a regular basis. Risk Management and the level of reserves are also discussed further in the report.

b. The interests of the company's employees

In relation to employee engagement, weekly briefings keep staff informed of school wide matters of interest. The Governors receive regular reports from management on the wellbeing of the employees and speak directly to staff during visits to the school.

c. The need to foster the company's business relationships with parents, suppliers, and others.

In relation to key stakeholder engagement, the Governors worked closely with management to communicate with parents, staff and pupils. Parents receive weekly news update from the foundation via email.

In accordance with financial procedures and standard payment terms, supplier payment is due within 30 days after the School receives the invoice from the supplier.

d. The impact of the company's operations on the community and the environment

The Governors have commissioned an independent review of energy use and there is a review of Greenhouse gas emissions later in this report in compliance with the Streamlined Energy and Carbon Reporting (SECR) Report.

e. The desirability of the company maintaining a reputation for high standards of business conduct

The School takes a zero-tolerance approach towards fraud, bribery and corruption. It is committed to complying with all applicable laws and regulations relating to fraud, bribery and corruption.

f. The need to act fairly as between members of the company

The Governors understand the Charity Commission requirements and acknowledge the need to avoid and manage potential conflicts of interest. The Company is limited by guarantee so does not have share capital with the result that issues relating to Director shareholders or relations between majority and minority shareholders do not apply.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2022

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The School's Objects and principal activities, as set out in the Memorandum of Association, are to advance education and training, including physical training, by the provision and conduct, in or near Worcester, of day and/or boarding schools for boys and girls with the provision of accommodation and educational facilities for the Choristers of the Cathedral Church of Worcester and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

In pursuing its charitable objects the School's mission is to help young people reach their potential at school in preparation for leading confident, fulfilled and unselfish lives as adults.

In furtherance of these Objects for the public benefit the School, which operates three schools (one senior and two prep) known collectively as The King's School Worcester, has established and administers bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects. The Governing Body is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In connection with this the Board has monitored closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Aims

The School's aims for the public benefit are:

- to provide a first class independent education within an ethos of spiritual awareness and tolerance that is widely accessible, irrespective of family financial circumstances; and
- to establish the School as a community in which there are strong and active partnerships between parents and the three schools, and between the local community and the three schools.

Primary objectives

The primary objectives of the School to fulfil these aims are:

- to maintain the aspiration to high standards in academic performance and extra-curricular activities whilst preserving a healthy balance between the two.
- to widen access to the education provided by the school through the provision of financial support for children whose parents are unable to afford the full fees and also through a range of projects and activities with the local community, including "out of hours" access to the schools' facilities in order that they are put to good educational use when not otherwise needed.
- to provide a stimulating learning environment in which pupils can develop their academic potential to the full.
- to provide appropriate teaching resources and accommodation throughout all three schools.
- to provide a happy and secure pastoral environment which promotes and develops independent learning, supports pupils in the achievement of their individual potential and fosters a sense of community mutual respect and good citizenship.
- to provide an effective management structure and the administrative and logistic framework necessary to meet the needs of staff and pupils alike.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2022

The aims and objectives set for the School's subsidiaries are to facilitate the achievement of the School's aims and objectives as above.

Strategies to achieve the primary objectives

A key strategy towards the achievement of the primary objectives is the annual review and update of the School's Development Plan and its approval by the Governing Body. An important part of the review process is an assessment of performance during the year against the targets set for the period, with the results of that assessment being used to inform proposed targets and action plans for the future.

The Development Plan embodies the operational aims and future plans of the School (summarised on page 18) and, once approved by Governors, becomes a tool for use by the key management personnel to inform operational planning and decision making.

The Governing Body also keeps under review the facilities available to pupils and staff on all three sites and the extent to which additional or improved resources may facilitate the achievement of the development plan targets.

Principal activity

The School's principal activity, as specified in the Memorandum of Association, is the advancement of education and in this the School has again had a successful year.

The School roll averaged 1,238 (2021: 1,224) pupils across all year groups from Reception upwards with an additional 122 pupils (2021: 83) in Kindergarten on a full or part time basis. The School continues to maintain the high standards and ethos for which The King's School Worcester has become known.

Public benefit

The King's School Worcester remains committed to the aim of providing public benefit. In setting the School's objectives and planning its activities the Governors, as charity trustees, have given careful consideration to the Charity Commission's general guidance on public benefit requirements (under the Charities Act 2011) and in particular to its supplementary public benefit guidance on advancing education and on fee-charging. Whilst the aims of the School include maintaining and enhancing the academic success of its pupils, the School welcomes pupils from all backgrounds and it is important that access to the education offered is not restricted to those who can afford the fees.

The Governors believe that pupils benefit from learning within a diverse community and established the School's Bursary Scheme (and related Development Office fundraising function). In 2017 the Foundation launched a campaign to raise additional funds for bursaries. The Governors' policy is to award grants and bursaries on the basis of educational ability and parental means (subject to any restrictions imposed by any donor of the funds) to enable pupils to join the School, or to ensure continuity of education if this would otherwise be at risk due to unforeseen hardship or temporary difficulty.

The pupils who attend the School and who receive financial support contribute to the whole school community in a variety of ways, conferring benefit upon the whole institution and, in some cases, to the wider community. Financial support is provided not only through bursaries but also through the provision of scholarships, grants and fee concessions. This year the School provided financial support totalling £2.1m to 523 pupils (2021: £2.0m to 486 pupils). Within this, mean tested awards ranging from 10% to 100% remission totalling £0.63m were made to 82 pupils (2021: £0.67m to 82 pupils),

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

with further grants to assist with the cost of extra-curricular activities, equipment and school trips. Of this total number, 12 pupils benefitted from 100% remission of fees, with a further 24 receiving awards equivalent to at least 75% fee remission. Included in these figures are 5 full bursaries granted to Ukrainian pupils in the summer term of 22.

The Governors takes the view that the provision of bursaries is important but not to the exclusion of the much wider benefit that the School provides to the community. The School engages in many other activities that provide wider public benefit. Examples range from the provision of facilities for local schools, charities and community groups public access to cultural and educational events, activities and productions and a number of well-established partnerships with local maintained senior and primary schools. Activities included inter school quizzes at primary level for local schools, math's challenges, workshops in music, sports and drama.

Pupils within all three schools are encouraged to develop an awareness of the social context of the education they receive at the School and engage in fund raising activities on behalf of a wide range of local, national and international charities. This has been particularly pertinent given the current pandemic.

The School is a member of the Rivers Teaching Alliance sharing best practices and has taken students from Gloucester and Worcester Universities, amongst others, on initial teacher training courses or PGCE.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2022

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Senior School review of achievements and performance for the year

Fundraising performance

The Foundation Development fund raising initiative is a long-term programme, which is the responsibility of the Alumni and Business Development Office (ABDO). The ABDO fundraises for the benefit of the School through The King's School Worcester Development Trust, with appropriate costs borne by the Trust. This arrangement offers greater assurance to donors about the custody of their gifts, and aims to encourage a broader cross section of the constituent members of the wider school community to engage with fund raising activities.

The School has a long-term bursary fund raising strategy, the aim of which is to fulfil the original objective set by Henry VIII of supporting 40 free places at the School.

Investment policy, objectives and performance

The investments currently held by the charity are not material. They are, for the most part, invested through CCLA Management Limited in either COIF charity funds or CBF Church of England Funds and no formal investment performance review is considered necessary.

FINANCIAL REVIEW

Results for the year

The Autumn 2021 term began under the continuing threat of disruption as a result of Coronavirus, with the remote learning provision continuing to be an option for pupils and staff when the virus hit. However, overall, 2021/22 has seen a return to more normal times, with many more of our co-curricular events able to run throughout the year and a return to public exams in their conventional form.

Fees were increased for the 21/22 year following a year of fee freezes during the pandemic, and, despite rising costs from increasing interest rates and food and fuel costs, the Foundation kept close control of resources over the year and, as a result, has reported a surplus of £173,000. The Governors are pleased with this result in what has been another challenging year.

The net incoming resources of the group for the year from operations were £177,000 (2021: outgoing resources £71,000). The net increase in funds for the year was £173,000 (2021: decrease £27,000).

The net incoming resources for the year from operations of £177,000 are better than was expected for the year, and this reflects the cautious nature that the Foundation has taken to controlling costs during the year. The incoming resources, while pleasing, are still slightly below the optimum level that the School considers necessary to be able to continue to finance the future development of the School's facilities and educational programme. The School Development Plans include a number of initiatives for 2022/23 and 2023/24 intended to address the net income requirements of the School for future investment; however, the School is cautious in terms of acting against these plans while the future impact of the cost of living crisis remains uncertain.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2022

ACHIEVEMENTS AND PERFORMANCE

Reserves Level and Policy

The school's Reserves Policy is to maintain sufficient unrestricted income reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall and to rely upon its realisable general purposes fixed assets as adequate cover for the School's longer-term financial obligations, including the actuarially calculated but transient funding deficit of £0.74m on the School's defined benefit staff pension scheme that under FRS102 is accrued as a liability.

The School's unrestricted reserves are deployed as funds for part of the school's premises and equipment and at the year-end free reserves represented a balance of £4.7m (2021: £4.6m). The Governors consider that free reserves in the order of £4.2m, or approximately three months' expenditure, would be desirable in order to cover the risks and uncertainties of operating as an independent educational establishment.

The long-term policy objective is therefore to build up reserves out of annual operating surpluses, supplemented by Foundation Development fundraising, until that level is reached, subject to the prior demands of further capital expenditure to equip the school with the up-to-date facilities needed to maintain the standard of educational services currently provided.

The school's tangible fixed assets are all held for use by the school as disclosed in note 10 to the financial statements. Given the specialist nature of the school's land and buildings, Governors are unable to comment on the market value of such properties and whether this is materially different from that shown in the financial statements.

Review of achievements and performance for the year

The King's community has once again shown how resilient and adaptable they are when facing the ongoing challenges that COVID continued to present during the Autumn term and embracing the return to a new normal during the Summer term.

Public Exams resumed this year. There were minor adaptations in the form of Advanced Information on topics upon which questions would be set by the examination boards but, in many cases, these were illusory, and all topics needed to be covered if a candidate was to access the higher grades. There was some controversy in the press when topics had been excluded from Advanced Information and then appeared on exam papers. Teaching staff and pupils at King's were made aware that this could happen and were relatively unaffected when it did so.

An additional support for candidates was the lowering of grade boundaries. This occurred in most subjects for at least some of the grades and typically saw the boundaries of the lowest grades drop to ensure sufficient passes at A Level and GCSE. The government position was to aim for the distribution of higher grades to fall halfway between those in 2022 (Teacher Assessed Grades) and those in 2019 when public exams last took place. The grades at King's were higher than the national halfway point, reflecting the continuity of education delivered through hybrid learning and the careful COVID mitigations which reduced transmission and led to many fewer pupil absences than reported nationally.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2022

GCSE:

1. 76% of our pupils achieved grade 9-7 and 99.1% achieved grades 9 to 4.
2. 54 pupils (39% of the cohort) were awarded grades 9 to 7 in all their subjects, with six pupils achieving grade 9s in 11 subjects.
3. 79 pupils (58% of the cohort) were awarded 9 to 7 in 8 subjects or more.

A' Level:

1. 54.7% A*/A, 80.3% A*B, 98.4% A-C.
2. 16 pupils received A* grades in all their subjects.
3. 54 students (39%) received A* or A grades in all their subjects.

All parents' evenings took place online through a dedicated platform, as feedback from parents had been very positive, with multiple requests to keep this system on an ongoing basis. The hybrid teaching arrangement continued until summer half term; this enabled pupils who were absent to join lessons from home.

A full year of normal study took place. This year saw the introduction of our Psychology A Level, which started with high numbers of approximately 40 students, showing that this was a gap that needed filling in our academic offering.

Our pupils continue to maximise the opportunities outside the classroom which form a key part of their education here at King's. After a year of a hybrid offering of clubs and activities, we were delighted to be able to return to our fuller and more regular co-curricular programme. As well as offering firm favourites in our co-curricular programme such as Eco-Club, Model United Nations, Robotics and Engineering, and World Scholars, this year has seen the introduction of a very popular Archaeology Club.

In sport, we have continued to provide before-school, lunchtime and after-school clubs and training sessions daily. We are also proud of the opportunities our pupils have had to engage in competitive team and individual sports. The achievements in three of our sports are highlighted below, with their accomplishments complimented by those from across the range of sport on offer.

We were delighted to be named, once again, as one of the top 100 schools for Cricket (The Cricketer Schools Guide, 2022). Our 1st XI enjoyed success in the National T20, progressing to the regional semi-finals, and our U17s progressed through to the semi-final of the National Plate competition. Our U14 team was crowned County Champions and their success qualifies them for the National Competition as U15s next year. The U15 girls made it through to the last 16 of the National Cup and to the regional finals of the Lady Taverners Indoor Competition.

In Athletics, 44 athletes qualified to compete for Worcester City in the County Championships, with many competing in two events; this meant that King's made up well over half of the District team. The medal haul of 8 Golds, 11 Silvers and 6 Bronzes places us as one of the most successful schools in the county. 14 pupils went on to compete for Hereford and Worcestershire in the prestigious Mason Trophy inter-counties competition. This is an opportunity to test themselves against some of the best athletes in the country. Again, the win of 6 Gold, 6 Silver and 5 Bronze medals is an apt reflection of the skills and determination of all involved.

This year, Rowing has once again enjoyed record interest from pupils in the School and continues to offer an outstanding programme. Two of our U6 rowers have represented Great Britain in highly prestigious events, one winning Gold in the Munich International Regatta and Silver in the World

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2022

Championships in Italy, and one securing fifth place in the Coupe de la Jeunesse International Regatta. In addition, one of our L6 rowers has been selected for the Welsh Junior Women's Rowing Team.

Three other national representations are worthy of note. One of our L6 pupils was chosen for the Wales U21 Squad to compete in the Women's Euro Hockey Junior Championship in Ghent, Belgium. Another was invited to the England Rugby U18 Training Camps this summer. One of our U6 pupils was selected to represent the Great British U19 Water Polo team and play throughout Europe.

Our CCF has continued to parade weekly and engage in training on a range of skills and leadership theories and qualities. Our cadets competed in the Brigade Military Skills Competition, performing extremely well as they completed tough challenges across the weekend with sub-zero temperatures on both nights, receiving the Brigade Military Skills trophy for their outstanding achievement.

With two outstanding musical productions, one drama production, termly dance showcases and termly formal, informal and chamber music concerts, our pupils have at one and the same time been able to build confidence and stage presence as well as learn and understand the range of skills and aptitudes required for performance. Pupils have enjoyed success in their LAMDA examinations and we are delighted to have been named once again as a Trinity Arts Award Champion Centre. As in previous years, our cohorts were entered for, and succeeded in securing, one of the nationally recognised qualifications. In addition, many pupils have this year secured success in their ARRS and Trinity Music examinations.

Our Sixth Form Charity Committee has again delivered an outstanding programme of charitable and fundraising events, one highlight being the organisation and delivery of a fun day at a local special school. As war broke out in the Ukraine, the King's Foundation of Schools responded immediately. To date it has raised a staggering £6,500 to support their chosen charity, Save the Children via the Disasters Emergency Committee (DEC). The charity days organised by the pupils saw pupils and staff across the Foundation wear yellow and blue, run popular cake sales, make flags and raise money via concerts and events. Some Sixth Formers also donated their salaries from their part-time jobs to support the fundraising efforts. Our chamber choir learned and recorded the Ukraine song *Shchedryk*, written in 1916 by Ukrainian composer Mykola Leontovych. More recognisable to a UK audience as the tune to the Carol of the Bells, it has been released as a charity single.

All of this outstanding work and achievement has only been possible because of the exceptional efforts of our teaching and support staff. The Governors are both grateful to them all and full of admiration for the work they have done in the past year.

King's Hawford

Once again, the King's Hawford children made us proud over the course of the past academic year.

Although we were reaching the tail-end of COVID, during our occasional outbreaks staff and children showed great resilience with the switch between live, virtual and hybrid lessons. With the restrictions easing, we were again allowed to bring groups of children together who had previously been bubbled apart from one another, and it was lovely to see children of various ages coming together to work, play and support each other.

Our Year 6 cohort performed well in their entrance tests, with 20 children gaining scholarships and awards to King's. Learning outside the classroom is such an integral part of how we work at King's

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2022

Hawford; we were therefore delighted, once again, to be awarded the Learning Outside the Classroom Gold Award following the recent re-accreditation process.

It was pleasing to reinstate a full programme of educational visits and residentials this year. All year groups from Year 2 upwards had an overnight experience; Year 6 finished off the year with an amazing water sports and camping experience at Carsington.

Sport, music, dance, art and drama all continued to be an integral part of the curriculum and our extra-curricular offering. We gained tremendous success throughout the year, with our boys U11 Football team winning their IAPS regional competition. This year over 65 children took music exams and three music scholarships were awarded.

Pupils have a voice at King's Hawford and take an active role in much of the decision-making regarding development in many areas. This year we had two main charities: Project Gambia and UNICEF; we raised £5,700 through many varied events for these charities. We also donated £700 to the Emergency Ukraine Crisis Appeal.

The Hawford Sustainability Drive has been fully underway this year and we were delighted to be awarded with our award of the Eco-Schools Green Flag with Distinction as well as the Project Gambia Global Citizenship Award at the end of the year.

Finally, we have continued to focus on being mindful of and proactive with our children's mental health. We want children to know that struggle is good and normal, that we learn from our mistakes and that if we don't know something, it just means that we don't know it YET. We hope that offering the children these life skills will help them throughout their education and beyond.

King's St Alban's

2021/22 saw a return to near normality after two years dominated by COVID. The year started with some hybrid learning and it was not until January that whole school assemblies and large gatherings took place. There was significant pupil and staff absence due to COVID, so lessons were delivered normally in class and to isolating children through Showbie. Digital provision has remained in some areas post-COVID and this has enhanced the learning provision.

The school's Nursery continued to grow and thrive in its third year and picked up its second national award. It is now an integral and established part of the school. An outdoor classroom has been added to augment the already well-resourced site.

18 Year 6 children received a scholarship or other award to King's Senior School and 43 children made this move. The focus on mindfulness and Growth Mindset continued apace and we made significant progress with pupil voice and pupil leadership.

Significant development of our already strong art provision led to the award of Artsmark Gold; this is a most pleasing achievement. We were also awarded our Green Flag for continued good work by our Eco Club. We trained 30 Pupil Mindful Ambassadors, who led classes in regular meditations. The return of live concerts with audiences was greatly appreciated. Sport continues to be popular and successful and our Under 11 Girls' Medley Relay Swimming Team were national champions at both IAPS and ESSA. Clubs continue to be very popular, with a wide range of activities

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2022

on offer at both key stages. Links with Worcester Cathedral remain strong through boy and girl choristers and in other ways.

The School continues to enjoy an enviable reputation for both its academic and pastoral provision.

Alumni Relations

There is an active Old Vigornian (OV) network, which is very much engaged with the School; this engagement is underpinned by the work of the Alumni and Business Development Team. During the year we welcomed many OVs back on school visits, as well as receiving their support in various careers and mentoring activities.

In May we hosted our London Drinks Event and it was lovely to see many OVs in person after so many COVID-cancelled events. As we head into the new academic year we will rebuild on our strong calendar of events which are so important to the King's Community.

Social Media continues to be a valuable tool for engaging with OVs and the wider King's family and there has been an increase in social media engagement throughout the year, via the bespoke Old Vigornians channels of Facebook, Twitter and LinkedIn. Similarly, there has been an increase in subscriptions to the OV newsletters, which contain a wide and varied selection of articles on OV and King's School news.

The principal fundraising activity for the School and the King's School Worcester Development Trust has been and continues to be for pupil bursaries, and the Trust supported 12 bursaries during the year to July 2022. The Trust funds come from external donations from individuals and are so important to our ongoing bursary programme. The Development Office launched The King's Ukrainian Fund, which aims to raise funds to support the five pupils who have been offered places within the School.

The Trust is also very grateful to the Kildare Trust for their generous donations, which will support two fully funded places from September 2022.

The School remains very grateful for the support provided by OVs, parents and other members of the local community, both in terms of volunteering, advice, time and financial contributions.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2022

Streamlined Energy and Carbon Reporting (SECR) Disclosure

a. Emissions Summary

The SECR disclosure presents our carbon footprint emissions; an appropriate intensity metric; the total energy use of electricity, gas and transport fuel; and an energy efficiency actions summary.

Energy consumption used to calculate emissions (kWh)	4,536,332
Emissions from consumption of gas (Scope 1) tCO ₂ e	532
Emissions from combustion of fuel for transport purposes (Scope 1) tCO ₂ e	37
Emissions from the generation of bioenergy (Scope 1) tCO ₂ e	3
Emissions from combustion of oil for heating purposes (Scope 1) tCO ₂ e	46
Emissions from purchased electricity (Scope 2, location based) tCO ₂ e	208
Emissions from business travel in employee owned vehicles (Scope 3) tCO ₂ e	2
Emissions from consumption of bioenergy (Out of Scope) tCO ₂ e	103
Total Gross tCO ₂ e based on above	934
Intensity Ratio (tCO ₂ e/total pupils)	0.6868

SECR Methodology notes

Reporting period	1 st August 2021 to 31 st July 2022
Boundary (consolidation approach)	Operational approach
Alignment with financial reporting	SECR disclosure is prepared in line with King's School annual accounts made up to 31 st July 2022
Emission and conversion factor source	UK Government GHG Conversion Factors for Company Reporting
Calculation method	Activity data x Emission Factor = GHG emissions Activity data x Conversion factor = kWh consumption
Rounding	The results in the table are expressed in tons CO ₂ and may not add up precisely due to rounding
Other relevant information	Diesel, petrol and EV split not available for business mileage, therefore factor for "Unknown" used from conversion table
Reason for intensity metric choice	King's School is an independent day school, therefore, the appropriate intensity metric is pupil numbers

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2022

b. Energy Efficiency Action Summary

The School continues to achieve direct savings in energy and associated carbon emissions, by placing sustainability at the heart of its strategy, and delivering through business as usual tasks and new projects.

- A phased programme to replace existing lighting with energy efficient LED lighting continues.
- New buildings and refurbishments use natural ventilation, and where possible, Part L BC standards are applied to old buildings to increase thermal efficiency.
- The Keyes Building at the senior school uses bio-mass boilers. Alternate renewable sources are being looked at across the Foundation.
- Building management systems have been extended throughout the Foundation to reduce energy costs.
- Sensor controlled lighting is installed in new buildings and refurbishments.
- A programme is in place to replace all single glazed windows with energy efficient double-glazed units. An elevation of the main house at King's Hawford was completed in summer 2022 and remaining elevations planned for Easter 2023. The school continues to look at replacing boilers with more energy efficient units.

FUTURE PLANS

The School's Development Plan is subject to annual review alongside the approval each year of the medium-term Strategic Plan for the charity. However, this year has seen the completion of the long-term Foundation Strategic Plan, *Shaped By King's*, which aims to celebrate who we are and what makes us great but also acknowledges the need to ensure the Foundation evolves to suit the needs of the 21st century over the next fifteen years and as we look further forwards towards our 500th anniversary year in 2041.

The vision of the Foundation has been identified in three imperatives for all staff and pupils: **be curious, be caring, be confident**. These will enable us to achieve the mission of our Foundation, which is to seek excellence in all we do and provide an outstanding preparation for life. Underpinning this are the five key values which are at the heart of everything we do: ambition, resilience, humility, creativity and kindness.

Shaped By King's is founded on the broadest consultations possible. Pupils, governors, staff, parents, and alumni were all involved. We have aspired to reinforce and enhance our reputation as one of the West Midlands' leading independent schools. The Strategic Plan will inform the Foundation's Development and Implementation Plans, led by the Foundation Leadership Team and the Senior Leadership Teams of the Foundation's three schools.

Within the plan, four strategic pillars encapsulate what we will focus upon to achieve excellence in all areas, with pupil success at the centre of everything we do. **Foundation** is the heart of our school. It celebrates the importance of being confident but not arrogant in who we are as we build for the future. **Futures** outlines how we will strengthen each aspect of our pupils' educational experience, so they are fully prepared and ready for the world beyond King's. **Sustainability** captures how we will invest sustainably in our future from both an environmental and financial perspective. **Community and Outreach** underscores the role each of us plays in celebrating equality, inclusion, and diversity, supporting our pupils and our school through to 2036 and beyond in addition to our work with the wider Worcester community.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2022

The key aims and objectives which continue to underpin planning are:

- To maintain and enhance the current high standards of academic achievement and excellence, by means of careful monitoring of the progress of each pupil, setting appropriate targets and by providing effective feedback; these can be measured by external examinations and independent value-added criteria.
- To continue to focus on the development in pupils of self-esteem, resilience and independent learning skills.
- To continue to review staff development and related matters in order to be an outstanding school at which to be an employee, strengthening staff recruitment and retention as a result.
- To maintain and develop further existing local partnerships, and to ensure that the School both plays a significant part in the life of and shares facilities with the local community.
- To promote widely the availability of 100% fee remission places to academically able pupils and at least maintain the existing level of funding for means tested bursaries.
- To promote recruitment of pupils into the Foundation and to generate additional income sources to support the educational offer.
- To promote wider community use of the sports, dance and drama facilities available within the Foundation.
- To fundraise for a bursary fund capable of supporting the equivalent of 40 free places in perpetuity.
- To continue to establish build relationships with our alumni, cementing their place in our Foundation community.

RISK MANAGEMENT

The Board of Governors is responsible for the management of the risks faced by the charity. Risks are identified, assessed and controlled throughout the year. The School employs a Health and Safety adviser and engages professional advisers as required.

A formal review of the charity's Risk Register is undertaken by the Senior Leadership Team and the Board on a termly basis.

The key controls used by the School to minimise and manage risk include:

- Formal agendas for all Committee and Board meetings.
- Advance circulation of detailed briefing papers prior to Committee and Board meetings.
- Comprehensive strategic planning, budgeting and cash flow forecasting.
- Established organisational structure and lines of reporting.
- Formal written policies and procedures.
- Vetting procedures as required by law for the protection of the vulnerable.
- Circulation of all minutes of the standing Health and Safety Committee to all Governors.

The Governors have reviewed and endorsed the Risk Register as a summary of the principal areas of the schools' operations and the major risks faced in each of these areas, examples of which include:

- Parents' ability to pay fees during times of economic uncertainty.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2022

- The effect of legislative changes relating to compliance, staff costs including the employers' pension provision, and charitable status.
- The impact of demographic changes and the development and expansion of local schools upon pupil numbers.

The impact of Covid-19 has had a significant impact on the School. The School took out a Continuing Business Interruption Loan to safeguard against short term cashflow impacts, however the School has maintained strong cash reserves during the time. With the war in Ukraine and the ongoing economic uncertainty which has come with the current cost of living crisis, the Governors have reviewed the School's cash flow for the next eighteen months and have considered a number of scenarios and consider that the School has sufficient funds to manage the cash position during this period.

In the opinion of the Governors, the resources and management processes within the schools should, under normal conditions, allow these risks to be mitigated to an acceptable level in their day to day operations. Indeed, given the lessons learned during this pandemic the School is in a much stronger position to adapt to future challenges. The Governors are mindful of the forever changing landscape and continue to monitor the pandemic and the cost of living crisis and its impact on the School. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governors (who are also the directors of The King's School Worcester for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Under company law the Governors are required to prepare financial statements for each financial year. The Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure of the charitable group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments 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 Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and the group's transactions, and disclose with reasonable accuracy at any time the financial position of the charitable company and the group, enabling them

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the

charity's constitution. They are also responsible for safeguarding the assets of the charitable company and the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITOR

In so far as each of the Directors of the charitable company, as members of the Governing Body, at the date of approval of this report is aware, there is no relevant audit information (information needed by the School's auditor in connection with preparing the audit report) of which the School's and group auditor is unaware. Each member of the Governing Body has taken all the steps that ought to be taken as a Governor in order to make themselves aware of any relevant audit information and to establish that the School's auditor is aware of that information.

AUDITOR

The Board of Governors has decided to recommend Crowe UK LLP for re-appointment as statutory auditor to the company. Crowe UK LLP have expressed their willingness to continue to act and a resolution proposing their re-appointment will be submitted to the forthcoming Annual General Meeting.

This Governors' Annual Report, prepared under the Charities Act 2011 and Companies Act 2006, was approved by the Board of Governors of The King's School Worcester on the 2 December 2022 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Mrs P Preston
Chair of Governors

THE KING'S SCHOOL WORCESTER INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KING'S SCHOOL WORCESTER

Opinion

We have audited the financial statements of The King's School Worcester for the year ended 31 July 2022 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 July 2022 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the governor's 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 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 governors with respect to going concern are described in the relevant sections of this report.

Other information

The governors 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.

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

**THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER**

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 Governors' 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 Governors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

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

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

Responsibilities of governors

As explained more fully in the Governors' responsibilities statement on page 20 the governors (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 governors 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 governors 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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

THE KING'S SCHOOL WORCESTER

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KING'S SCHOOL WORCESTER

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.

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 design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the charity 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 Charities Act 2011, 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 charity'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, General Data Protection Regulation (GDPR), Health and Safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of governors 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 with the completeness and accuracy of non-fee income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, the Director of Finance and Business Development and the Finance & General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, designing audit procedures over non-fee income, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

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

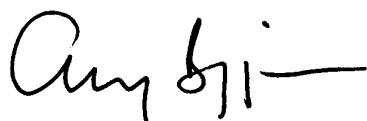
**THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER**

responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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



Guy Biggin

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Carrick House

Lypiatt Road

Cheltenham

GL50 2QJ

Date: 07 December 2022

THE KING'S SCHOOL WORCESTER
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2022

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2022 Total £'000	2021 Total £'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	16,828	-	-	16,828	15,717
Ancillary trading income	3	808	-	-	808	397
Other trading activities						
Non-ancillary trading income	4	192	-	-	192	82
Other activities	4	42	-	-	42	71
Investments						
Interest and investment income	5	12	3	1	16	9
Voluntary sources						
Grants and donations	6	-	300	-	300	315
Total incoming resources		17,882	303	1	18,186	16,591
Expenditure on:						
Raising funds						
Non-ancillary trading	7	183	-	-	183	90
Financing costs	8	62	-	-	62	51
Fundraising and development	7	129	-	-	129	130
Total		374	-	-	374	271
Charitable activities						
Education and grant making	7	17,178	300	-	17,478	16,397
Pension scheme re-measurement of the estimate of past service costs	22	157	-	-	157	(6)
Total expenditure		17,709	300	-	18,009	16,662
Net incoming/(outgoing) funds from operations before transfers & investment gains						
		173	3	1	177	(71)
(Losses)/gains on investments	11	-	(3)	(1)	(4)	44
Net surplus/(deficit)		173	-	-	173	(27)
Transfers between funds	21	-	-	-	-	-
Net movement in funds for the year		173	-	-	173	(27)
Fund balances brought forward at 1 August 2021						
		23,159	361	58	23,578	23,605
Fund balances carried forward at 31 July 2022						
	21	23,332	361	58	23,751	23,578

The notes on pages 30 to 55 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2022

	2022	2021
	Unrestricted and Restricted Funds	<i>Unrestricted and Restricted Funds</i>
	Total	Total
	£'000	£'000
INCOME FROM:		
Charitable activities		
School fees	16,828	15,717
Ancillary trading	808	397
Other trading activities		
Fundraising trading	192	82
Other income	42	71
Investments		
Dividends, bank and other interest	16	9
Voluntary sources		
Grants and donations	-Unrestricted -Restricted	86 229
	300	
Total income	18,186	16,591
Expenditure on:		
Raising funds		
Trading costs	183	90
Financing costs	62	51
Development costs	129	130
Charitable activities		
Education and grant-making	17,478	16,397
Pension scheme re-measurement	157	(6)
Total expenditure	18,009	16,662
Net funds/(deficit) before investment gains and inter-fund transfers	177	(71)
Net investment (losses)/gains for the year	(4)	44
Net income/(deficit) for the year	173	(27)

The above Summary Income and Expenditure Account represents the total unrestricted and restricted income and expenditure as shown in the consolidated Statement of Financial Activities on page 26 and its presentation is required under the Companies Act 2006.

The notes on pages 30 to 55 form part of these financial statements.

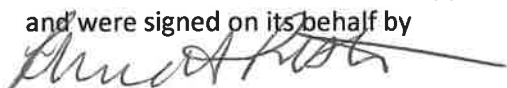
THE KING'S SCHOOL WORCESTER
CONSOLIDATED AND SCHOOL BALANCE SHEETS
AS AT 31 JULY 2022

Company Registered No:
04776324

04776324		Consolidated		School	
	Notes	2022 £'000	2021 £'000	2022 £'000	2021 £'000
FIXED ASSETS					
Tangible assets	10	21,740	22,390	21,740	22,390
Securities investments	11	304	308	304	308
		22,044	22,698	22,044	22,698
CURRENT ASSETS					
Stock		1	17	1	1
Debtors	12	606	563	775	590
Cash and deposits		7,175	6,961	6,960	6,896
		7,782	7,541	7,736	7,487
CURRENT LIABILITIES					
Creditors payable within one year	13	(2,551)	(2,646)	(2,523)	(2,602)
		5,231	4,895	5,213	4,885
NET CURRENT ASSETS					
		27,275	27,593	27,257	27,583
TOTAL ASSETS LESS CURRENT LIABILITIES					
LONG TERM LIABILITIES					
Creditors payable after one year	14	(2,782)	(3,367)	(2,782)	(3,367)
Pension Scheme funding deficit	22	(742)	(648)	(742)	(648)
		23,751	23,578	23,733	23,568
NET ASSETS					
REPRESENTED BY:					
ENDOWED FUNDS	21	58	58	58	58
RESTRICTED FUNDS	21	361	361	361	361
UNRESTRICTED FUNDS					
General reserve	21	23,332	23,159	23,314	23,149
		23,751	23,578	23,733	23,568

The net movement in funds for the School in the year is a surplus of £165,000 (2021: £28,000).

These financial statements were approved by the Governing Body on the 2 December 2022 and were signed on its behalf by



P Preston
Chair of Governors



D B Dale
Chairman of the Finance and General Purposes Committee

The notes on pages 30 to 55 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2022

		2022		2021	
	Note	£'000	£'000	£'000	£'000
Net cash inflow from operations					
Net cash provided by operating activities	24		1,335		1,148
 Cash flows from investing activities:					
Payments for tangible fixed assets		(283)		(16)	
Proceeds on sale of fixed assets		-		6	
Investment income and bank interest received		16		9	
Net cash (used in) investing activities			(267)		(1)
 Cash flows from financing activities:					
Loan advances (net of repayments)		-		1,000	
Loan repayments		(729)		(552)	
Pension deficit payments		(69)		(67)	
Finance costs paid		(56)		(57)	
 Net cash (used)/generated by financing activities			(854)		324
Change in cash and cash equivalents in the reporting period			214		1,471
 Cash and cash equivalents at 1 August 2021			6,961		5,490
 Cash and cash equivalents at 31 July 2022	24		7,175		6,961

The notes on pages 30 to 55 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES

Charity information

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 23 May 2003 (company number: 04776324) and registered as a charity (with charity number: 1098236), the registered office address being 5 College Green, Worcester, WR1 2LL.

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

The financial statements are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The financial statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the School and its wholly owned subsidiaries King's School Worcester Activities Limited and KSW Enterprises Limited. The net movement in funds for the year of the group was a surplus of £177,000 for the year ended 31 July 2022 (2021: deficit £71,000).

No separate Statement of Financial Activities has been presented for the School alone, as permitted by Section 408 of the Companies Act 2006. The net results of the School are disclosed within the Balance Sheet.

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

Going concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future, particularly in reference to the statement under Risk Management and Covid-19 as set out in the Governors' report. The Governors consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 20.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

1.1 Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

1.2 Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates.

1.3 Non-ancillary trading income

Income comprises the value of sales (excluding VAT and similar taxes and trade discounts) of goods and services made by the School's trading subsidiaries in the normal course of business.

1.4 Donations, legacies, grants and other voluntary incoming resources

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the School in the case of donated services or facilities.

1.5 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the School and its subsidiaries are excluded from consolidated trading income and expenditure.

Redundancy and termination costs only occur where absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy or terminate an employee's contract has been made.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

1.6 Tangible fixed assets

Buildings erected before 1947 are not included in these financial statements. There is no expenditure incurred in the improvement of these properties capitalised in the financial statements as all amounts of expenditure were of a revenue nature.

Fixtures, fittings, equipment purchased for direct use with pupils (academic and extra- curricular) and ICT equipment costs are written off as an expense as acquired. Expenditure on the acquisition of land, construction of new buildings, motor vehicles and other non ICT assets intended to be used for more than two years are capitalised on acquisition and depreciated over their estimated useful life.

Other expenditure on equipment incurred in the normal day-to-day running of the School and its subsidiaries is charged to the Statement of Financial Activities as incurred.

1.7 Depreciation

Depreciation is provided on all tangible fixed assets on a straight-line basis at rates calculated to write off the cost of the assets over its estimated useful life as follows:

Freehold and long leasehold buildings	- over 40 years (or the lease term if shorter)
Freehold and leasehold buildings repairs and refurbishment	– over 5 to 10 years
Fixtures, fittings and equipment	- over 3 to 10 years
Motor vehicles	- over 5 years
Assets in the course of construction	- not depreciated

1.8 Investments

Investment assets are carried at their market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the “ownership” of the underlying assets.

1.9 Stock

Stock is carried at the lower of cost and net realisable value.

1.10 Fund accounting

The charitable trust funds of the School and its subsidiaries are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School’s corporate reserves, spendable at the discretion of the Governors either to further the School’s Objects or to benefit the School itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

The endowed funds comprise a number of individual trust funds established by specific donors, the capital of which may not be expended.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

1.11 Pension costs

Retirement benefits to employees of the School are provided through two pension schemes, one defined benefit and one defined contribution. The pension costs charged in the Statement of Financial Activities are determined as follows:

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

- (a) The Teachers' Pension Scheme - This scheme is an unfunded multi-employer defined benefit pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.
- (b) The King's School Worcester Personal Pension Plan - This is a defined contribution group personal pension plan with The Pensions Trust. Employer's pensions costs are charged in the period in which the salaries to which they relate are payable.
- (c) The Support Staff Pension Scheme administered by The Pensions Trust. This is an occupational defined benefit scheme. The Independent Schools' Pension Scheme (ISPEN) is a multi-employer scheme. As such it is not possible in the normal course of events to identify the share of the underlying assets belonging to the individual participating employers, and accordingly, in accordance with section 28 of FRS 102 it is accounted for as a defined contributions scheme with contributions being recorded as they become payable. A liability is recognised on the balance sheet however equal to the present value of contributions payable under the agreement to fund a deficit. The present value is calculated using the discount rate of 3.24% (2021: 1.04%). The unwinding of the discount rate is recognised as a finance cost.

1.12 Operating leases

Rentals under operating leases are charged on a straight-line 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.

1.13 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors and accrued income. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except fees in advance, social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE

	2022	2021
	£'000	£'000
Fees receivable consist of:		
School fees	18,788	17,523
Less: total bursaries, grants, scholarships and allowances	(2,200)	(2,228)
	16,588	15,295
Add back: Bursaries and other awards paid for by restricted funds	183	229
Add back: Fee remission under salary sacrifice scheme	57	193
	16,828	15,717

Scholarships, bursaries and other remission awards were paid to 518 pupils (2021: 486). Within this means tested bursaries totalling £625,306 were paid to 77 pupils (2021: £645,176 to 82 pupils).

3. CHARITABLE ACTIVITIES – ANCILLARY TRADING INCOME

	2022	2021
	£'000	£'000
Pupils extras charges	598	206
Registration fees	13	13
Break service	28	-
Holiday clubs	145	150
Training income	2	1
Commission, events and other income	1	8
Letting of property	21	13
Profit on sale of fixed assets	-	6
	808	397

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

4. OTHER TRADING ACTIVITIES

	2022 £'000	2021 £'000
Non-ancillary trading income		
King's School Worcester Activities Ltd	179	82
KSW Enterprises Ltd	13	-
	<u>192</u>	<u>82</u>
	2022 £'000	2021 £'000
Other activities		
Late payment administration charges	1	-
Renewable energy and other income	41	71
	<u>42</u>	<u>71</u>

5. BANK INTEREST AND INVESTMENT INCOME

	Unrestricted £'000	Restricted £'000	Endowed £'000	2022 £'000	2021 £'000
Investment Income:					
Equities	2	3	1	6	6
Bank interest	10	-	-	10	3

6. GRANTS AND DONATIONS RECEIVABLE

	Unrestricted £'000	Restricted £'000	Endowed £'000	2022 £'000	2021 £'000
Received from King's School Worcester Development Trust for:					
Bursaries	-	183	-	183	197
Other donations	-	117	-	117	32
Government grants CJRS Scheme	-	-	-	-	86
	<u>-</u>	<u>300</u>	<u>-</u>	<u>300</u>	<u>315</u>

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

7. ANALYSIS OF EXPENDITURE

a) Expenditure

	Staff costs (note 9) £'000	Deprec'n (note 10) £'000	Other £'000	Total 2022 £'000	Total 2021 £'000
Costs of generating funds					
Trading costs	-	-	183	183	90
Cost of other activities	-	-	-	-	-
Financing costs (note 8)	-	-	62	62	51
Foundation Development costs	98	-	31	129	130
Total costs of generating funds	98	-	276	374	271
Charitable expenditure					
<i>Education and grant making</i>					
Teaching	9,451	36	1,721	11,208	10,401
Welfare	520	5	443	968	873
Premises	618	892	1,671	3,181	3,250
Support costs and governance	1,298	-	523	1,821	1,644
Grants, awards and prizes (note 7b)	-	-	300	300	229
Total charitable expenditure	11,887	933	4,658	17,478	16,397
Total expended	11,985	933	4,934	17,852	16,668

b) Grants awards and prizes

	2022 £'000	2021 £'000
From Restricted Funds:		
Bursaries	183	222
Other grants and awards	117	7
	300	229

c) Governance included in support costs:

	2022 £'000	2021 £'000
Remuneration paid to auditor for audit services	18	19
Reimbursement of personal expenses to Governors – travel costs	-	-
	18	19

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

Travel expenses were claimed by 1 member (2021: 0) of the Governing body. No Governor received any remuneration during the year ended 31 July 2022 (2021: nil) and no retirement benefits are accruing.

In addition to the above audit remuneration the financial statements include amounts payable to the auditor in respect of taxation and Teachers' Pension compliance services and advice totalling £1,110 (2021: £8,052).

8. FINANCE AND OTHER COSTS

	2022 £'000	2021 £'000
Fees in advance financing cost	3	2
Loan financing cost	72	63
Impairment losses charged to financial assets	(19)	(20)
Pension Scheme financing cost	6	6
	62	51

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

9. STAFF COSTS

The aggregate payroll costs for the year were as follows:

	2022	<i>Restated</i> 2021
	£'000	£'000
Wages and salaries	8,954	8,440
Social Security costs	887	805
Pension cost	1,583	1,498
	11,424	10,743
Staff non-salary benefits	43	56
Contract catering and agency staff costs	431	420
Apprenticeship levy	30	28
Fee Remission under Salary Sacrifice scheme and benefits	57	193
	11,985	11,440
Aggregate employee benefits of key management personnel:	865	808
	2022	2021
Number of higher paid employees in bands of:		
£60,000 to £70,000	3	3
£70,001 to £80,000	4	1
£80,001 to £90,000	1	1
£90,001 to £100,000	-	1
£110,001 to £120,000	-	1
£130,001 to £140,000	1	-
	2022	2021
The number of staff with retirement benefits accruing:		
in Defined Contribution schemes was	130	124
of which the contributions amounted to	£176,448	£172,023
in Defined Benefit schemes was	150	148

The average number of staff employed during the year was 348 (2021: 333).

The average number of full-time equivalent staff during the year was:

	2022	2021
Teaching	191.5	187.9
Domestic	3.7	3.3
Premises	25.1	26.4
Administration	34.9	32.8
Fundraising	2.3	3.3
	257.5	253.7

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

During the year redundancy and termination payments (or otherwise relating to compromise agreements) were due of £20,894 (2021: £33,000). The amounts outstanding at the year end were £4,000 (2021: £28,000).

10. TANGIBLE FIXED ASSETS

Group and School	Freehold Property £'000	Long leasehold property £'000	Assets in course of construction £'000	Fixtures, fittings & equip't £'000	Motor Vehicles £'000	Total £'000
Cost						
At 1 August 2021	33,501	3,811	-	1,269	215	38,796
Additions	190	-	25	-	68	283
Disposals	-	-	-	(199)	(38)	(237)
At 31 July 2022	33,691	3,811	25	1,070	245	38,842
Depreciation						
At 1 August 2021	11,402	3,675	-	1,163	166	16,406
Charge for year	813	59	-	36	25	933
Disposals	-	-	-	(199)	(38)	(237)
At 31 July 2022	12,215	3,734	-	1,000	153	17,102
Net book value						
At 31 July 2022	21,476	77	25	70	92	21,740
At 31 July 2021	22,099	136	-	106	49	23,390

The School has a number of long-held historic assets, which are used in the course of the School's educational activities in accordance with the Charity Commissioners Approved Scheme (under which transfer of a major interest in such property by the School would require the consent of the charity Commission). These comprise listed buildings on the school site together with manuscripts and other artefacts within the school archive. Given the age, nature and restricted use of the buildings and the unique nature of other archive items, reliable historical cost information is not available for these assets and could not be obtained except at disproportionate expense. However, in the opinion of the Governors the depreciated historical cost of these assets would now be immaterial.

Capital Commitments

	Group and School	
	2022	2021
	£'000	£'000
Future capital expenditure		
Authorised and contracted for but not yet completed	265	29

Capital Commitments

The School has been granted an option to purchase the freehold interest of one of its leasehold properties, exercisable at a future date and has security of tenure until that date. In respect of the same property, the School has granted the lessor, (and successors in title), an option to require the School to purchase the freehold interest on the death of the lessor or if the lease is forfeited. In the

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

event that either option is exercised the purchase price of the freehold interest will be based upon a valuation of the property on the date of the exercise of the option.

Tangible fixed assets include two properties with a net book value of £5.5m (2021: £5.6m) which are charged as security for a proportion of the School's bank loans.

11. INVESTMENTS

Group and School	Unrestricted £'000	Restricted £'000	Endowed £'000	Total £'000
Equity investments				
At 1 August 2021	164	107	37	308
Unrealised losses in year	-	(3)	(1)	(4)
At 31 July 2022	164	104	36	304

All investments are listed on the UK stock exchange and are held by the School.

Subsidiary undertakings

By virtue of common control King's School Worcester Activities Limited (Company No: 01472145), a company limited by guarantee and registered in England and Wales, is recognised as a wholly owned subsidiary undertaking of the School. KSW Enterprises Limited (Company No: 07141348) is a company registered in England with an issue share capital of £1, which is wholly owned by the School. The results of these subsidiaries are reported in note 23 to the financial statements.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

12. DEBTORS

	Group		School	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Fees and extras receivable	159	204	159	205
Trade debtors	3	3	-	-
Due from subsidiary companies	-	-	172	29
Sundry debtors	80	17	80	17
Prepayments and accrued income	364	339	364	339
	606	563	775	590

All debtors are due within one year.

13. CREDITORS: amounts falling due within one year

	Group		School	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Bank loan (note 15)	568	715	568	715
Trade creditors	492	433	475	399
Registration deposits	221	211	221	211
Taxation and social security	223	208	223	208
Due to subsidiary companies	-	-	-	-
Other creditors	295	268	293	266
Fees in advance scheme (note 16)	173	128	173	128
Accruals and deferred income	579	683	570	675
	2,551	2,646	2,523	2,602

14. CREDITORS: amounts falling due after more than one year

	Group		School	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Bank loan (note 15)	2,728	3,309	2,728	3,309
Fees in advance scheme (note 16)	54	58	54	58
	2,782	3,367	2,782	3,367

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

15. BANK LOANS

	Group and School	
	2022	2021
	£'000	£'000
The bank loans are repayable by instalments:		
Due after more than 5 years	628	1,065
Due within 2 – 5 years	2,100	2,244
Due after more than one year	2,728	3,309
Due within 1 year	568	715
	3,296	4,024

The bank loans are secured by way of a fixed charge dated 4 September 2009 over two of the company's freehold properties (the site known as King's Hawford and the new pre-preparatory school located at Mill Street Worcester). The loans, which are repayable over a period of up to 20 years from July 2009, 13 years from June 2014 and 15 years from January 2016, are mainly variable rate borrowings at interest rates ranging from 1.31% to 2.6% above Bank of England base rate. The CBIL loan taken out in the year is a fixed rate loan at 1.96% repayable over 5 years from August 2021.

In November 2022 one loan has been repaid early in agreement with the bank, this will have a positive impact on the future interest rate costs of the School with no impact on the associated covenants.

16. FEES IN ADVANCE SCHEME

Parents may enter into a contract to pay to the School tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the School advance fees will be applied as follows:

	Group and School	
	2022	2021
	£'000	£'000
Within 2 - 5 years	-	-
Within 1-2 years	54	58
After more than one year	54	58
Within 1 year	173	128
	227	186

Summary of movements in liability

	£'000
Balance at 1 August 2021	186
New contracts	670
Amounts accrued to contracts as debt financing cost	3
Amounts used to pay fees	(632)
Balance at 31 July 2022	227

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

17. FINANCIAL INSTRUMENTS

	Group	
	2022	2021
	£'000	£'000
Financial assets measured at fair value	304	308

Financial assets held at fair value include assets held as investments.

Impairment losses charged to financial assets measured at amortised cost in the year amounted to £nil (2021: £nil).

18. OPERATING LEASES

Commitments

The total remaining operating lease commitment in respect of the unexpired period of current operating leases is as follows:

Group and School	2022			2021		
	<i>Land and buildings</i>	<i>Other</i>	<i>Total</i>	<i>Land and buildings</i>	<i>Other</i>	<i>Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
On leases						
Within 1 year	115	11	126	136	16	152
Between 1-2 years	108	6	114	88	11	99
Between 2-5 years	310	9	319	265	11	276
After 5 years	1,146	-	1,146	1,012	-	1,012
	1,679	26	1,705	1,502	38	1,539

Charge for the year

The amounts payable under operating leases and charged as expenditure during the year are as follows:

Group and School	2022	2021
	£'000	£'000
Leases in respect of:		
Land and buildings	109	132
Plant and equipment	8	28
	117	160

THE KING'S SCHOOL WORCESTER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

19. FUNDS OF THE SCHOOL

The School's funds are analysed under the following headings.

a) Endowed Funds

The endowed fund comprises an individual trust set up by an individual donor to support specific scholarships. A distinguishing feature of the special trust is the donor's express requirement or implicit intention that the funds shall not be spent immediately but should be retained. The trust is not pooled for investment and is credited with the relevant investment income and bears its own expenses.

The Dean Forrest Fund	to support a scholarship, with preference for former choristers intending to take Holy Orders or who are sons of clergy.
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b) Restricted Funds

Over a number of years the School has received donations where the donors have placed restrictions on the uses to which the gifts may be put. The Funds thus restricted under charity law, and which are partly invested in separate investment securities and partly in the School's pooled deposits, are:

The Canon Catley Scholarship and Bursary Fund	to provide bursaries to pupils.
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The Specific Small School Projects Fund	to provide resources for specific named projects and pupils.
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The Annual Fund	donations solicited from parents of pupils each year to be expended in the short term upon a range of additional pupil resources.
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The Reeves Maths Prize Fund	to award prizes for excellence in mathematics.
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The Astroturf Fund	to provide resources for the future resurfacing of the pitch.
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The M Stevens Fund	to provide bursaries in respect of the cost of trips and extracurricular activities.
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The Foundation Development Funds represent donations received from external donors through the charity The King's School Worcester Development Trust charity where the sums received are for specific purposes but where there is no requirement to preserve capital. Expenditure directly financed by such donations is shown under restricted funds.

The Foundation Development Bursary Fund	to provide bursary support to pupils
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The Keyes Building	to provide a contribution to the total capital cost (circa £9m) of the new building
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The Foundation Development Sundry Special funds	represent funds received to support a number of small projects the balances on each individual fund being below £10,000
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THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

Foundation Development Sundry Special funds

At 31 July 2022 these were:

	£
School Flag Fund	320
Cricket Pavilion Fund	1,369
Annual Fund	7,746
Reeves Maths Prize Fund	1,000
M Stevens Fund	6,584
	<u>17,019</u>

Donations received through the Foundation Development Office for the general benefit of the School without any restriction are accumulated within unrestricted funds.

Although expenses may be apportioned across all the individual funds arising as a result of the fund-raising activities of the Foundation Development Office this policy has not been adopted in order that the financial statements give a clear indication of the total value of donations made to specific projects.

c) Unrestricted Funds

Unrestricted funds represent accumulated income from the School's activities and other sources and are available for the general purposes of the School.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2022	Unrestricted £'000	Restricted £'000	Endowed £' 000	Total £'000
Tangible fixed assets	21,740	-	-	21,740
Investments- securities	164	104	36	304
Net current assets	4,952	257	22	5,231
Long term liabilities	(3,524)	-	-	(3,524)
	23,332	361	58	23,751
2021	Unrestricted £'000	Restricted £'000	Endowed £' 000	Total £'000
Tangible fixed assets	22,390	-	-	22,390
Investments- securities	165	106	37	308
Net current assets	4,619	255	21	4,895
Long term liabilities	(4,015)	-	-	(4,015)
	23,159	361	58	23,578

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

21. GROUP SUMMARY OF MOVEMENT ON FUNDS

a) Year to 31 July 2022

	At 1 August 2021 £'000	Incoming resources £'000	Resources expended £'000	Transfers between funds £'000	Unrealised gains /(losses) £'000	At 31 July 2022 £'000
Unrestricted funds						
General reserve	23,149	17,690	(17,526)	-	-	23,313
Trading subsidiary reserves	10	192	(183)	-	-	19
	23,159	17,882	(17,709)	-	-	23,332
Restricted funds						
Canon Catley fund	168	3	-	-	(3)	168
Astroturf fund	99	-	-	-	-	99
Specific Small School Projects fund	4	117	(117)	-	-	4
Foundation Development restricted funds						
Bursary fund	80	183	(183)	-	-	80
Sundry Specific funds	10	-	-	-	-	10
	361	303	(300)	-	(3)	361
Permanent Endowed funds						
Dean Forrest	58	1	-	-	(1)	58
	58	1	-	-	(1)	58
Total Funds	23,578	18,186	(18,009)	-	(4)	23,751

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

21. GROUP SUMMARY OF MOVEMENT ON MAJOR FUNDS

b) Year to 31 July 2021

	At 1 August 2020 £'000	Incoming resources £'000	Resources expended £'000	Transfers between funds £'000	Unrealised gains /(losses) £'000	At 31 July 2021 £'000
Unrestricted funds						
General reserve	23,192	16,276	(16,350)	7	24	23,149
Trading subsidiary reserves	18	82	(90)	-	-	10
	23,210	16,358	(16,440)	7	24	23,159
Restricted funds						
Canon Catley fund	150	3	-	-	15	168
Astroturf fund	99	-	-	-	-	99
Specific Small School Projects fund	4	32	(25)	(7)	-	4
Foundation Development restricted funds						
Bursary fund	80	197	(197)	-	-	80
Sundry Specific funds	10	-	-	-	-	10
	343	232	(222)	(7)	15	361
Permanent Endowed funds						
Dean Forrest	52	1	-	-	5	58
	52	1	-	-	5	58
Total Funds	23,605	16,591	(16,662)	-	44	23,578

The transfers between funds shown above represent the following:

- Transfer to unrestricted school funds of the donations of £25,000 received in respect of Covid 19 bursaries and £6,792 received in respect of equipment for the boat club.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

22. PENSION SCHEMES

Retirement benefits to employees of the School are provided through two defined benefit schemes and one defined contribution scheme, which are funded by the School's and employees' contributions.

DEFINED BENEFIT SCHEMES

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,935,677 (2021: £1,859,881) and at the year-end £Nil (2021 - £Nil) was accrued in respect of contributions to this scheme.

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

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

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

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

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

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

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.

Independent School's Pension Scheme

Defined Benefit

Until April 2020 the School operated a defined benefit scheme for support staff, through its participation in the Independent School's Pension Scheme administered by the Pensions Trust (ISPEN). ISPEN is a multi-employer scheme which provides benefits to approximately 66 non-associated employers. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as it would a defined contribution scheme and has charged to the Statement of Financial Activities the employers' contributions payable for the year. The scheme was closed to new members of staff with effect from 31 March 2017 and was closed to future benefit accrual for all members with effect from April 2020.

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

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

With effect from 1 April 2015 the School operated only one benefit structure – a career average revaluated earnings (CARE) structure with a 1/80th accrual rate. Contributions have been made to the scheme in accordance with the recommendations of the scheme's Actuary.

The pension charge for the year includes contributions payable to the ISPEN of £nil (2021: £nil). At the balance sheet date there were no (2021: nil) active members of the Scheme employed by the School. In addition, the School paid contributions totalling £66,923 (2021: £66,923) in respect of the past service deficit.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

Deficit contributions

From 1 September 2022 to 30 April 2032 £2,687,00 per annum (payable monthly and increasing by 3% on each 1 September)

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 September 2019 to 31 August 2020 £2,387,357 per annum (payable monthly and increasing by 3% on each 1 September)

The recovery plan contributions are allocated to each participating employer in line with they estimated share of the scheme liabilities.

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

Present Value of Provision for School's deficit funding obligations:

	31 July 2022 £'000	31 July 2021 £'000	31 July 2020 £'000
Present value of provision	742	648	715

Reconciliation of opening and closing provisions

	Group and School	
	2022 £'000	2021 £'000
Provision at start of period	648	715
Unwinding of discount factor (interest expense)	6	6
Deficit contribution paid	(69)	(67)
Remeasurements- impact of any change in assumptions	(84)	(6)
Remeasurements- amendments to the contribution schedule	241	-
Provision at end of period	742	648

Income and expenditure impact

	2021 £'000	2020 £'000
Interest expense	6	6
Remeasurements- impact of any change in assumptions	(84)	(6)
Remeasurements- amendments to the contribution schedule	241	-
	163	-

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

Assumptions	Year to 31 July 2022	Year to 31 July 2021	Year to 31 July 2020
Rate of discount % per annum	3.24	1.04	0.84

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

Defined contribution scheme

The School operates a defined contribution pension scheme in connection with its auto-enrolment obligations. The assets of the scheme are held separately from those of the School in a fund independently administered by The Pensions Trust. The pension cost charge includes contributions payable by the School to the fund amounting to £176,448 (2021: £172,023). As at the balance sheet date there were £nil (2021: £nil) contributions outstanding payable to the pension fund.

23. SUBSIDIARIES AND BASIS OF CONSOLIDATION

The School has two connected trading companies, King's School Worcester Activities Limited registered number 01472145 (a company limited by guarantee) and KSW Enterprises Limited registered number 07141348 (a company limited by shares, of which all of the issued share capital is owned by the School). The results of both are consolidated with those of the school and in the case of King's School Worcester Activities Limited are included within the unrestricted funds shown in the financial statements and in restricted funds in the case of KSW Enterprises Limited.

King's School Worcester Activities Limited (KSWA Ltd), a company limited by guarantee, carries out various trading activities on behalf of the School and accounts for including vending machine sales, the lettings to third parties of school facilities other than the school AstroTurf pitch and sundry other non-charitable trading items. The letting of the AstroTurf pitch is administered and accounted for by KSW Enterprises Limited (KSW Ent Ltd).

For over ten years the school has had a long term fundraising initiative to create a Foundation Development fund. Donations to this fund are made to The King's School Worcester Development Trust, (formerly The King's School Development Trust) which then makes grants to the School. This Trust is a separate registered charity which is not controlled by the school and its results are not included within the consolidated financial statements but it is recognised as a related party (see note 25).

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

Trading results extracted from the financial statements of the trading subsidiaries are shown below:

	KSWA Ltd	KSW	Total	KSWA Ltd	KSW	Total
	£'000	Ent Ltd	2022	£'000	Ent Ltd	2021
		£'000	£'000		£'000	£'000
Turnover	179	13	192	82	-	82
Interest receivable and sundry income	-	-	-	4	-	4
Cost of sales	(155)	-	(155)	(84)	-	(84)
Administrative costs	(5)	(24)	(29)	(5)	(5)	(10)
Operating profit	19	(11)	8	(3)	(5)	(8)
Gift aid donation	-	-	-	-	-	-
Retained profit	19	(11)	8	(3)	(5)	(8)
Net assets	35	(16)	19	15	(5)	10
Balance owed to/(by) the School at 31 July	(150)	(22)	(172)	29	-	29

The trading companies make gift aid donations of all taxable profits to the School with the result that both trading subsidiary companies have a nil annual corporation tax liability. The King's School Worcester, as a registered charity, has no liability to UK corporation tax in respect of its income and gains properly applied for its charitable purposes.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

24. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£'000	£'000
Net income resources	173	(27)
Elimination of non-operating cash flows:		
Losses/(gains) on investments	4	(44)
Investment income	(16)	(9)
Finance costs	56	57
Defined benefit pension scheme finance cost	6	(6)
Defined benefit pension scheme re-measurement	157	6
Depreciation charge	933	915
Profit on sale of fixed assets	-	(6)
Decrease/(increase) in stock	16	(16)
(Increase)/decrease in debtors	(11)	121
(Decrease)/increase in creditors (excluding fees in advance scheme and deposits)	(13)	285
(Increase)/decrease in fees in advance scheme creditors	41	(146)
Increase/(decrease) in parents' deposits	(11)	18
	1,162	1,175
Net cash inflow	1,335	1,148
Analysis of cash and cash equivalents		
	2022	2021
Cash	2	2
Bank	7,173	6,959
	7,175	6,961

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

25. RELATED PARTY TRANSACTIONS

As stated in note 1 to the financial statements, the School has two connected trading companies, King's School Worcester Activities Limited and KSW Enterprises Limited. A set off agreement exists between The King's School Worcester and King's School Worcester Activities Limited with Lloyds Bank plc for interest purposes only. The gift aid transactions between the School and these companies together with details of the year end balances are reported in note 23 to the financial statements.

In the course of its ordinary activities the school conducted business with the Dean and Chapter of Worcester Cathedral including their related Enterprise company in respect of rent, events and staffing, all negotiated at arm's length on normal commercial terms, totalling £217,479 (2021: £103,175) and totalling £92,735 (2021: £77,470) in respect of choral scholarships.

The School Governors include a partner in Fisher German LLP, who administer Worcester Cathedral's property lets to the School. The value of rental services provided to the School during the year, all of which were negotiated at arm's length and supplied on normal commercial terms, amounted to £153,317 (2021: £104,079). The balance due to Fisher German LLP at the year end was £nil (2021: £nil).

The Dean is an ex officio member of the school's Governing body, and six of the school's nominative Governors are appointed by the Dean and Chapter of Worcester Cathedral. The balance due from the Dean and Chapter of Worcester Cathedral and its trading entities at the year end was £nil (2021: £180). The Dean is also a Director of the Worcester Literacy Festival Limited the School spent £150 on advertising with them in the year (2021: nil). The balance due to Worcester Literacy Festival Limited at the year end was £nil (2021: £nil).

The School Governors include a director of the Worcestershire Cricket Board Limited who have supported the School with their cricket academy during the year the School spent £1,740 (2021: nil). The balance due to Worcestershire Cricket Board Limited at the year end was £nil (2021: £nil).

The School Governors include a Trustee of The Rivers CofE Multi Academy Trust. During the year the School engaged their services and spent £85 (2021:nil). The balance due to The Rivers CofE Multi Academy Trust at the year end was £nil (2021: £nil).

A number of school Governors are trustees of The King's School Worcester Development Trust, a separate registered charity (see note 23). In the course of its ordinary activities the school conducted business with the King's School Worcester Development Trust in respect of events and fundraising activities. The school received from the Trust £1,326 (2021: £nil) in respect of events income and expenses due to the School on normal commercial terms and grant funding, totalling £183,448 (2021: £204,619) for the year was due to the School at the year end. During the year the school received net donations of £4,972 (2021: £6,100) on behalf of the Trust and the net balance due to the School by the Trust at the year end was £59,235 (2021: £8,530). In addition at the year end the School held cash balances as agent for The Development Trust amounting to £5 (2021: £5).

The School Governors includes a parent of the School, in addition three members of key management personnel are also parents during the year they were charged School fees on commercial terms and no balances were outstanding at the year end.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

26. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

Year to 31 July 2021		Unrestricted Funds	Restricted Funds	Endowed Funds	2021 Total	2020 Total
	Notes	£'000	£'000	£'000	£'000	£'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	15,717	-	-	15,717	15,280
Ancillary trading income	3	397	-	-	397	743
Other trading activities						
Non-ancillary trading income	4	82	-	-	82	115
Other activities	4	71	-	-	71	32
Investments						
Interest and investment income	5	5	3	1	9	26
Voluntary sources						
Grants and donations	6	86	229	-	315	572
Total incoming resources		16,358	232	1	16,591	16,768
Expenditure on:						
Raising funds						
Non-ancillary trading	7	90	-	-	90	62
Financing costs	8	51	-	-	51	161
Fundraising and development	7	130	-	-	130	134
Total		271	-	-	271	357
Charitable activities						
Education and grant making	7	16,175	222	-	16,397	16,562
Pension scheme re-measurement of the estimate of past service costs	22	(6)	-	-	(6)	14
Total expenditure		16,440	222	-	16,662	16,933
Net (outgoing)/incoming funds from operations before transfers and investment gains		(82)	10	1	(71)	(165)
Gains on investments	11	24	15	5	44	3
Net income		(58)	25	6	(27)	(162)
Transfers between funds	21	7	(7)	-	-	-
Net movement in funds for the year		(51)	18	6	(27)	(162)
Fund balances brought forward at 1 August 2020		23,210	343	52	23,605	23,767
Fund balances carried forward at 31 July 2021	21	23,159	361	58	23,578	23,605

Accounts

THE KING'S SCHOOL WORCESTER

**ANNUAL REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 JULY 2021**

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 JULY 2021

Contents	Page
Governors, Officers and Advisers	2
Annual Report of the Governors	4
Strategic Report	10
Statement of Accounting and Reporting Responsibilities	19
Independent Auditor's Report	21
Consolidated Statement of Financial Activities	25
Consolidated Summary Income and Expenditure Account	27
Consolidated and School Balance Sheets	27
Consolidated Cashflow Statement	28
Notes to the Consolidated Cashflow Statement	29
Notes to the Financial Statements	30

THE KING'S SCHOOL WORCESTER
GOVERNORS, OFFICERS AND ADVISERS
YEAR ENDED 31 JULY 2021

GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

The Governors of the King's School Worcester ("the School") are the School's charity trustees under charity law and the directors of the charitable company. The members of the Governing Body who served in office as Governors during the year and subsequently are detailed below:

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
H B Carslake (Retired Chair)	Resigned 4 July 2021	●				●			
Mrs P Preston (Chair)		●				●			
The Very Rev'd P G Atkinson		●				●			
R M Atkins	Resigned 7 August 2020	●							
G W Ballard	Appointed 4 December 2020	●							
Rev'd Canon M Brierley	Resigned 25 June 2021		●						
Mrs K Brunt	Appointed 19 March 2021							●	
R S McClatchey	Resigned 19 January 2021	●							
D B Dale		●				●			
D L Green			●	●				●	●
J W R Goulding			●					●	
Ms C Hoddinott			●						●
Mrs J H Jarvis					●		●		●
Mrs C Pike					●				●
A Reekes		●	●			●			
J Riaz	Appointed 24 September 2021								
Dr L Tether			●						
R. Tomlinson *	Appointed 19 March 2021	●							
A Underwood		●							
Prof J Vickerman	Retired 25 June 2021		●						
P Walker		●				●			

During the year the activities of the Governing Body were carried out through the main board and the above committees. The membership of these committees is shown above for each Governor.

- (1) Finance and General Purposes Committee
- (2) Education Committee
- (3) Representative on School Health and Safety Committee
- (4) Safeguarding Governors
- (5) Nominations and Governance Committee
- (6) Representative of EYFS
- (7) Representatives of Junior School's
- (8) Compliance Committee

*Parent of pupil at the School

THE KING'S SCHOOL WORCESTER
GOVERNORS, OFFICERS AND ADVISERS (Continued)
YEAR ENDED 31 JULY 2021

OFFICERS

G E Doodes	Headmaster - Foundation (Appointed 1 September 2020)
J R Ricketts	Acting Headmaster – Foundation (1 September 2019 -31 August 2020)
R A Chapman	Head - King's St Albans Junior School
J Turner	Head - King's Hawford Junior School (Resigned 1 April 2021)
J Phillips	Head – King's Hawford Junior School (Appointed 1 April 2021)
Miss H L Jackson	Bursar and Clerk to the Governors (Resigned 31 August 2021)
Miss G M Mason	Director of Finance and Business Development (Appointed 19 April 2021)
S C Holden	Director of Operations (Appointed 9 August 2021)

Principal address and Registered Office

5 College Green, Worcester, WR1 2LL

Auditor

Crowe U.K. LLP, St James House, St James Square, GL50 3PR

Bankers

Lloyds Plc, 4 The Cross, Worcester, WR1 3PY

Solicitors

Harrison Clark Rickerbys Ltd, Wellington Street Cheltenham, GL50 1YD

Parkinson Wright LLP, St Nicholas Street Worcester, WR1 1UN

Surveyors

Gwilliam Darby Carr, 7 Severn Street, Worcester, WR1 2ND

Charity number

1098236

Company Number

04776324

Website

www.ksw.org.uk

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2021

The members of The King's School Worcester Governing Body present their Annual Report for the year ended 31 July 2021 under the Charities Act 2011 including the Directors' Report and Strategic Report and the Companies Act 2006, together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The King's School Worcester ("the School") was founded in 1541. It is constituted as a company limited by guarantee registered in England, No. 04776324, and is registered with the Charity Commission under Charity No.1098236. The Charity Commissioners for England and Wales have issued a uniting direction in respect of the School and the unincorporated precursor charity that went by the same name (having the registered name of Worcester Cathedral Grammar School, charity number 527536) whereby single entity financial statements may be prepared.

The School operates one senior school and two junior schools known as King's St Alban's and King's Hawford.

There is one Governing Body for all three Schools. Details of the members of the Governing Body, together with the School's officers and principal advisers, are given on pages 2 and 3.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The School is governed by its Memorandum of Association and Articles of Association and by the Scheme of the Charity Commissioners dated 18 August 2003, amended on 3 July 2009 and 30 November 2018 and 13 May 2021.

Governing Body

Under the Charity Commission Scheme the Board of Governors shall not exceed eighteen members comprising one ex-officio, eight nominative and nine co-opted Governors. Of the nominative Governors seven are appointed by the Dean and Chapter of Worcester Cathedral and one by the Bishop of Worcester. Nominative Governors serve for a term of four years. Co-opted Governors are appointed for a term of four years by resolution of the Governors. Retiring Governors may be re-appointed.

Recruitment and training of Governors

The School's elected Governors are appointed at a meeting of the Board of Governors on the basis of nominations received from the three nominating bodies specified within the Charity Commission Scheme. All nominations (including co-optative appointments) are made having regard to the Board's requirements concerning eligibility, personal competence, specialist skills, and availability.

New Governors are inducted into the workings of the School, including governing body policy and procedures, through visits to the School and the provision of a comprehensive briefing pack and by personal contact with other Governors, the Headmaster, the Director of Finance and Business Development and the Director of Operations. All Governors are offered the opportunity to attend relevant training seminars and receive briefings on current issues in the sector and regulatory requirements.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2021

Organisational management

The Governors, as the charity trustees, are legally responsible for the overall management and control of the School. They meet at least three times a year and on other occasions as required. The work of implementing their policies is facilitated by four sub-committees:

- the Finance and General Purposes Committee (F&GP) has specific responsibility for financial matters including the review of budgets and finalising the audited financial statements and annual report for approval by the Board.
- the Education Committee considers strategic academic issues.
- the Nominations and Governance Committee considered the recruitment and retirement of Governors, terms of reference and committee membership.
- the Compliance Committee provides oversight of all elements of compliance and risk.

There are no other standing committees of Governors but the membership of the school's Health and Safety Committee is chaired by a Governor and there are nominated governors who have specific responsibility for liaising with the junior schools, early years and child protection. In addition, there is Governor representation on various ad hoc school management committees as may be required from time to time.

The day to day running of the schools is delegated to the Headmaster supported by the Director of Finance and Business Development, the Director of Operations, the Senior Leadership Team and Junior School Heads. Together this group represent the key management personnel. All meetings of the full Board of Governors, the F&GP, Education and Nomination Committees are attended by the Headmaster and the Director of Finance and Business Development and the Director of Operations. The pay and remuneration of the key management personnel are determined by Governors.

The Senior Deputy attends all meetings of the full Board of Governors and of the F&GP and Education Committees and the Junior School Heads attend all meetings of the full Board of Governors.

Group Structure and Relationships

The School has two related non-charitable subsidiary companies, King's School Worcester Activities Limited and KSW Enterprises Limited. A minimum of one half of the number of serving directors on the Board of each subsidiary are also members of the Board of Governors. King's School Worcester Activities Limited is a company limited by guarantee and does not have a share capital. As such the liability of each member of the company is limited to an amount not exceeding £1. This company is the enterprise through which commercial activities, including the hire of general school facilities, take place. KSW Enterprises Limited is a company limited by shares and its issued share capital of £1 is wholly owned by the charity. This company administers the community lettings of the Astroturf constructed by the school on the site of Bishop Perowne Church of England College. As a result of Covid-19 there were no lettings from March 2020 until May 2021.

Employment Policy

The School is an Equal Opportunities Employer. Full and fair consideration is given to all job applications and due consideration is given to training and employment needs. Consultation with employees, or their representatives, is undertaken at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2021

The Governors recognise the importance of good communications with all employees and involve employees within the School's strategic planning procedures. In addition to communication through normal management and departmental channels employees are kept well informed of the performance, financial position and objectives of the School through personal briefings, regular meetings, e-mail and presentations throughout the year.

Promotion of the success of the organisation to benefit its members

The Governors confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider most likely to achieve the purposes of the Company. In making this assessment, the Governors consider the relevant actions of the Board as described throughout the report.

Taking the areas required for disclosure in turn:

a. The likely consequences of any decision in the long term

The long-term sustainability of the School is detailed in the Strategic Report. Specifically, the Governors consider both operating results and financial projections and the key risks that could negatively impact the sustainability of the School. The Finance and General Purposes Committee and the full board review management information, budgets, forecasts, cashflow projections and progress against budget on a regular basis. Risk Management and the level of reserves are also discussed further in the report.

b. The interests of the company's employees

In relation to employee engagement, weekly briefings keep staff informed of school wide matters of interest. The Governors receive regular reports from management on the wellbeing of the employees and speak directly to staff during visits to the school, although during Covid-19 visits have not been possible.

c. The need to foster the company's business relationships with parents, suppliers, and others.

In relation to key stakeholder engagement, the Governors worked closely with management to communicate with parents, staff and pupils. During the Coronavirus lockdown, the Governors communicated directly with parents to inform them of the measures they were taking to ensure the continuation of teaching and the provision of Covid-secure environment, as well as the rationale behind the rebate given on Spring term fees. Parents receive weekly news update from the foundation via email.

In accordance with financial procedures and standard payment terms, supplier payment is due within 30 days after the School receives the invoice from the supplier.

d. The impact of the company's operations on the community and the environment

The Governors have commissioned an independent review of energy use and there is a review of Greenhouse gas emissions later in this report in compliance with the Streamlined Energy and Carbon Reporting (SECR) Report.

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2021**

e. The desirability of the company maintaining a reputation for high standards of business conduct

The School takes a zero-tolerance approach towards fraud, bribery and corruption. It is committed to complying with all applicable laws and regulations relating to fraud, bribery and corruption.

f. The need to act fairly as between members of the company

The Governors understand the Charity Commission requirements and acknowledge the need to avoid and manage potential conflicts of interest. The Company is limited by guarantee so does not have share capital with the result that issues relating to Director shareholders or relations between majority and minority shareholders do not apply.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The School's Objects and principal activities, as set out in the Memorandum of Association, are to advance education and training, including physical training, by the provision and conduct, in or near Worcester, of day and/or boarding schools for boys and girls with the provision of accommodation and educational facilities for the Choristers of the Cathedral Church of Worcester and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

In pursuing its charitable objects the School's mission is to help young people reach their potential at school in preparation for leading confident, fulfilled and unselfish lives as adults.

In furtherance of these Objects for the public benefit the School, which operates three schools (one senior and two junior) known collectively as The King's School Worcester, has established and administers bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects. The Governing Body is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In connection with this the Board has monitored closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Aims

The School's aims for the public benefit are:

- to provide a first class independent education within an ethos of spiritual awareness and tolerance that is widely accessible, irrespective of family financial circumstances; and
- to establish the School as a community in which there are strong and active partnerships between parents and the three schools, and between the local community and the three schools.

Primary objectives

The primary objectives of the School to fulfil these aims are:

- to maintain the aspiration to high standards in academic performance and extra-curricular activities whilst preserving a healthy balance between the two.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2021

- to widen access to the education provided by the school through the provision of financial support for children whose parents are unable to afford the full fees and also through a range of projects and activities with the local community, including "out of hours" access to the schools' facilities in order that they are put to good educational use when not otherwise needed.
- to provide a stimulating learning environment in which pupils can develop their academic potential to the full.
- to provide appropriate teaching resources and accommodation throughout all three schools
- to provide a happy and secure pastoral environment which promotes and develops independent learning, supports pupils in the achievement of their individual potential and fosters a sense of community mutual respect and good citizenship.
- to provide an effective management structure and the administrative and logistic framework necessary to meet the needs of staff and pupils alike.

The aims and objectives set for the School's subsidiaries are to facilitate the achievement of the School's aims and objectives as above.

Strategies to achieve the primary objectives

A key strategy towards the achievement of the primary objectives is the annual review and update of the School's Development Plan and its approval by the Governing Body. An important part of the review process is an assessment of performance during the year against the targets set for the period, with the results of that assessment being used to inform proposed targets and action plans for the future.

The Development Plan embodies the operational aims and future plans of the School (summarised on page 18) and, once approved by Governors, becomes a tool for use by the key management personnel to inform operational planning and decision making.

The Governing Body also keeps under review the facilities available to pupils and staff on all three sites and the extent to which additional or improved resources may facilitate the achievement of the development plan targets.

Principal activity

The School's principal activity, as specified in the Memorandum of Association, is the advancement of education and in this the School has again had a successful year.

The School roll averaged 1,244 (2020: 1,287) pupils across all year groups from Reception upwards with an additional 83 pupils (2020: 73) in Kindergarten on a full or part time basis. The School continues to maintain the high standards and ethos for which The King's School Worcester has become known.

Public benefit

The King's School Worcester remains committed to the aim of providing public benefit. In setting the School's objectives and planning its activities the Governors, as charity trustees, have given careful consideration to the Charity Commission's general guidance on public benefit requirements (under the Charities Act 2011) and in particular to its supplementary public benefit guidance on advancing education and on fee-charging. Whilst the aims of the School include maintaining and enhancing the academic success of its pupils, the School welcomes pupils from all backgrounds and it is important that access to the education offered is not restricted to those who can afford the fees.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2021

The Governors believe that pupils benefit from learning within a diverse community and established the School's Bursary Scheme (and related Development Office fundraising function). In 2017 the Foundation launched a campaign to raise additional funds for bursaries. The Governors' policy is to award grants and bursaries on the basis of educational ability and parental means (subject to any restrictions imposed by any donor of the funds) to enable pupils to join the School, or to ensure continuity of education if this would otherwise be at risk due to unforeseen hardship or temporary difficulty.

The pupils who attend the School and who receive financial support contribute to the whole school community in a variety of ways, conferring benefit upon the whole institution and, in some cases, to the wider community. Financial support is provided not only through bursaries but also through the provision of scholarships, grants and fee concessions. This year the School provided financial support totaling £2.0m to 486 pupils (2020: £1.82m to 448 pupils). Within this, mean tested awards ranging from 10% to 100% remission totaling £0.67m were made to 82 pupils (2020: £0.58m to 78 pupils), with further grants to assist with the cost of extra-curricular activities, equipment and school trips. Of this total number, 16 pupils benefitted from 100% remission of fees, with a further 19 receiving awards equivalent to at least 75% fee remission.

The Governors takes the view that the provision of bursaries is important but not to the exclusion of the much wider benefit that the School provides to the community. The School engages in many other activities that provide wider public benefit. In normal times examples range from the provision of facilities for local schools, charities and community groups public access to cultural and educational events, activities and productions and a number of well-established partnerships with local maintained senior and primary schools. Activities included inter school quizzes at primary level for local schools, math's challenges, workshops in music, sports and drama. Unfortunately, Covid-19 restrictions meant that many activities and events did not take place in this academic year.

Pupils within all three schools are encouraged to develop an awareness of the social context of the education they receive at the School and engage in fund raising activities on behalf of a wide range of local, national and international charities. This has been particularly pertinent given the current pandemic.

The School is a member of the Rivers Teaching Alliance sharing best practices and has taken students from Gloucester and Worcester Universities, amongst others, on initial teacher training courses or PGCE.

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2021**

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Senior School review of achievements and performance for the year

Fundraising performance

The Foundation Development fund raising initiative is a long-term programme, which is the responsibility of the Foundation Development Office (FDO). The FDO fundraises for the benefit of the School through The King's School Worcester Development Trust, with appropriate FDO costs borne by the Trust. This arrangement offers greater assurance to donors about the custody of their gifts, and aims to encourage a broader cross section of the constituent members of the wider school community to engage with fund raising activities.

The School has a long-term bursary fund raising strategy, the aim of which is to fulfil the original objective set by Henry VIII of supporting 40 free places at the School.

Investment policy, objectives and performance

The investments currently held by the charity are not material. They are, for the most part, invested through CCLA Management Limited in either COIF charity funds or CBF Church of England Funds and no formal investment performance review is considered necessary.

FINANCIAL REVIEW

Results for the year

The arrival of Coronavirus in February 2020 had a devastating impact on the entire country and, as for all schools, caused significant challenges for the Foundation and its community of pupils, parents and staff. The Autumn 2020 term had the challenge of needing to operate in year group bubbles and many of the normal school activities had to be cancelled or postponed. Parallel running a remote learning provision became the new norm. King's pupils showed great commitment and excelled in the new learning environment.

The impact of Covid-19 has continued into 2020/21. The Governors held the fees at 2019/20 levels and the School has absorbed the cost of implementing a Covid-19 secure environment to meet government guidance. These costs amounted to £352k for the year which was partially offset by Job Retention Scheme Grant of £86,000.

The Spring term saw a second lockdown, while the School remained open for key workers this was run in parallel with the remote learning provision. A fee reduction of 5.85% (£289k) was given for the Spring term for all years with the exception of Kindergarten which remained opened during this time.

Numerous sensitivity analysis exercises have been done to stress test different scenarios and the School has taken out a Continuing Business Interruption Loan to support cash requirements.

We are immensely grateful for the support and encouragement we have received from parents during this period.

THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2021

The foundation kept close control of resources over the year and as a result has reported a small deficit of £27,000. The Governors are pleased with this result in what has been a very challenging year.

The net outgoing resources of the group for the year from operations were £71,000 (2020: £165,000). The net decrease in funds for the year was £27,000 (2020: £162,000).

The net outgoing resources for the year from operations of £71,000 is better than was expected for the year. The fact that the school has reported a net outflow of results, while not surprising, is below the optimum level that the school considers necessary to be able to continue to finance the future development of the school's facilities and educational programme. The school development plans include a number of initiatives for 2021/22 and 2022/23 intended to address the net income requirements of the school for future investment however, the school is cautious in terms of acting against these plans while the future impact of Covid- 19 remains uncertain.

Reserves Level and Policy

The school's Reserves Policy is to maintain sufficient unrestricted income reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall and to rely upon its realisable general purposes fixed assets as adequate cover for the School's longer-term financial obligations, including the actuarially calculated but transient funding deficit of £0.65m on the School's defined benefit staff pension scheme that under FRS102 is accrued as a liability.

The School's unrestricted reserves are deployed as funds for part of the school's premises and equipment and at the year-end free reserves represented a balance of £4.6m (2020: £3m). The Governors consider that free reserves in the order of £4.2m, or approximately three months' expenditure, would be desirable in order to cover the risks and uncertainties of operating as an independent educational establishment.

The long-term policy objective is therefore to build up reserves out of annual operating surpluses, supplemented by Foundation Development fundraising, until that level is reached, subject to the prior demands of further capital expenditure to equip the school with the up-to-date facilities needed to maintain the standard of educational services currently provided.

The school's tangible fixed assets are all held for use by the school as disclosed in note 10 to the financial statements. Given the specialist nature of the school's land and buildings, Governors are unable to comment on the market value of such properties and whether this is materially different from that shown in the financial statements.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2021

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

The King's community were delighted to welcome Mr Gareth Doodes as Headmaster and Foundation CEO. Despite the significant and varying challenges of Covid, the Foundation is proud of how it coped with quickly developing regulatory environment and every effort was made to continue the education of pupils whilst ensuring the safety and welfare of all in the community was paramount.

The changes to the public examination system created considerable uncertainty for pupils, parents and staff but meticulous planning of how to implement Teacher Awarded Grades (TAGs) and transparent communication helped pupils to achieve their very best.

The exam results this year were the product of the Teacher Assessed grades process. Schools were required to create a policy which was approved by JCQ. Once results were submitted to exam boards, King's was sampled in 6 subjects where all documentation and pupil work was submitted to the exam boards. King's was not required to make any changes following these submissions. The whole process created an extraordinary amount of extra work for teaching staff and Heads of Department over Easter and during the summer term. The commitment of the whole staff body was incredible.

GCSE:

- 76% of our pupils achieved grade 9-7 and 99.4% achieved grades 9 to 4.
- 66 pupils (57% of the cohort) were awarded grades 9 to 7 in all their subjects with five pupils achieving grade 9s in 11 subjects.
- 79 pupils (68% of the cohort) were awarded 9 to 7 in 8 subjects or more.

A' Level:

- 76% A*/A, 90.2% A*B, 98.4% A-C.
- 14 pupils received A* in all their subjects.
- 74 students (61%) received A* or A grades in all their subjects.

In the spring term the entrance exam and the FF and U6 mocks took place on line with the invigilation teams working over Microsoft teams and the exam delivered to candidates over a secure exam platform.

All parents' evening took place online through a dedicated platform. Feedback from parents has been very positive with multiple requests to keep this system on an ongoing basis. They very much appreciate the facility to take part in calm and private conversations from the comfort of their own homes or offices.

In the wider school year, all lessons took place regardless of the amount of teachers and pupils isolating. A team of Old Vigornian (OV) graduates was recruited on zero hours contract so that if a staff member was isolating, their lesson could be beamed into the classroom and the pupils had all the resources they needed from one of these flexible teaching supervisors. If pupils were isolating they could take part in lessons alongside their classmates who were in school by the teacher launching a hybrid lesson over Teams. During lockdown, all lessons took place on a full timetable over Teams. The year finished with all year groups at the usual points in the curriculum with all normal academic processes having taken place with regards to exams.

THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2021

This year we were honoured to be invited to remain as a Trinity Arts Award Champion Centre, in recognition of the excellent and highly effective programme which is lead by our Head of Drama. To achieve their Arts Award, pupils take on challenges in an art form, participate in arts activities, experience arts events, get inspired by artists and share their arts skills with others. They create a portfolio to keep a record of their creative journey. Along the way they are supported by an Arts Award Adviser, acting as assessor, facilitator and mentor. Here at King's, we are fortunate to have eight Trinity College-trained Arts Award Advisers across the Departments of Music, Art, Dance and Drama, and once again our cohorts were entered for, and succeeded in securing, one of the nationally recognised qualifications.

The school has also enjoyed notable success over the past year in LAMDA, the London Academy of Music and Dramatic Art qualifications. In a year where teaching was beset by potential disruption from COVID-19 and where ever more innovation was required to deliver lessons safely and enable all to achieve, we are delighted that our 72 entrants attained a 100% pass rate with 54% at Distinction and 43% at Merit. Further, 35 of the qualifications are UCAS point-earning, Grade 6-8 level certificates. In addition to these opportunities, our Drama and Dance Departments performed in a range of productions which were recorded and shared with virtual audiences.

King's ensured that its music provision over the past year was maintained, with Open Mic nights broadcast remotely and Young Performers' and Concerts also recorded and shared with virtual audiences. The pressures presented by the bubbling of year groups never once deterred our staff and pupils attended rehearsals outside, in small groups and live via Teams.

In Sport, King's set about handling the absence of fixtures by offering Saturday training practices which drew on creative ways of enabling pupils to enjoy sport as well as develop their skills. After school practices and varied and exciting ways to get active continued too with highlights such as our Year 7 and 8 Athletics Club drawing 100 pupils a week and our Jantastic charity challenge where each day in January pupils were given ideas of ways to be active for at least 30 minutes.

All of this outstanding work and achievement has only been possible because of the exceptional efforts of our teaching and support staff. The Governors are both grateful and full of admiration for the work they have done in the past year, in the most difficult of circumstances and as they continue to do.

King's Hawford

Once again, we are delighted with the determined and positive approach taken by the children of Hawford, particularly given the disruption caused by Covid. The children impressed with their calm focus and showed a good deal of determination, working hard and performing to the best of their abilities.

Fifteen (half) of our Year 6 children received scholarships or other awards to King's or other senior schools.

Curriculum development continues to be a key focus, to ensure that it is innovative, exciting and relevant to the changing world in which we live. We managed to reinstate educational visits and all years, from Reception to Year 6, had at least one trip or visit in the Summer Term; including a wonderful Leavers Camp Out on the field at Hawford.

THE KING'S SCHOOL WORCESTER ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2021

Pupils have a voice at Hawford and our busy School Council have pushed through several initiatives such as: equipment for all years to play with at breaks; a child friendly Covid update assembly for the School; Yoga Fridays which led to whole school mindfulness sessions and a buddy system for children in school that was introduced in September.

The Hawford Sustainability Drive is a key feature of School Development Plan: We set up Eco Council and elected members from Reception to Y6 – working towards earning an Eco-Schools Green Flag. We ran an internal review to identify three key areas to develop at Hawford - Biodiversity, Global Citizenship and Energy. The Eco-Council ran the 'switch it off' competition and built links with Project Gambia who we supported with a large donation of old-style uniform. Sustainability is now embedded in curriculum through Humanities and Skills sessions such as Eco-Artists, Gardening, Outdoor Explorers, Sustainability Broadcasters and KH Radio's Big Green Idea.

Dance, music and sport are a fundamental part of the curriculum and a fun and energetic part of the School week. The children and staff enjoyed many of our special days, including: Masked Mayhem, Fancy dress Charity Day, Towpath Trek, ABBA Day and a Green Charity Day, with a very memorable cereal box domino rally and a sustainable Fashion Show. We have also enjoyed a Talent Show, Science Day, World Book Day, Languages Day, Deaf Awareness week, Mental Health Awareness week, the Great Hawford Bake Off and Jim Turner Day.

Finally, we have continued to be mindful of and proactive with our children's mental health. Worry boxes in areas around school encourage children to share the load in Mental Health Awareness week, and the ethos of the school is that a problem shared is a problem halved. The week was packed full of opportunities for the children to try new things, relax and spend some down time with their friends, and for some quiet contemplation and reflection.

Lessons continued remotely during lockdown. The tremendous effort put into learning new skills demonstrated the resilience and versatility of the staff and children. The staff worked hard to ensure that the essence of Hawford was not lost, with assemblies, challenges, form times and parental meetings, and the children's mental health and wellbeing has been at the forefront of everyone's efforts.

King's St Alban's

2020/21 saw many challenges and the need for staff and children to be resilient and adaptable. King's St Alban's embraced the many COVID challenges and managed to continue to offer high quality teaching and co-curricular provision in varied and difficult circumstances. The bubble system ensued all year and so a second play space was created and strict rotas were in place.

When in lockdown, teachers embraced Showbie and Class Dojo and a full curriculum was followed. About 35% of children remained at school as part of key worker care. Assemblies, Chapel services, clubs and form periods all continued throughout the year as actual, digital or hybrid events. Pastoral care was paramount: teachers made numerous checks in calls to families and the reopening motto on 8th March was getting children 'happily back into routines.' Feedback from an independent parent survey in December 2020 was very positive.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2021

15 children received a scholarship or other award to King's and all but two Year 6 children made this move. The focus on mindfulness continued and the school embraced number day, world kindness day, world mental health day and languages day. Sport was offered digitally with 'KSA Kick Start 2021' proving very popular. A running, walking, cycling or scootering charity event led to a doubling of the target, 1288 miles being covered and an excellent sum being raised for the Trussel Trust. Clubs were very popular in the summer term. Despite COVID, there was a lot of activity in the Arts and the school continues to work towards the Artsmark Award. Two plays, numerous virtual concerts and a number of dance events took place. There were ten Cathedral Choristers at school in 20/21 and they developed well in trying circumstances. Chorsiterships are now available to boys and girls and we now have our first girl Chorister. Each class produced a COVID time capsule to be opened when the cohort reaches Year 13! Pupil voice remains strong and a new eco club is proving popular. The Nursery is now well established and has won a national award.

The year ended on a high as guidance allowed more flexibility and we held two sports days, a summer show, Pre-Prep assemblies for parents and a Speech Day. Many new skills and experiences have been embedded into the curriculum. None of this would have been possible without the hard work and commitment of the staff and children who embraced new teaching and learning methods with courage and strength of purpose.

Alumni Relations

There is an active Old Vigornian (OV) network which is very much engaged with the School; this engagement is underpinned by the work of the Development and Alumni Relations team. Whilst 2020/21 has been a year of fewer OV in-person events, there have been numerous virtual opportunities for OVs to take part in school careers and other informative and social events, ranging from 'An Evening with International Conductor, Nicholas Cleobury' to a large group of OVs taking part in a King's-led physical challenge, 'Around the World'.

Social Media has also continued to be a valuable tool for engaging with OVs and the wider King's family and there has been an increase in social media engagement throughout the year, via the bespoke Old Vigornians channels of Facebook, twitter and LinkedIn. Similarly, there has been an increase in subscriptions to the weekly OV newsletters, which contain a wide and varied selection of articles on OV and King's School news.

The principle fundraising activity for the School and the King's School Worcester Development Trust has been – and continues to be – for pupil bursaries and the Trust supported 13.5 bursaries during the year to July 2021. The Trust funds come from external donations from individuals and, despite the impact of covid on the ability to meet individuals and hold fundraising events, the Development Office still raised in excess of £350,000.

The School remain very grateful for the support provided by OVs, parents and other members of the local community, both in terms of volunteering, advice, time and financial contributions.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2021

Streamlined Energy and Carbon Reporting (SECR) Disclosure

a. Emissions Summary

The SECR disclosure presents our carbon footprint emissions; an appropriate intensity metric; the total energy use of electricity, gas and transport fuel; and an energy efficiency actions summary.

Energy consumption used to calculate emissions (kWh)	4,770,757
Emissions from consumption of gas (Scope 1) tCO ₂ e	517
Emissions from combustion of fuel for transport purposes (Scope 1) tCO ₂ e	20
Emissions from the generation of bioenergy (Scope 1) tCO ₂ e	5
Emissions from combustion of oil for heating purposes (Scope 1) tCO ₂ e	107
Emissions from purchased electricity (Scope 2, location based) tCO ₂ e	213
Emissions from business travel in employee owned vehicles (Scope 3) tCO ₂ e	1
Emissions from consumption of bioenergy (Out of Scope) tCO ₂ e	118
Total Gross tCO ₂ e based on above	991
Intensity Ratio (tCO ₂ e/total pupils)	0.7468

SECR Methodology notes

Reporting period	1 st August 2020 to 31 st July 2021
Boundary (consolidation approach)	Operational approach
Alignment with financial reporting	SECR disclosure is prepared in line with King's School annual accounts made up to 31 st July 2021
Emission and conversion factor source	UK Government GHG Conversion Factors for Company Reporting
Calculation method	Activity data x Emission Factor = GHG emissions Activity data x Conversion factor = kWh consumption
Rounding	The results in the table are expressed in tons CO ₂ and may not add up precisely due to rounding
Other relevant information	Diesel, petrol and EV split not available for business mileage, therefore factor for "Unknown" used from conversion table
Reason for intensity metric choice	King's School is an independent day school, therefore, the appropriate intensity metric is pupil numbers

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2021**

b. Energy Efficiency Action Summary

The School continues to achieve direct savings in energy and associated carbon emissions, through operational and technological improvements, including:

- A phased programme to replace existing lighting with energy efficient LED lighting. Lights have been replaced in one sports hall, swimming pool, the dining hall and part of the science building, part of the office space and a teaching block at King's St Alban's. The programme has continued to King's Hawford with lights replaced in the dining room, music room and four of the teaching classrooms.
- New buildings and refurbishments use natural ventilation.
- The Keyes Building at the senior school uses bio-mass boilers.
- Building management systems have been extended throughout the Foundation to reduce energy costs.
- Sensor controlled lighting is installed in new buildings and refurbishments.
- The Bartholomew Barn sports hall at King's Hawford is passivhaus accredited and the Keyes Building is built to passivhaus standard.

A programme is in place to replace all single glazed windows with energy efficient double-glazed units. The school continues to look at replacing boilers with more energy efficient units.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2021

FUTURE PLANS

The School's Development Plan is subject to annual review alongside the approval each year of the medium-term Strategic Plan for the charity. However, the impact of the last eighteen months has meant that a hold has been put on some projects until the new Headmaster, Gareth Doodes, has the opportunity to review them and Covid-19 no longer places constraints on the normal life of the School. During the current restrictions the main aim is to provide a high quality of education including a virtual school when needed, and to ensure the staff and pupil's well-being during these difficult times.

The key aims and objectives which underpin planning are:

- To maintain and enhance, by means of careful monitoring of the progress of each pupil; setting appropriate targets and by providing effective feedback, the current high standards of academic achievement as measured by external examinations and independent value-added criteria.
- To continue to focus on the development in pupils of self-esteem, resilience and independent learning skills.
- To continue to review staff development and related matters in order to be an outstanding school at which to be a member of staff.
- To maintain and develop further existing local partnerships, and to ensure that the School both plays a significant part in the life of and shares facilities with the local community.
- To promote widely the availability of 100% fee remission places to academically able pupils and to at least maintain the existing level of funding for means tested bursaries.
- To promote recruitment into the Foundation and to generate additional income sources to support the educational offer.
- To promote the wider community use of the sports, dance and drama facilities available within the Foundation.
- To fundraise for a bursary fund capable of supporting the equivalent of 40 free places in perpetuity.

RISK MANAGEMENT

The Board of Governors is responsible for the management of the risks faced by the charity. Risks are identified, assessed and controlled throughout the year. The School employs a Health and Safety adviser and engages professional advisers as required.

A formal review of the charity's Risk Register is undertaken by the Senior Leadership Team and the Board on a termly basis.

The key controls used by the School to minimise and manage risk include:

- Formal agendas for all Committee and Board meetings.
- Advance circulation of detailed briefing papers prior to Committee and Board meetings.
- Comprehensive strategic planning, budgeting and cash flow forecasting.
- Established organisational structure and lines of reporting.
- Formal written policies and procedures.
- Vetting procedures as required by law for the protection of the vulnerable.
- Circulation of all minutes of the standing Health and Safety Committee to all Governors.

THE KING'S SCHOOL WORCESTER

ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 JULY 2021

The Governors have reviewed and endorsed the Risk Register as a summary of the principal areas of the schools' operations and the major risks faced in each of these areas, examples of which include:

- Parents' ability to pay fees during times of economic uncertainty.
- The effect of legislative changes relating to compliance, staff costs including the employers' pension provision, and charitable status.
- The impact of demographic changes and the development and expansion of local schools upon pupil numbers.

The impact of Covid-19 has had a significant impact on the School. The lockdown continued into the Summer Term 2020 and returned again in the Spring Term 2021, in between times the School has adapted successfully to government guidelines. The School is managing the risk to its cash flow by reviewing its cost base and asset aspirations. The School has taken advantage of the Coronavirus Job Retention Scheme (CJRS) and furloughed a large number of staff. The Governors have considered a number of scenarios and successfully applied for a Continuing Business Interruption Loan to facilitate the short term cash flow and they have reviewed the School's cash flow for the next eighteen months. The Governors consider that the School has the funds to manage the cash position, subject to any unforeseen circumstances related to Covid-19.

In the opinion of the Governors, and despite the pressures brought about by Covid-19 and lockdown, that the resources and management processes within the schools should, under normal conditions, allow these risks to be mitigated to an acceptable level in their day to day operations. Indeed, given the lessons learned during this pandemic the School is in a much stronger position to adapt to future challenges. The Governors are mindful of the forever changing landscape and continue to monitor the pandemic and its impact on the School. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governors (who are also the directors of The King's School Worcester for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Under company law the Governors are required to prepare financial statements for each financial year. The Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure of the charitable group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;

**THE KING'S SCHOOL WORCESTER
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2021**

- 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 Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and the group's transactions, and disclose with reasonable accuracy at any time the financial position of the charitable company and the group, enabling them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charitable company and the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITOR

In so far as each of the Directors of the charitable company, as members of the Governing Body, at the date of approval of this report is aware, there is no relevant audit information (information needed by the School's auditor in connection with preparing the audit report) of which the School's and group auditor is unaware. Each member of the Governing Body has taken all the steps that ought to be taken as a Governor in order to make themselves aware of any relevant audit information and to establish that the School's auditor is aware of that information.

AUDITOR

The Board of Governors has decided to recommend Crowe UK LLP for re-appointment as statutory auditor to the company. Crowe UK LLP have expressed their willingness to continue to act and a resolution proposing their re-appointment will be submitted to the forthcoming Annual General Meeting.

This Governors' Annual Report, prepared under the Charities Act 2011 and Companies Act 2006, was approved by the Board of Governors of The King's School Worcester on the 10 December 2021 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Mrs P Preston
Chairman of Governors

**THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER**

Opinion

We have audited the financial statements of The King's School Worcester for the year ended 31 July 2021 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 July 2021 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the governor's 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 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 governors with respect to going concern are described in the relevant sections of this report.

Other information

The governors 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.

**THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S SCHOOL WORCESTER**

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 Governors' 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 Governors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

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

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

Responsibilities of governors

As explained more fully in the Governors' responsibilities statement on page 19 the governors (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 governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KINGS SCHOOL WORCESTER

In preparing the financial statements, the governors 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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the charity 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 Charities Act 2011, 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 charity'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 governors 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 with the completeness and accuracy of non-fee income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, the bursar and the Finance & General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, designing audit procedures over non-fee income, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

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.

**THE KING'S SCHOOL WORCESTER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KINGS SCHOOL WORCESTER**

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.

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

Use of our report

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



Guy Biggin

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

4th Floor, St James House

St James Square

Cheltenham

GL503PR

Date: 20 December 2021

THE KING'S SCHOOL WORCESTER
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021

		Unrestricted Funds	Restricted Funds	Endowed Funds	2021 Total	2020 Total
	Note	£'000	£'000	£'000	£'000	£'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	15,717	-	-	15,717	15,280
Ancillary trading income	3	397	-	-	397	743
Other trading activities						
Non-ancillary trading income	4	82	-	-	82	115
Other activities	4	71	-	-	71	32
Investments						
Interest and investment income	5	5	3	1	9	26
Voluntary sources						
Grants and donations	6	86	229	-	315	572
Total incoming resources		16,358	232	1	16,591	16,768
Expenditure on:						
Raising funds						
Non-ancillary trading	7	90	-	-	90	62
Financing costs	8	51	-	-	51	161
Fundraising and development	7	130	-	-	130	134
Total		271	-	-	271	357
Charitable activities						
Education and grant making	7	16,175	222	-	16,397	16,562
Pension scheme re-measurement of the estimate of past service costs	22	(6)	-	-	(6)	14
Total expenditure		16,440	222	-	16,662	16,933
Net (outgoing) funds from operations before transfers & investment gains		(82)	10	1	(71)	(165)
Gains on investments	11	24	15	5	44	3
Net (deficit)		(58)	25	6	(27)	(162)
Transfers between funds	21	7	(7)	-	-	-
Net movement in funds for the year		(51)	18	6	(27)	(162)
Fund balances brought forward at 1 August 2020		23,210	343	52	23,605	23,767
Fund balances carried forward at 31 July 2021	21	23,159	361	58	23,578	23,605

The notes on pages 30 to 54 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2021

	2021	2020
	Unrestricted and Restricted Funds	<i>Unrestricted and Restricted Funds</i>
	Total	Total
	£'000	£'000
INCOME FROM:		
Charitable activities		
School fees	15,717	15,280
Ancillary trading	397	743
Other trading activities		
Fundraising trading	82	115
Other income	71	32
Investments		
Dividends, bank and other interest	9	26
Voluntary sources		
Grants and donations	-Unrestricted 86	420
	-Restricted 229	152
Total income	16,591	16,768
Expenditure on:		
Raising funds		
Trading costs	90	62
Financing costs	51	161
Development costs	130	134
Charitable activities		
Education and grant-making	16,397	16,562
Pension scheme re-measurement	(6)	14
Total expenditure	16,662	16,933
Net (deficit) before investment gains and inter-fund transfers	(71)	(165)
Net investment gains for the year	44	3
Net (deficit)/ income for the year	(27)	(162)

The above Summary Income and Expenditure Account represents the total unrestricted and restricted income and expenditure as shown in the consolidated Statement of Financial Activities on page 25 and its presentation is required under the Companies Act 2006.

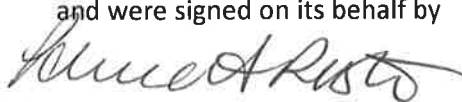
The notes on pages 30 to 54 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
CONSOLIDATED AND SCHOOL BALANCE SHEETS
AS AT 31 JULY 2021

Company 04776324	Registered	No:		Consolidated		School	
				2021	2020	2021	2020
			Notes	£'000	£'000	£'000	£'000
FIXED ASSETS							
Tangible assets		10		22,390	23,289	22,390	23,289
Securities investments		11		308	264	308	264
				22,698	23,553	22,698	23,553
CURRENT ASSETS							
Stock				17	-	1	-
Debtors		12		563	684	590	689
Cash and deposits				6,961	5,490	6,896	5,414
				7,541	6,174	7,487	6,103
CURRENT LIABILITIES							
Creditors payable within one year		13		2,646	2,236	2,602	2,230
				4,895	3,938	4,885	3,873
NET CURRENT ASSETS							
TOTAL ASSETS LESS CURRENT LIABILITIES							
				27,593	27,491	27,583	27,426
LONG TERM LIABILITIES							
Creditors payable after one year		14		3,367	3,171	3,367	3,171
Pension Scheme funding deficit				648	715	648	715
				23,578	23,605	23,568	23,540
NET ASSETS							
REPRESENTED BY:							
ENDOWED FUNDS		21		58	52	58	52
RESTRICTED FUNDS		21		361	343	361	343
UNRESTRICTED FUNDS							
General reserve		21		23,159	23,210	23,149	23,145
				23,578	23,605	23,568	23,540

These financial statements were approved by the Governing Body on the 10 December 2021

and were signed on its behalf by


P Preston
Chairman of Governors


D B Dale
Chairman of the Finance and General
Purposes Committee

The notes on pages 30 to 54 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2021

		2021	2020
	Note	£'000	£'000
Net cash inflow from operations			
Net cash provided by operating activities	(i)	1,148	519
Cash flows from investing activities:			
Payments for tangible fixed assets		(16)	(49)
Proceeds on sale of fixed assets		6	8
Investment income and bank interest received		9	26
Net cash (used in) investing activities		(1)	(15)
Cash flows from financing activities:			
Loan advances (net of repayments)		1,000	-
Loan repayments		(552)	(533)
Pension deficit payments		(67)	(65)
Finance costs paid		(57)	(152)
Net cash provided by financing activities		324	(1,216)
Change in cash and cash equivalents in the reporting period		1,471	(246)
Cash and cash equivalents at 1 August 2020		5,490	5,736
Cash and cash equivalents at 31 July 2021	(ii)	6,961	5,490

The notes on pages 30 to 54 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
NOTES TO THE CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2021

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

	2021	2020
	£'000	£'000
Net income resources	(27)	(162)
Elimination of non-operating cash flows:		
Gains on investments	(44)	(3)
Investment income	(9)	(26)
Finance costs	57	152
Defined benefit pension scheme finance cost	(6)	9
Defined benefit pension scheme re-measurement	6	14
Depreciation charge	915	1,041
Profit on sale of fixed assets	(6)	(8)
(Increase)/Decrease in stock	(16)	3
Decrease in debtors	121	41
(Decrease) / Increase in creditors (excluding fees in advance scheme and deposits)	285	(454)
(Decrease) in fees in advance scheme creditors	(146)	(85)
Increase / (Decrease) in parents' deposits	18	(3)
	1,175	681
Net cash inflow	1,148	519

(ii) Analysis of cash and cash equivalents

	2021	2020
	£'000	£'000
Cash	2	2
Bank	6,959	5,498
	6,961	5,490

The notes on pages 30 to 54 form part of these financial statements.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 23 May 2003 (company number: 04776324) and registered as a charity (with charity number: 1098236), the registered office address being 5 College Green, Worcester, WR1 2LL.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

The financial statements are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future, particularly in reference to the statement under Risk Management and Covid-19 as set out in the Governors' report. The Governors consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 19.

Basis of consolidation

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.

The financial statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the School and its wholly owned subsidiaries King's School Worcester Activities Limited and KSW Enterprises Limited. A separate SOFA has been presented for the Charity alone within note 26 to the financial statements. The net movement in funds for the year of the group was a deficit of £71,000 for the year ended 31 July 2021 (2020: deficit £165,000).

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (Continued)

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

1.1 Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

1.2 Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates.

1.3 Non-ancillary trading income

Income comprises the value of sales (excluding VAT and similar taxes and trade discounts) of goods and services made by the School's trading subsidiaries in the normal course of business.

1.4 Donations, legacies, grants and other voluntary incoming resources

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the School in the case of donated services or facilities.

1.5 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the School and its subsidiaries are excluded from consolidated trading income and expenditure.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

1.6 Tangible fixed assets

Buildings erected before 1947 are not included in these financial statements. There is no expenditure incurred in the improvement of these properties capitalised in the financial statements as all amounts of expenditure were of a revenue nature.

Fixtures, fittings, equipment purchased for direct use with pupils (academic and extra- curricular) and ICT equipment costs are written off as an expenses as acquired. Expenditure on the acquisition of land, construction of new buildings, motor vehicles and other non ICT assets intended to be used for more than two years are capitalised on acquisition and depreciated over their estimated useful life.

Other expenditure on equipment incurred in the normal day-to-day running of the School and its subsidiaries is charged to the Statement of Financial Activities as incurred.

1.7 Depreciation

Depreciation is provided on all tangible fixed assets on a straight line basis at rates calculated to write off the cost of the assets over its estimated useful life as follows:

Freehold and long leasehold buildings	- over 40 years (or the lease term if shorter)
Fixtures, fittings and equipment	- over 3 to 10 years
Motor vehicles	- over 5 years
Assets in the course of construction	- not depreciated

1.8 Investments

Investment assets are carried at their market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

1.9 Stock

Stock is carried at the lower of cost and net realisable value.

1.10 Fund accounting

The charitable trust funds of the School and its subsidiaries are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's Objects or to benefit the School itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

The endowed funds comprise a number of individual trust funds established by specific donors, the capital of which may not be expended.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

1.11 Pension costs

Retirement benefits to employees of the School are provided through two pension schemes, one defined benefit and one defined contribution. The pension costs charged in the Statement of Financial Activities are determined as follows:

- (a) The Teachers' Pension Scheme - This scheme is an unfunded multi-employer defined benefit pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.
- (b) The King's School Worcester Personal Pension Plan - This is a defined contribution group personal pension plan with The Pensions Trust. Employer's pensions costs are charged in the period in which the salaries to which they relate are payable.
- (c) The Support Staff Pension Scheme administered by The Pensions Trust. This is an occupational defined benefit scheme. The Independent Schools' Pension Scheme (ISPEN) is a multi-employer scheme. As such it is not possible in the normal course of events to identify the share of the underlying assets belonging to the individual participating employers, and accordingly, in accordance with section 28 of FRS 102 it is accounted for as a defined contributions scheme with contributions being recorded as they become payable. A liability is recognised on the balance sheet however equal to the present value of contributions payable under the agreement to fund a deficit. The present value is calculated using the discount rate of 1.04% (2020: 0.84%). The unwinding of the discount rate is recognised as a finance cost.

1.12 Operating leases

Rentals under operating leases are charged on a straight-line 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.

1.13 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors and accrued income. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except fees in advance, social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE

	2021 £'000	2020 £'000
Fees receivable consist of:		
School fees	17,523	16,970
Less: total bursaries, grants, scholarships and allowances	<u>(2,228)</u>	<u>(2,064)</u>
	15,295	14,906
Add back: Bursaries and other awards paid for by restricted funds	229	132
Add back: Fee remission under salary sacrifice scheme	<u>193</u>	<u>242</u>
	<u>15,717</u>	<u>15,280</u>

Scholarships, bursaries and other remission awards were paid to 486 pupils (2020: 448). Within this means tested bursaries totalling £670,176 were paid to 82 pupils (2020: £580,240 to 78 pupils).

3. CHARITABLE ACTIVITIES – OTHER INCOME

	2021 £'000	2020 £'000
Pupils extras charges	206	522
Registration fees	13	9
Break service	-	26
Holiday clubs	150	135
Training income	1	4
Commission, events and other income	8	21
Letting of property	13	18
Profit on sale of fixed assets	<u>6</u>	<u>8</u>
	<u>397</u>	<u>743</u>

4. OTHER TRADING ACTIVITIES

	2021 £'000	2020 £'000
Trading income		
King's School Worcester Activities Ltd	82	96
KSW Enterprises Ltd	<u>-</u>	<u>19</u>
	<u>82</u>	<u>115</u>

	2021 £'000	2020 £'000
Other activities		
Late payment administration charges	-	1
Renewable energy and other income	<u>71</u>	<u>31</u>
	<u>71</u>	<u>32</u>

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

5. BANK INTEREST AND INVESTMENT INCOME

	Unrestricted £'000	Restricted £'000	Endowed £'000	2021 £'000	2020 £'000
Investment Income:					
Equities	2	3	1	6	6
Bank interest	3	-	-	3	20

6. GRANTS AND DONATIONS RECEIVABLE

	Unrestricted £'000	Restricted £'000	Endowed £'000	2021 £'000	2020 £'000
Received from King's School Worcester Development Trust for:					
Bursaries	-	197	-	197	132
The Keyes Building capital project	-	-	-	-	3
Parents' Committee donations	-	-	-	-	16
Other donations	-	32	-	32	1
Government grants CJRS Scheme	86	-	-	86	420
	86	229	-	315	572

7. ANALYSIS OF EXPENDITURE

a) Expenditure

	Staff costs (note 9) £'000	Deprec'n (note 10) £'000	Other £'000	Total 2021 £'000	Total 2020 £'000
Costs of generating funds					
Trading costs	-	-	90	90	62
Cost of other activities	-	-	-	-	-
Financing costs (note 8)	-	-	51	51	161
Foundation Development costs	96	-	34	130	134
Total costs of generating funds	96	-	175	271	357
Charitable expenditure					
<i>Education and grant making</i>					
Teaching	9,020	31	1,273	10,324	10,906
Welfare	455	5	413	873	861
Premises	595	879	1,776	3,250	2,990
Support costs and governance	1,274	-	447	1,721	1,672
Grants, awards and prizes (note 7b)	-	-	229	229	133
Total charitable expenditure	11,344	915	4,138	16,397	16,562
Total expended	11,440	915	4,313	16,668	16,919

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

7. ANALYSIS OF EXPENDITURE continued

b) Grants awards and prizes

	2021	2020
	£'000	£'000
From Restricted Funds:		
Bursaries	222	132
Other grants and awards	7	1
	229	133

c) Governance included in support costs:

	2021	2020
	£'000	£'000
Remuneration paid to auditor for audit services	19	28
Reimbursement of personal expenses to Governors – travel costs	-	1
	19	29

Travel expenses were claimed by nil members (2020: 3) of the Governing body. No Governor received any remuneration during the year ended 31 July 2021 (2020: nil) and no retirement benefits are accruing.

In addition to the above audit remuneration the financial statements include amounts payable to the auditor in respect of taxation and Teachers' Pension compliance services and advice totalling £8,052 (2020: £3,591).

8. FINANCE AND OTHER COSTS

	2021	2020
	£'000	£'000
Fees in advance financing cost	2	2
Loan financing cost	63	79
Impairment losses charged to financial assets	(20)	71
Pension Scheme financing cost	6	9
	51	161

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

9. STAFF COSTS

The aggregate payroll costs for the year were as follows:

	2021	2020
	£'000	£'000
Wages and salaries	8,440	8,439
Social Security costs	805	812
Pension cost	1,498	1,540
	10,743	10,791
Staff non-salary benefits	56	48
Contract catering and agency staff costs	420	360
Apprenticeship levy	28	28
Fee Remission under Salary Sacrifice scheme and benefits	193	242
	11,440	11,470

Aggregate employee benefits of key management personnel:	623	615
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	2021	2020
Number of higher paid employees in bands of:		
£60,000 to £70,000	3	3
£70,001 to £80,000	1	2
£80,001 to £90,000	1	1
£90,001 to £100,000	1	1
£110,001 to £120,000	1	1
£130,001 to £140,000	-	-

	2021	2020
The number of staff with retirement benefits accruing:		
in Defined Contribution schemes was	124	120
of which the contributions amounted to	£172,023	£94,174
in Defined Benefit schemes was	148	195

The average number of staff employed during the year was 333 (2020: 339).

The average number of full-time equivalent staff during the year was:

	2021	2020
Teaching	187.9	182.1
Domestic	3.3	4.5
Premises	26.4	24.0
Administration	32.8	29.5
Fundraising	3.3	3.0
	253.7	243.1

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

9. STAFF COSTS continued

During the year redundancy and termination payments (or otherwise relating to compromise agreements) were due of £33,000 (2020: £18,149). The amounts outstanding at the year end were £28,000 (2020: £18,149).

10. TANGIBLE FIXED ASSETS

Group and School	Freehold Property £'000	Long leasehold property £'000	Fixtures, fittings & equip't £'000	Motor Vehicles £'000	Total £'000
Cost					
At 1 August 2020	33,501	3,811	1,269	232	38,813
Additions	-	-	-	16	16
Disposals	-	-	-	(33)	(33)
At 31 July 2021	33,501	3,811	1,269	215	38,796
Depreciation					
At 1 August 2020	10,612	3,611	1,127	174	15,524
Charge for year	790	64	36	25	915
Disposals	-	-	-	(33)	(33)
At 31 July 2021	11,402	3,675	1,163	166	16,406
Net book value					
At 31 July 2021	22,099	136	106	49	23,390
At 31 July 2020	22,889	200	142	58	23,289

The School has a number of long-held historic assets, which are used in the course of the School's educational activities in accordance with the Charity Commissioners Approved Scheme (under which transfer of a major interest in such property by the School would require the consent of the charity Commission). These comprise listed buildings on the school site together with manuscripts and other artefacts within the school archive. Given the age, nature and restricted use of the buildings and the unique nature of other archive items, reliable historical cost information is not available for these assets and could not be obtained except at disproportionate expense. However, in the opinion of the Governors the depreciated historical cost of these assets would now be immaterial.

Capital Commitments

	Group and School	
	2021	2020
	£'000	£'000
Future capital expenditure		
Authorised and contracted for but not yet completed	29	-

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

10. TANGIBLE FIXED ASSETS (continued)

Capital Commitments

The School has been granted an option to purchase the freehold interest of one of its leasehold properties, exercisable at a future date and has security of tenure until that date. In respect of the same property, the School has granted the lessor, (and successors in title), an option to require the School to purchase the freehold interest on the death of the lessor or if the lease is forfeited. In the event that either option is exercised the purchase price of the freehold interest will be based upon a valuation of the property on the date of the exercise of the option.

Tangible fixed assets include two properties with a net book value of £5.6m (2020: £5.9m) which are charged as security for a proportion of the School's bank loans.

11. INVESTMENTS

Group and School	Unrestricted £'000	Restricted £'000	Endowed £'000	Total £'000
Equity investments				
At 1 August 2020	140	92	32	264
Unrealised gains in year	24	15	5	44
At 31 July 2021	164	107	37	308

All investments are listed on the UK stock exchange and are held by the School. Individual investments constituting 5% or greater of total market value at 31 July 2021 comprise:-

Investment	Holding	Fund
COIF income shares	4,786.8	Unrestricted general
COIF income shares	1,168.0	Restricted Canon Catley scholarship fund
COIF accumulation shares	313.0	Unrestricted designated building fund
CBF C of E investment income shares	1,656.0	Endowment Dean Forrest fund
CBF C of E investment income shares	2,568.0	Restricted: Canon Catley scholarship fund re Amy Lea

Subsidiary undertakings

By virtue of common control King's School Worcester Activities Limited, a company limited by guarantee and registered in England and Wales, is recognised as a wholly owned subsidiary undertaking of the School. KSW Enterprises Limited is a company registered in England with an issue share capital of £1, which is wholly owned by the School. The results of these subsidiaries are reported in note 23 to the financial statements.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

12. DEBTORS

	Group		School	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Fees and extras receivable	204	410	205	410
Trade debtors	3	5	-	-
Due from subsidiary companies	-	-	29	2
Sundry debtors	17	11	17	11
Prepayments and accrued income	339	258	339	266
	563	684	590	689

All debtors are due within one year.

13. CREDITORS: amounts falling due within one year

	Group		School	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Bank loan (note 15)	715	533	715	533
Trade creditors	433	378	399	366
Registration deposits	211	193	211	193
Taxation and social security	208	199	208	199
Due to subsidiary companies	-	-	-	15
Other creditors	268	325	266	321
Fees in advance scheme (note 16)	128	203	128	203
Accruals and deferred income	683	405	675	400
	2,646	2,236	2,602	2,230

14. CREDITORS: amounts falling due after more than one year

	Group		School	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Bank loan (note 15)	3,309	3,042	3,309	3,042
Fees in advance scheme (note 16)	58	129	58	129
	3,367	3,171	3,367	3,171

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

15. BANK LOANS

	Group and School	
	2021	2020
	£'000	£'000
The bank loans are repayable by instalments:		
Due after more than 5 years	1,065	1,417
Due within 2 – 5 years	2,244	1,625
Due after more than one year	3,309	3,042
Due within 1 year	715	533
	4,024	3,575

The bank loans are secured by way of a fixed charge dated 4 September 2009 over two of the company's freehold properties (the site known as King's Hawford and the new pre-preparatory school located at Mill Street Worcester). The loans, which are repayable over a period of up to 20 years from July 2009, 13 years from June 2014 and 15 years from January 2016, are mainly variable rate borrowings at interest rates ranging from 1.31% to 2.6% above Bank of England base rate. The CBIL loan taken out in the year is a fixed rate loan at 1.96% repayable over 5 years from August 2021.

16. FEES IN ADVANCE SCHEME

Parents may enter into a contract to pay to the School tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the School advance fees will be applied as follows:

	Group and School	
	2021	2020
	£'000	£'000
Within 2 - 5 years	-	51
Within 1-2 years	58	78
After more than one year	58	129
Within 1 year	128	203
	186	332

Summary of movements in liability

	£'000
Balance at 1 August 2020	332
New contracts	364
Amounts accrued to contracts as debt financing cost	2
Amounts used to pay fees	(512)
Balance at 31 July 2021	186

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

17. FINANCIAL INSTRUMENTS

	Group	
	2021	2020
	£'000	£'000
Financial assets measured at fair value	308	261

Financial assets held at fair value include assets held as investments.

Impairment losses charged to financial assets measured at amortised cost in the year amounted to £nil (2020: £70,621).

18. OPERATING LEASES

Commitments

The total remaining operating lease commitment in respect of the unexpired period of current operating leases is as follows:

Group and School	2021			2020		
	<i>Land and buildings</i>	<i>Other</i>	Total	<i>Land and buildings</i>	<i>Other</i>	Total
	<i>£'000</i>	<i>£'000</i>	£'000	<i>£'000</i>	<i>£'000</i>	£'000
On leases						
Within 1 year	136	16	152	106	18	124
Between 1-2 years	88	11	99	105	15	120
Between 2-5 years	265	11	276	255	16	271
After 5 years	1,012	-	1,012	1,086	-	1,086
	1,502	38	1,539	1,552	49	1,601

Charge for the year

The amounts payable under operating leases and charged as expenditure during the year are as follows:

Group and School	2021	2020
	£'000	£'000
Leases in respect of:		
Land and buildings	132	105
Plant and equipment	28	29
	160	134

THE KING'S SCHOOL WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 JULY 2021

19. FUNDS OF THE SCHOOL

The School's funds are analysed under the following headings.

a) Endowed Funds

The endowed fund comprises an individual trust set up by an individual donor to support specific scholarships. A distinguishing feature of the special trust is the donor's express requirement or implicit intention that the funds shall not be spent immediately but should be retained. The trust is not pooled for investment and is credited with the relevant investment income and bears its own expenses.

The Dean Forrest Fund	to support a scholarship, with preference for former choristers intending to take Holy Orders or who are sons of clergy.
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b) Restricted Funds

Over a number of years the School has received donations where the donors have placed restrictions on the uses to which the gifts may be put. The Funds thus restricted under charity law, and which are partly invested in separate investment securities and partly in the School's pooled deposits, are:

The Canon Catley Scholarship and Bursary Fund	to provide bursaries to pupils.
The Parents' Committee Fund	to support assorted individual projects, as specified by the Parents' Committee that are of benefit to pupils.
The Specific Small School Projects Fund	to provide resources for specific named projects and pupils.
The Annual Fund	donations solicited from parents of pupils each year to be expended in the short term upon a range of additional pupil resources.
The Reeves Maths Prize Fund	to award prizes for excellence in mathematics.
The Astroturf Fund	to provide resources for the future resurfacing of the pitch.
The M Stevens Fund	to provide bursaries in respect of the cost of trips and extracurricular activities.

The Foundation Development Funds represent donations received from external donors through the charity The King's School Worcester Development Trust charity where the sums received are for specific purposes but where there is no requirement to preserve capital. Expenditure directly financed by such donations is shown under restricted funds.

The Foundation Development Bursary Fund	to provide bursary support to pupils
The Keyes Building	to provide a contribution to the total capital cost (circa £9m) of the new building
The Foundation Development Sundry Special funds	represent funds received to support a number of small projects the balances on each individual fund being below £5,000

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

19. FUNDS OF THE SCHOOL (continued)

b) Restricted Funds (continued)

Foundation Development Sundry Special funds

At 31 July 2021 these were:

	£
School Flag Fund	320
Cricket Pavilion Fund	1,369
Annual Fund	1,485
Reeves Maths Prize Fund	1,000
M Stevens Fund	6,000
	<u>10,174</u>

Donations received through the Foundation Development Office for the general benefit of the School without any restriction are accumulated within unrestricted funds.

Although expenses may be apportioned across all the individual funds arising as a result of the fund-raising activities of the Foundation Development Office this policy has not been adopted in order that the financial statements give a clear indication of the total value of donations made to specific projects.

c) Unrestricted Funds

Unrestricted funds represent accumulated income from the School's activities and other sources and are available for the general purposes of the School.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2021	Unrestricted £'000	Restricted £'000	Endowed £' 000	Total £'000
Tangible fixed assets	22,390	-	-	22,390
Investments- securities	165	106	37	308
Net current assets	4,620	254	21	4,895
Long term liabilities	(4,015)	-	-	(4,015)
	23,160	360	58	23,578
2020	Unrestricted £'000	Restricted £'000	Endowed £' 000	Total £'000
Tangible fixed assets	23,289	-	-	23,289
Investments- securities	140	92	32	264
Net current assets	3,667	251	20	3,938
Long term liabilities	(3,886)	-	-	(3,886)
	23,210	343	52	23,605

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

21. GROUP SUMMARY OF MOVEMENT ON FUNDS

a) Year to 31 July 2021

	At 1 August 2020 £'000	Incoming resources £'000	Resources expended £'000	Transfers between funds £'000	Unrealised gains /(losses) £'000	At 31 July 2021 £'000
Unrestricted funds						
General reserve	23,192	16,276	(16,350)	7	24	23,149
Trading subsidiary reserves	18	82	(90)	-	-	10
	23,210	16,358	(16,440)	7	24	23,159
Restricted funds						
Canon Catley fund	150	3	-	-	15	168
Parents' Committee	-	-	-	-	-	-
Astroturf fund	99	-	-	-	-	99
Specific Small School Projects fund	4	32	(25)	(7)	-	4
Foundation Development restricted funds						
Bursary fund	80	197	(197)	-	-	80
Sundry Specific funds	10	-	-	-	-	10
	343	232	(222)	(7)	15	361
Permanent Endowed funds						
Dean Forrest	52	1	-	-	5	58
	52	1	-	-	5	58
Total Funds	23,605	16,591	(16,662)	-	44	23,578

The transfers between funds shown above represent the following:

- Transfer to unrestricted school funds of the donations of £25,000 received in respect of Covid 19 bursaries and £6,792 received in respect of equipment for the boat club.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

21. GROUP SUMMARY OF MOVEMENT ON MAJOR FUNDS

b) Year to 31 July 2020

	At 1 August 2019 £'000	Incoming resources £'000	Resources expended £'000	Transfers between funds £'000	Unrealised gains /(losses) £'000	At 31 July 2020 £'000
Unrestricted funds						
General reserve	23,364	16,498	(16,738)	66	2	23,192
Trading subsidiary reserves	19	115	(62)	(54)	-	18
	23,383	16,613	(16,800)	12	2	23,210
Restricted funds						
Canon Catley fund	147	3	-	-	-	150
Parents' Committee	-	16	-	(16)	-	-
Astroturf fund	91	-	-	8	-	99
Specific Small School Projects fund	5	-	(1)	-	-	4
Foundation Development restricted funds						
Bursary fund	80	132	(132)	-	-	80
Sundry Specific funds	10	4	-	(4)	-	10
	333	155	(133)	(12)	-	343
Permanent Endowed funds						
Dean Forrest	51	-	-	-	1	52
	51	-	-	-	1	52
Total Funds	23,767	16,768	(16,933)	-	3	23,605

The transfers between funds shown above represent the following:

- Transfer of net profit generated by trading subsidiaries to unrestricted school funds (£46,454 from King's School Worcester Activities Ltd) and to the Astroturf Restricted fund (£7,864 from KSW Enterprises Ltd)
- Transfer to unrestricted school funds of the donations of £15,778 received in respect of the Tipi and play equipment purchased in the year and of £3,217 in respect of the completed Keyes Building project.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

22. PENSION SCHEMES

Retirement benefits to employees of the School are provided through two defined benefit schemes and one defined contribution scheme, which are funded by the School's and employees' contributions.

Defined benefit schemes

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,859,881 (2020: £1,339,578) and at the year-end £Nil (2020 - £Nil) was accrued in respect of contributions to this scheme.

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

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

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

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

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2020

22. PENSION SCHEMES (continued)

The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

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

Until the cost cap mechanism review 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.

Independent School's Pension Scheme

Defined Benefit

Until April 2020 the School operated a defined benefit scheme for support staff, through its participation in the Independent School's Pension Scheme administered by the Pensions Trust (ISPEN). ISPEN is a multi-employer scheme which provides benefits to approximately 66 non-associated employers. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as it would a defined contribution scheme and has charged to the Statement of Financial Activities the employers' contributions payable for the year. The scheme was closed to new members of staff with effect from 31 March 2017 and was closed to future benefit accrual for all members with effect from April 2020.

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

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

With effect from 1 April 2015 the School operated only one benefit structure – a career average revaluated earnings (CARE) structure with a 1/80th accrual rate. Contributions have been made to the scheme in accordance with the recommendations of the scheme's Actuary.

The pension charge for the year includes contributions payable to the ISPEN of £nil (2020: £100,146. At the balance sheet date there were no (2020: nil) active members of the Scheme employed by the School. In addition, the School paid contributions totalling £66,923 (2020: £64,930) in respect of the past service deficit.

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

22. PENSION SCHEMES (continued)

A full actuarial valuation for the Scheme was carried out at 30 September 2017. This actuarial valuation was certified on 27 December 2018 and showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 September 2019 to 30 April 2030 £2,387,357 per annum (payable monthly and increasing by 3% on each 1 September)

Note that the Scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £110.0m, liabilities of £147.4m and a deficit of £37.4m. To eliminate this funding shortfall the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 September 2016 to 31 August 2029 £2,341,000 per annum (payable monthly and increasing by 3% on each 1 September)

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

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

Present Value of Provision for School's deficit funding obligations:

	31 July 2021 £'000	<i>31 July 2020 £'000</i>	<i>31 July 2019 £'000</i>
Present value of provision	648	<i>715</i>	<i>757</i>

Reconciliation of opening and closing provisions

	Group and School	
	2021 £'000	<i>2020 £'000</i>
Provision at start of period	715	<i>757</i>
Unwinding of discount factor (interest expense)	6	<i>9</i>
Deficit contribution paid	(67)	<i>(65)</i>
Remeasurements- impact of any change in assumptions	(6)	<i>14</i>
Remeasurements- amendments to the contribution schedule	-	<i>54</i>
Provision at end of period	648	<i>715</i>

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

22. PENSION SCHEMES (continued)

Income and expenditure impact

	2021 £'000	2020 £'000
Interest expense	6	9
Remeasurements- impact of any change in assumptions	(6)	14
	-	23

Assumptions	Year to 31 July 2021	Year to 31 July 2020	Year to 31 July 2019
Rate of discount % per annum	1.04	0.84	1.24

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

Defined contribution scheme

The School operates a defined contribution pension scheme in connection with its auto-enrolment obligations. The assets of the scheme are held separately from those of the School in a fund independently administered by The Pensions Trust. The pension cost charge includes contributions payable by the School to the fund amounting to £172,023 (2020: £94,174). As at the balance sheet date there were £nil (2020: £nil) contributions outstanding payable to the pension fund.

23. SUBSIDIARIES AND BASIS OF CONSOLIDATION

The School has two connected trading companies, King's School Worcester Activities Limited registered number 01472145 (a company limited by guarantee) and KSW Enterprises Limited registered number 07141348 (all of the issued share capital of which is owned by the School). The results of both are consolidated with those of the school and in the case of King's School Worcester Activities Limited are included within the unrestricted funds shown in the financial statements and in restricted funds in the case of KSW Enterprises Limited.

King's School Worcester Activities Limited (KSWA Ltd), a company limited by guarantee, carries out various trading activities on behalf of the School and accounts for including vending machine sales, the lettings to third parties of school facilities other than the school AstroTurf pitch and sundry other non-charitable trading items. The letting of the AstroTurf pitch is administered and accounted for by KSW Enterprises Limited (KSW Ent Ltd).

For over ten years the school has had a long term fundraising initiative to create a Foundation Development fund. Donations to this fund are made to The King's School Worcester Development Trust, (formerly The King's School Development Trust) which then makes grants to the School. This Trust is a separate registered charity which is not controlled by the school hence its results are not included within the consolidated financial statements but it is recognised as a related party (see note 24).

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

23. SUBSIDIARIES AND BASIS OF CONSOLIDATION (continued)

Trading results extracted from the financial statements of the trading subsidiaries are shown below:

	KSWA Ltd £'000	KSW Ent Ltd £'000	Total 2021 £'000	KSWA Ltd £'000	KSW Ent Ltd £'000	Total 2020 £'000
Turnover	82	-	82	96	19	115
Interest receivable and sundry income	4	-	4	1	-	1
Cost of sales	(84)	-	(84)	(48)	-	(48)
Administrative costs	(5)	(5)	(10)	(3)	(12)	(15)
Operating profit	(3)	(5)	(8)	46	7	53
Gift aid donation	-	-	-	(46)	(7)	(53)
Retained profit	(3)	(5)	(8)	-	-	-
Net assets	15	(5)	10	19	-	19
Balance owed to/(by) the School at 31 July	29	-	29	(15)	2	(13)

The trading companies make gift aid donations of all taxable profits to the School with the result that both trading subsidiary companies have a nil annual corporation tax liability. The King's School Worcester, as a registered charity, has no liability to UK corporation tax in respect of its income and gains properly applied for its charitable purposes.

24. RELATED PARTY TRANSACTIONS

As stated in note 1 to the financial statements, the School has two connected trading companies, King's School Worcester Activities Limited and KSW Enterprises Limited. A set off agreement exists between The King's School Worcester and King's School Worcester Activities Limited with Lloyds Bank plc for interest purposes only. The gift aid transactions between the School and these companies together with details of the year end balances are reported in note 23 to the financial statements.

The School Governors include a partner in Parkinson Wright LLP, one of the firms of solicitors engaged by the School. The value of legal services provided to the School during the year, all of which were negotiated at arm's length and supplied on normal commercial terms, amounted to £1,358 (2020: £nil). The balance due to Parkinson Wright LLP at the year end was £nil (2020: £nil).

The School Governors include a governor of the University of Worcester. The University provided sports facilities and training courses to the School during the year, the charges for which were negotiated at arm's length and supplied on normal commercial terms. The total value of services provided amounted to £975 (2020: £4,902). The balance due to the University at the year end was £2,085 (2020: £nil).

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

24. RELATED PARTY TRANSACTIONS (continued)

In the course of its ordinary activities the school conducted business with the Dean and Chapter of Worcester Cathedral in respect of rent, events and staffing, all negotiated at arm's length on normal commercial terms, totalling £103,175 (2020: £105,940) and totalling £77,470 (2020: £78,057) in respect of choral scholarships.

The Dean is an ex officio member of the school's Governing body, and six of the school's nominative Governors are appointed by the Dean and Chapter of Worcester Cathedral. The balance due from the Dean and Chapter of Worcester Cathedral and its trading entities at the year end was £180 (2020: £nil).

A number of school Governors are trustees of The King's School Worcester Development Trust, a separate registered charity (see note 23). In the course of its ordinary activities the school conducted business with the King's School Worcester Development Trust in respect of events and fundraising activities. The school received from the Trust £nil (2020: £2,502) in respect of events income and expenses due to the School on normal commercial terms and grant funding, totalling £204,619 (2020: £132,183) for the year was due to the School at the year end. During the year the school received net donations of £6,100 (2020: £2,533) on behalf of the Trust and the net balance due to the School by the Trust at the year end was £8,530 (2020: £6,033). In addition at the year end the school held cash balances as agent for The Development Trust amounting to £5 (2020: £5).

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

25. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

Year to 31 July 2020		Unrestricted Funds	Restricted Funds	Endowed Funds	2020 Total	2019 Total
	Notes	£'000	£'000	£'000	£'000	£'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	15,280	-	-	15,280	16,401
Ancillary trading income	3	743	-	-	743	1,029
Other trading activities						
Non-ancillary trading income	4	115	-	-	115	174
Other activities	4	32	-	-	32	36
Investments						
Interest and investment income	5	23	3	-	26	37
Voluntary sources						
Grants and donations	6	420	152	-	572	178
Total incoming resources		16,613	155	-	16,768	17,855
Expenditure on:						
Raising funds						
Non-ancillary trading	7	62	-	-	62	92
Financing costs	8	161	-	-	161	181
Fundraising and development	7	134	-	-	134	162
Total		357	-	-	357	435
Charitable activities						
Education and grant making	7	16,429	133	-	16,562	17,085
Pension scheme re-measurement of the estimate of past service costs	22	14	-	-	14	85
Total expenditure		16,800	133	-	16,933	17,605
Net (outgoing)/incoming funds from operations before transfers and investment gains		(187)	22	-	(165)	250
Gains on investments	11	2	-	1	3	17
Net income		(185)	22	1	(162)	1,011
Transfers between funds	21	12	(12)	-	-	-
Net movement in funds for the year		(173)	10	1	(162)	275
Fund balances brought forward at 1 August 2019		23,383	333	51	23,767	23,492
Fund balances carried forward at 31 July 2020		23,210	343	52	23,605	23,767

THE KING'S SCHOOL WORCESTER
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2021

26. SCHOOL STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Restricted Funds	Endowed Funds	2021 Total	2020 Total
	£'000	£'000	£'000	£'000	£'000
Income and endowments from:					
Charitable activities					
School fees receivable	15,717	-	-	15,717	15,280
Ancillary trading income	397	-	-	397	743
Other trading activities					
Other activities	71	-	-	71	32
Investments					
Interest and investment income	5	3	1	9	26
Voluntary sources					
Grants and donations	132	229	-	361	654
Total incoming resources	16,322	232	1	16,555	16,735
Expenditure on:					
Raising funds					
Financing costs	51	-	-	51	161
Fundraising and development	130	-	-	130	134
Total deductible costs	181	-	-	181	295
Charitable activities					
Education and grant making	16,174	222	-	16,396	16,562
Pensions scheme re-measurement	(6)	-	-	(6)	14
Total expenditure	16,349	222	-	16,571	16,871
Net (outgoing)/ incoming funds from operations before transfers and investment gains	(27)	10	1	(16)	272
Gains on investments	24	15	5	44	3
Net income	(3)	25	6	28	(133)
Transfers between funds	7	(7)	-	-	-
Net movement in funds for the year	4	18	6	28	(133)
Fund balances brought forward at 1 August 2020	23,145	343	52	23,540	23,673
Fund balances carried forward at 31 July 2021	23,149	361	58	23,568	23,540

