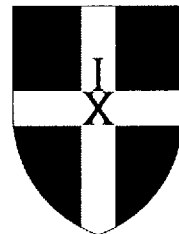


**The King's School**  
*Canterbury*



**THE GOVERNORS, THE HEAD MASTER &  
THE LOWER MASTER OF  
THE KING'S SCHOOL OF  
THE CATHEDRAL CHURCH OF CANTERBURY  
IN THE CITY OF CANTERBURY**

**ANNUAL REPORT  
AND FINANCIAL STATEMENTS  
For the year ended 31 August 2019**

**THE KING'S SCHOOL, CANTERBURY**  
**Annual Report and Financial Statements**

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# THE KING'S SCHOOL, CANTERBURY

## Legal and Administrative Details

The full name of the Charity is "The Governors, The Head Master & The Lower Master of the King's School of the Cathedral Church of Canterbury in the City of Canterbury". It is referred to throughout these accounts as "The King's School, Canterbury".

<p><b>Governors</b>  <b>Dean &amp; Residentiary Canons of Canterbury (Ex-officio)</b>  The Very Reverend Dr R A Willis DL DCL DD (Chairman)  The Reverend Canon C Edwards SRN RSCN BTh (left Nov '18)  The Reverend Canon N C Papadopoulos MA (left Sept '18)  The Venerable J Kelly-Moore BA LLB BD  The Reverend Canon T Naish MA PhD  The Reverend Canon E Pennington BA MA DPhil (joined March '19)  <b>Appointed by the Dean &amp; Chapter of Canterbury</b>  R C A Bagley Esq LLB</p> <p><b>Nominated by Trinity College, Oxford</b>  Vacant</p> <p><b>Nominated by Corpus Christi College, Cambridge</b>  Dr M L Sutherland Esq Bsc MSc PhD</p> <p><b>Co-opted</b>  Mrs E McKendrick BA  N S Lyons Esq (OKS) MA (Vice Chairman)  Sir Roger De Haan  J D Tennant Esq MRICS  M W S Bax Esq (OKS) FRICS  Miss F J Judd (OKS) QC  T M Steel Esq MA DL  Mrs C Swire MA Dip.Cons BA  B R K Moorhead Esq DL</p>	<p><b>Officers of the School</b></p> <p><b>Headmaster</b>  P J M Roberts Esq MA</p> <p><b>Bursar and Clerk to the Governors</b>  M R Taylor Esq FRSA</p> <p><b>Senior Deputy Head (Lower Master)</b>  Mrs E A Worthington MA</p> <p><b>Deputy Head (Academic)</b>  L G Bartlett Esq BA MRSC</p> <p><b>Deputy Head (Pastoral)</b>  Miss T Lee BA</p> <p><b>Deputy Head (Admissions and Marketing)</b>  Mr I S MacEwen MA</p> <p><b>Head of the Junior King's School</b>  Mrs E Károlyi MA</p> <p><b>International Director of the King's International College, Canterbury</b>  G R Cocksworth Esq MA (left August '19)</p> <p><b>Address of the School</b>  25 The Precincts  Canterbury  Kent  CT1 2ES</p>
<p><b>Governors' Sub-Committees</b>  <b>Finance &amp; General Purposes Committee</b>  N S Lyons Esq (OKS) MA (Chairman of this Sub-Committee)  The Very Reverend Dr R A Willis DL DCL DD  Sir Roger De Haan  R C A Bagley Esq LLB  T M Steel Esq MA DL  The Reverend Canon N C Papadopoulos MA (left Sept '18)  B R K. Moorhead Esq DL</p> <p><b>The Junior King's School Committee</b>  The Very Reverend Dr R A Willis DL DCL DD (Chairman of this Sub-Committee)  R C A Bagley Esq LLB  The Reverend Canon C Edwards SRN RSCN BTh (left Nov '18)  Mrs C Swire MA Dip.Cons BA  B R K Moorhead Esq DL</p>	<p><b>Estates Committee</b>  J D Tennant Esq MRICS (Chairman of this Sub-Committee)  N S Lyons Esq (OKS) MA (Chair F&amp;GPC Ex-officio Member)  Sir Roger De Haan  R C A Bagley Esq LLB  M W S Bax Esq (OKS) FRICS</p> <p><b>Governance Committee</b>  The Very Reverend Dr R A Willis DL DCL DD (Chairman of this Sub-Committee)  N S Lyons Esq (OKS) MA  R C A Bagley Esq LLB  Mrs C Swire MA Dip.Cons BA  The Venerable J Kelly-Moore BA LLB BD</p> <p><b>Risk Management Committee</b>  R C A Bagley Esq LLB (Chairman of this Sub-Committee)  The Reverend Canon C Edwards SRN RSCN BTh (left Nov '18)  Miss F J Judd (OKS) QC</p>

**THE KING'S SCHOOL, CANTERBURY**  
**Legal and Administrative Details**

<p><b>Governors' Sub-Committees (continued)</b></p> <p><b>Audit Committee</b>  The Very Reverend Dr R A Willis DL DCL DD  (Chairman of this Sub-Committee from Sept '18)  The Reverend Canon N C Papadopoulos MA  (Chairman of this Sub-Committee) (left Sept '18)  N S Lyons Esq (OKS) MA (Vice Chairman)  T M Steel Esq MA DL</p>	<p><b>Investment Committee</b>  T M Steel Esq MA DL (Chairman of this Sub-Committee)  The Very Reverend Dr R A Willis DL DCL DD (from Sept '18)  N S Lyons Esq (OKS) MA  The Reverend Canon N C Papadopoulos MA (left Sept '18)</p>
<p><b>Pastoral Liaison Committee</b>  The Reverend Canon C Edwards SRN RSCN BTh  (Safeguarding Governor) (left Nov '18)  R C A Bagley Esq LLB  Mrs E McKendrick BA  Miss F J Judd (OKS) QC (Safeguarding Governor)</p> <p><b>Joint Academic Committee of Governors &amp; Staff</b>  Dr M L Sutherland Esq BSc MSc PhD (Chairman of this Sub-Committee)  Mrs E McKendrick BA  The Reverend Canon T Naish MA PhD</p> <p><b>Joint International Committee of Governors &amp; Staff</b>  N S Lyons Esq (OKS) MA (Chairman of this Sub-Committee)  The Very Reverend Dr R A Willis DL DCL DD  The Venerable J Kelly-Moore BA LLB BD</p> <p><b>Joint Foundation Committee of Governors &amp; Staff</b>  N S Lyons Esq (OKS) MA (Chairman of this Sub-Committee)  T M Steel Esq MA DL</p>	<p><b>Professional Advisers to the School</b></p> <p><b>Bankers</b>  Barclays Plc  London Corporate Banking  1 Churchill Place  London E14 5HP</p> <p><b>Auditors</b>  Alliotts  Friary Court  13-21 High Street  Guildford  Surrey GU1 3DL</p> <p><b>Investment Managers</b>  Sarasin &amp; Partners LLP  100 St Paul's Churchyard  London  EC4M 8BU</p> <p><b>Solicitors</b>  Boys and Maughan  57 Queen Street  Ramsgate  Kent CT11 9EJ</p> <p>Farrer &amp; Co  66 Lincoln's Inn Fields  London  WC2A 3LH</p> <p>Bond Dickinson  1 Whitehall Riverside  Leeds  LS1 4BN</p> <p>Veale Wasbrough Vizards  Narrow Quay House  Narrow Quay  Bristol BS1 4QA</p> <p>Shulmans  10 Wellington Place  Leeds  LS1 4AP</p>

# THE KING'S SCHOOL, CANTERBURY

THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019

## Legal Definition:

The full name of the Charity is "The Governors, The Head Master & The Lower Master of the King's School of the Cathedral Church of Canterbury in the City of Canterbury". Throughout this Report and the subsequent Financial Statements and accounts it is referred to as "The King's School, Canterbury" and as 'The School' in the Annual Report.

The Governing Body, which is formed of the Trustees of the Charity, presents this Annual Report prepared under the Charities Act 2011 (the Act) and the Charity (Accounts and Reports) Regulations 2008, together with the audited Financial Statements for the year ended 31 August 2019, and confirm that the latter comply with the requirements of the Act, the King's School, Canterbury's Royal Charter, applicable accounting standards in the United Kingdom (UK Generally Accepted Accounting Practice) and the Charities SORP (FRS102).

The King's School, Canterbury, whose origins find their roots in the monastic school founded by St Augustine, subsequent to his mission of 597 A.D., was re-founded by Henry VIII in 1541 A.D. As well as being regulated by the Charities Act (Registered Charity, number 307942), it is incorporated by Royal Charter dated 8<sup>th</sup> July 1946 and amended by a Supplemental Royal Charter dated 4<sup>th</sup> February 1992.

The King's School, Canterbury is made up of 'King's', the Senior School, 'Junior King's', the Prep School, 'The Junior King's Pre-Prep' the Pre-Prep School and The International College. Together, they provide a co-educational boarding and day education for children and young people from 3-18 years and this is the principal activity of the Charity.

## Corporate Governance

Corporate Governance is achieved by delegation of some of the Governors' work to Sub-Committees (outlined on pages 2-3). These Sub-Committees comprise at least two nominated Governors with School Officers in attendance, as appropriate. This ensures that strategic planning; key areas of Governance and matters arising from meetings find prompt consideration. The Sub-Committees which met as required during the year are as follows:

**Finance & General Purposes Committee** – this Committee met three times this year and is responsible for reviewing and monitoring strategic financial policy and information. It also recommends any appropriate action to the full board of Governors.

**Investment Committee** – this Committee is set up to receive quarterly and additional ad hoc reports from the Investment Managers and to keep their performance under review. It also regularly reviews the School's Investment Policy, which develops with time. The Committee met twice during the year.

**Audit Committee** – this Committee holds regular meetings with the external auditors, considers the reports of the external auditors, examines the appropriateness of accounting policies and monitors the School's internal financial controls. The Committee met twice during the year.

**Junior King's School Committee** – this Committee has a remit to oversee, supervise and provide support for the leadership of The Junior and Pre-Prep Schools: it met three times during the year.

**Governance Committee** – this Committee recommends candidates for nomination as new Governors, as well as reviewing, training, sub-committee membership and remuneration of senior staff, taking into consideration the skills and experience required of the Governing Body as a whole. It met three times during the year.

# THE KING'S SCHOOL, CANTERBURY

## THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019

**Risk Management Committee** – this Committee meets once or twice a year: it ensures that regular risk assessment reviews of the School's operation are undertaken and considers the results, determining whether any corrective action is required.

**Pastoral Liaison Committee** – this Committee met twice during the year to discuss best practice in the field of pastoral care and safeguarding, central aims of the management of both schools.

**Estates Committee** – this Committee meets three times each year and is a sub-committee of the Finance and General Purposes Committee. Its remit is to focus on five main areas of operation, namely strategic, operational, repairs, maintenance and 'green' Estate matters.

**Joint Academic Committee of Governors and Staff** – this Committee, which meets twice a year, was established as a forum for discussion of educational policy between senior staff and Governors, providing any additional support and guidance useful for the schools. The Head Master ensures that the academic management of the schools is reflected in the choice of this Committee's King's and Junior School staff members. Departments from across the schools are invited in turn to present to the Committee.

**Joint International Committee of Governors and Staff** – this Committee was set up to explore and evaluate options and opportunities for King's on the international front, as well as guide the development of the King's School Canterbury International College at the Canterbury Malthouse site and preparations to establish King's International School in Shenzhen.

**Joint Foundation Committee of Governors and Staff** – this Committee comprises members from Governors, School Officers, past pupils of the King's School, Canterbury ('OKS'), past and present parents. It provides an independent forum for its members to explore the School's development plans and fundraising projects.

### **Governors' Selection, Induction and Training**

The Dean and Residentiary Canons of Canterbury form part of the Governing Body; others are nominated by the Dean and Chapter; The President of Trinity College, Oxford, and The Master of Corpus Christi College, Cambridge, nominate one Governor each; and then the Governance Committee which meets regularly identifies the professional and personal skills needed to complete the full set of professional aptitudes needed for effective Governance. After consideration of qualifications and experience, as well as consultation with the senior staff, if the Governance Committee are in agreement, then the nomination is considered for election at the next termly meeting of the full Governing Body.

The Bursar, as Clerk of Governors, furnishes new Governors with all relevant briefing documents and background materials. He also sets up frequent training opportunities and regularly sends out details of AGBIS Conferences, seminars and training days. In addition, the Governors attended a specific detailed child protection training session in December 2018.

Each September/October, as the School embarks on a new academic cycle, the Governors meet with the Head Master, the Head of the Junior School, the Bursar and other appropriate School Officers to review the strategic direction and educational progress of the School, as well as considering the prioritisation of major projects. In 2018 the Governors' Strategy Day took place in September: the day focused on the major projects, Partnerships, Junior King's Masterplan and International College and School.

### **Organisational Management**

Governors, other than those who hold office ex-officio, are appointed for a term of 5 years. This may be renewed for a further term of 5 years; in exceptional circumstances, this may be extended further on the recommendation of the Governance Committee. The Governors set the overall policy for the running of the School in consultation with the Head Master. The Head Master oversees the educational running and

# **THE KING'S SCHOOL, CANTERBURY**

## **THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019**

development of the School in consultation with the Head of the Junior School (as regards Junior School and Pre-Prep School matters), the Senior Deputy Head, the Deputy Head Academic, the Deputy Head Pastoral and the Bursar. The Bursar is responsible to the Governors for the financial and non-academic administration of the School, in consultation with the Head Master.

The Governance and Nominations Sub-Committee oversee the remuneration of senior staff, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the School's success. The appropriateness of the remuneration policy is reviewed annually, including reference to comparisons through anonymous third party benchmarking with other independent schools to ensure that The King's School remains sensitive to the broader issues of salary and employment conditions elsewhere.

### **Group Structure and Relationships**

The School has two wholly owned non-charitable subsidiaries, The King's School Enterprises Ltd and The King's School, Canterbury International Ltd., the aim of which is to support the educational and charitable purposes of the King's School, Canterbury.

The School helps to sustain and benefits from what could be described as the wider King's 'family'. This consists of the generosity and involvement of the past pupils of the King's School, Canterbury ('Old King's Scholars' or 'OKS'); the fellowship of the King's Society which provides social and cultural opportunities for parents of King's to enjoy events at the School and elsewhere; and the practical support and organisation of events by the Friends of Junior King's.

### **Risk Management**

The Governors consider the economic and political turbulence of recent years and the affordability of fees by parents across the independent sector to be the principal operational risks faced by the School. Accordingly, in September 2018, the Governing Body froze King's day fees, other fees were increased by 3% and kept up the high degree of commitment to Scholarships, Awards and Bursaries. Safeguarding is the first and most important area of pastoral risk management, closely followed by Health and Safety. These risks range from fire and infrastructure to personal risk (most notably when pupils and staff are away on trips). The level and breadth of activity at the School are impressive and the risks associated with all activities are minimised by thorough, careful planning and up-to-date risk assessment.

The Governors are responsible for the management of the risks faced by the School. Detailed considerations of risk are delegated to the Audit and to the Risk Management Committees, which are assisted by the Senior Leadership Team, School Committees and specialist consultants, as appropriate. Risks are identified and assessed and then controls are established throughout the year. A formal review of the Charity's risk management processes is undertaken on an annual basis.

Internal Audit was introduced in January 2006 and is reviewed annually by the Audit Committee Governors: the most recent audit was November 2018. In addition to this an internal audit was undertaken within the Information Technology department.

The key controls used by the charity include:

- Formal agendas for all Committees
- Detailed terms of reference for all Committees
- Comprehensive budgeting and management accounting
- Established organisational structure and lines of reporting

# **THE KING'S SCHOOL, CANTERBURY**

## **THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019**

- Formal written policies
- Financial regulations, including authorisation and approval levels.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

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

#### **Objects**

The objects of the Charity are:

1. To promote the education, in the broadest sense of the word – spiritual, intellectual, musical, sporting, aesthetic, artistic and personal – of the children and young people who make up its pupil body. The breadth and diversity of the educational provision for each pupil is its outstanding feature, but the exceptional pastoral care and Christian ethos form the base for this creativity to develop. The recruitment of high calibre and dedicated staff is key to the success of this object.
2. To carry out and maintain the King's School, Canterbury, the Junior King's School (including the Pre-Prep) and the International College, together with all the lands, securities, money and property of every description real or personal vested in, or belonging, to any Governors on behalf of the Charity.
3. To support and to develop further the wide-ranging programme of partnership projects undertaken by the School within the local community through the 'Schools Together Group' and through the aegis of 'East Kent Schools Together' of which King's is a founder member.

#### **Aims and intended impact**

In setting the School's objectives and pursuing its goals, the Governing Body has given careful consideration to the Charity Commission's general guidance on Public Benefit and, in particular, to its supplementary Public Benefit guidance on advancing education and fee-charging. Internally, the King's School, Canterbury has always sought to offer as wide and diverse an access to its unique education as it can afford so to do. The later section on Scholarships and Bursaries outlines the strategy to attract talented pupils to study and contribute at the School. The later section, reporting on the partnership projects the School has been involved in, both within the City of Canterbury and East Kent more generally, highlights the external public commitments of the School during the last year. The later section concerning Canterbury as a World Heritage site, the King's School Recreation Centre, public and local exhibitions, charity fund-raising and sponsorship and use of School facilities summarises the way the School's own campus and plant are put to Public Benefit.

#### **Objectives for the year ended 31 August 2019**

- To continue to nurture the potential of the School's pupils so that they become creative, well-rounded, inventive, open-minded and well-grounded young people, imbued with intellectual curiosity and spiritual awareness, and motivated by sound principles and a sense of service to others.
- To continue to develop the highest standard of teaching and tutoring so that all pupils fulfil their academic potential to the full and develop their intellectual and conceptual powers in a positive and inclusive way.
- To provide the broad and diverse academic and co-curricular programmes to support the above objectives.
- To create a tolerant, supportive, close-knit and forgiving school community that will attract pupils from all social, economic, ethnic and cultural backgrounds to come and study at the School. The King's School, Canterbury and Junior King's are diverse communities, reflecting the wider nature of society.
- To recruit and support a high calibre staff with wide interests to enable the above aims to be achieved.



# THE KING'S SCHOOL, CANTERBURY

## THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019

- To maintain the highest academic standards for all pupils, whilst ensuring the curriculum is appropriate for a student body which has a diversity of talents.
- To be a leading force in educational improvement and innovation, whilst believing in the traditional rigour of intellectual discipline.
- To keep rolls at the School at a level to continue to improve the offering for pupils/
- To generate growth in the endowment of the King's School, Canterbury's Foundation and to undertake fund-raising to support its development projects.
- To support as fully as possible, the partnership programmes of the School, in particular East Kent Schools Together, The Canterbury Primary Science Partnership and Sounding Out.
- To develop international links with the Anglican Communion worldwide (principally this is with the Diocese in Madagascar and a boarding school in Malawi) and with similar-minded schools in other countries, (this currently involves exchange initiatives with schools in Europe, a university in Turkey and study links with China).
- To progress the Masterplan which aims to secure an exciting and relevant King's education for the 21<sup>st</sup> century. This includes the refurbishment of the Malthouse as a theatre, the construction of the International College and many other Capital projects.

### Strategies to achieve the year's objectives

The academic year of 2018-9 focused on the theme of creativity, curiosity and imagination linking the varied and wide-ranging strands of a King's education. This theme was pursued by all three sections of the organisation. For King's the theme was highlighted by the occupation and the first use of the state-of-art theatre, dance studios and other creative spaces in the Malthouse during the summer term and, in particular, by the accomplished productions of 'A Midsummer Night's Dream' and 'Moulin Rouge' (dance tableaux) during King's Week. The theme was taken on again by Michael Morpurgo (OKS) at the 90<sup>th</sup> Anniversary Speech day at Junior King's where he emphasised the importance of story-telling and imagination as part of a liberal education, but also with the creative mix of achievements on display at the Graduation Day for the first cohort of students from the King's International College in Canterbury.

On the academic front, the teaching Departments at the School worked very hard to deliver the best possible Public Examination results for pupils and their families in both the Fifths (I/GCSE) and at 6a level (Pre U and 'A' Level). The outcome summarised below highlights the value the teaching added to the worthy efforts of these pupils. It was an important year, which combined the integration of more linear 'A' Level courses and new specifications at I/GCSE. The high level of the subsequent results is a tribute to the quality and dedication of the teaching, right across the subjects. The Pre-U syllabuses continue to enable some Departments to encourage wider reading and more individual intellectual enquiry and analysis from the candidates. The Extended Project Qualifications brought us an impressive range of subjects, all at a good academic level; there was a good response from pupils to national essay prizes and British Olympiad competitions.

It was an exceptional year of music making with the Symphony Orchestra and Crypt Choirs performances across concerts here in Canterbury, London and other venues in particularly fine form. The jazz and Big Band groups played to full houses or tents during King's Week and the standard of the three pupil-run close harmony groups was very impressive. The same levels were also achieved in the visual arts, the Summer Show showcasing the work of painters, sculptors, photographers and ceramicists who all went on to Art School.

It was perhaps the connections the School made beyond its walls and gates that was such a feature of the year: the Partnership programme with local Primary Schools and with the East Kent Schools Together are now multi-faceted and significant parts of King's life. The links between the School, both personal and educational, and the new International College brought new perspectives and understanding to each side. The construction

# THE KING'S SCHOOL, CANTERBURY

## THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019

of the King's International School in Shenzhen meant that educational, digital, professional and cultural links were forged between the Precincts here in Canterbury and the dynamic and ever-expanding world of the Pearl River Delta in China. The King's family now includes the King's School, Canterbury, the Junior King's School and the International College. From September (2019) the King's International School in Shenzhen will join as the fourth family member.

On a weekly basis, the opportunity for the School to play a meaningful part of the spiritual and liturgical life of Canterbury Cathedral is both a great privilege and joy.

### Performance for the Year

The King's School, Canterbury, by its size and its championing of a broad, diverse and relevant idea of education performed at very high levels across the year in sport, music, drama, outdoor activities and by service in the context of the CCF and volunteering for charities in the City of Canterbury. Debating, charity fund-raising, lectures, talks and Young Enterprise groups go alongside the more formal curriculum. The opportunities are great and the ethos of the School reflects the aim of sharing one's gifts across what is a tapestry of activity and endeavour. Here follows a summary of the academic, university and other achievements from last year:-

2018-19 was another successful year academically running alongside the vast range of co-curricular activities and achievements in a very full School.

The 179 (180 in 2017-18) Year 13 Leavers took 494 (483) A levels and 98 (113) Cambridge Pre-U qualifications, an average of 3.3 each (3.3), with 20% (20%) at A\*/D1/ D2 (against a national average of 8%).

Five pupils achieved four A\*/D1/D2 grades with a further seven achieving three A\* grades each. 58 (65) pupils achieved the equivalent of three A grades or better. Leavers achieved 11 Oxbridge offers, of which 9 were made, and a further 26 gained places at UCL, the LSE and ICL. 8 students gained places at US universities, including Northeastern and the University of Southern California.

Of the 179 leavers, most achieved their first choice with over 150 early places at Russell Group and the 1994 group of UK Universities; Edinburgh, UCL and KCL this year were the most popular. Others move on to Drama School, Art College, or Music Conservatoires. Some will undertake projects of service or other expeditions as part of their Gap Year. 11 (five in 2018) Leavers are off to study Medicine or Veterinary Science.

The Year 11 results were very encouraging given the change to new courses (9-1 grading) in several more subjects. 1745 IGCSEs were taken by the largest ever GCSE cohort of 172 pupils with 44.5% (pre-remarks; 2018: 45% pre-remarks) of grades at A\*/9/8; 70% at A\*-A (73% in 2018). 28 (22) pupils achieved 9 or more A\*s, with six (four) pupils achieving 11 A\*s or more. 96.5% of pupils achieved at least one A or equivalent and 84.5% of pupils achieved at least one A\* or equivalent.

King's sport in 2018-19 can be epitomised by the diversity of sports available for pupils, at whatever level they participate. The U14 girls hockey made the regional finals, both the boys and girls squash teams qualified for the National Schools Finals, we had south east representation at U16 and U18 level in Fencing; the boys and girls cricket continues to thrive under the watchful eyes of Mark Ealham and Susie Rowe, and the 1<sup>st</sup> VIII qualified for Henley Royal Regatta. Last season saw the Boat Club entering crews most weekends from Shell girls' octuples at Scullery through to the 1<sup>st</sup> Eight at Ghent National Schools. Two Gold Medals were won at the British Junior Rowing Championship and a King's Crew represented England at an International Regatta.

# THE KING'S SCHOOL, CANTERBURY

## THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019

Arguably, the most significant musical highlight of the school year was the Lent Term performance of Brahms' Ein Deutsches Requiem, by the King's Chorus and Symphony Orchestra in Canterbury Cathedral. In addition to the impressive technical account of this most demanding piece by some 200 performers, it was also particularly poignant to welcome 20 OKS back to the choir and one of opera's bright stars, Tristan Hambleton (also OKS), joined Marie Arnet as a soloist.

### Junior King's School

Junior King's is about an all-round education, where academic and extra-curricular activities are nurtured and developed in every pupil, in a caring, kind and supportive environment.

Academically, Junior King's continues to be very successful. In the recent Common Entrance exams and Scholarships by our Year Eights, all pupils were successful in gaining entry to their chosen senior schools. Academic success for the Junior King's School was achieved with 74% of Common Entrance papers graded between A\*-C. For our scholarship form, 77% of scholarship grades were A\*-C level.

We awarded academic scholarships for 11+ to five Year Six pupils, one was external.

An Academic, Art, Design Technology and Drama Scholarship to The King's School was awarded to four Junior King's pupils. A further two Exhibitions were awarded for Design Technology and one for Academic. A total of thirteen pupils were invited to places on the King's School excellent extension programmes. Two of our scholarship class have moved on to Tonbridge School. The vast majority of pupils from the CE classes are progressing on to The King's School for Year Nine/Shell.

Following a review of our academic provision for Upper School, particularly in the Humanities subjects, we are launching a new two-year curriculum for Year Seven and Year Eight in September 2019, co-ordinating this closely with the Heads of Department at The King's School. The new and exciting curriculum moves to a more skills-based focus and assessment will be more frequent. There will be less dependence on learning facts covered for a one-off final exam but moving to using the facts to develop a deeper understanding of the subject. Pupils can develop their skills of research, analysis and creativity, and will have opportunities to form their own arguments in their writing, in debates, and through presentations.

Our pastoral care is strong and central to our provision. We follow a clear pastoral structure with form teachers, heads of year, section heads and boarding staff, the Deputy Head (Pastoral Care, Safeguarding and Boarding), as well as the Chaplain, Senior Nurse and a counsellor, who works at the school for two days a week. We have an excellent PSHE programme in place and have run Mental Health workshops for pupils, staff and parents this last year. The School Council, prefects and monitors strengthen relationships and represent pupils' views and committees to enable pupils' views to be heard.

For the third year running, Junior King's took part in King's Week, this year with an outstanding performance by Year Seven of two short plays (GCSE level), directed and produced by our new part-time drama teacher. Earlier in the year, we hosted and won many prizes at the Kent Festival of Speech and Drama. Mary Poppins was performed by Middle School and the Year Eight play 'Channel Utopia', written by our drama teacher, was very successful. One pupil was awarded a scholarship to The King's School and a further six talented pupils were offered a place on the Excellence programme.

We were delighted to be awarded the Arts Council Artsmark Gold Level Award this year for our creativity contribution to and focus on the arts in education. We continue to develop a strong community link with the students from Christ Church University on work placements and experience in all aspects of theatre. We are now developing the technology side of theatre and will be training pupils to develop their skills in this area too.

# THE KING'S SCHOOL, CANTERBURY

## THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019

Art continues to be a great strength and pupils develop experience of a range of media. Much of the themed work has become more cross-curricular in approach, with the Art Teacher working closely with subject HoDs and form teachers in Junior House and Middle School. A similar approach happens in Design Technology. An outstanding exhibition in the summer term showcased the standards achieved by our pupils in both Art and Design Technology. Three pupils were awarded a place in the King's Art Extension Group and three in the King's Design Technology Excellence Group. Two pupils received a King's Scholarship and two an exhibition.

The number of Music lessons continues to rise with a record number of individual instrumental lessons being taught (10,830 lessons per year) from 26 visiting music staff; in addition, there have been 1050 theory music lessons this year and our ensembles have increased to 18 different groups. Music for Pre-Prep children also continues to be popular with a number of children having music lessons at an earlier age in the music school. A number of visiting professional musicians have visited this year to give inspiring workshops.

Junior King's teams enjoyed much sporting success at local home and away fixtures as well as at IAPS national level. This year we have seen successes in a range of sporting areas such as golf, swimming, athletics and fencing, along with the popular introduction across the Prep School of Girls Cricket. There were two Sports Awards to The King's School awarded for fencing and swimming this year with another pupil being offered a place on the King's Sports Excellence Programme.

Aware of our competition and the need to attract more day pupils to our school in a volatile market, we have appointed a graduate who will focus on marketing and promoting Junior King's on our social media platforms and she will also work on the Chronicle magazine and Junior King's website in future. Our in-house Maintenance Team have developed a new office beside the Admissions Office.

We continue to take important steps in improvements to our buildings and infrastructure. The strategic masterplan has included a space audit, a discussion over improvements to the current buildings has taken place, and a priority list is being drawn up. Additional classrooms are required and much-needed improvements to the Manor House and to the Barn are also priorities. Extensive improvements to the Boys Boarding floor has taken place this summer to provide more homely and updated accommodation for the boys. The IT infrastructure at Junior King's continues to be updated and we are looking at a better system for communicating last-minute news to parents (e.g. timing returns from fixtures).

Throughout the year, the school continues to raise large sums of money with fundraising by staff, parents and children via various activities including the School Fête, cake sales, sponsored events and Friends' events, including most recently the 1920s Ball, which raised approximately £25,000 for two different charities.

Links with the local community are strong with a range of groups using the School's facilities. The Science department maintains its links with local Primary Schools in the Science Partnership project and we have donated many items including IT equipment and furniture to the local community. Reciprocal links with Sturry Church are excellent and we have regular joint meetings with the Church and are developing shared activities and community events.

# THE KING'S SCHOOL, CANTERBURY

## THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019

The pupil numbers are as follows:

	2018-19		2017-18		2016-17	
	Total	Boarders	Total	Boarders	Total	Boarders
Senior School	848	675	819	653	853	676
Junior School	277	63	283	78	271	85
Pre-prep	82	0	85	0	98	0
International	23	23	0	0	0	0
	Girls	Boys	Girls	Boys	Girls	Boys
Senior School	430	418	386	433	410	443
Junior School	114	163	131	152	122	149
Pre-prep	37	45	38	47	44	54
International	11	12	0	0	0	0

### Scholarships and Bursaries

During the year, and in fulfilment of the objectives of the charity, the Governors made available 191 (2018: 185) Scholarships and 77 (2018: 64) means-tested Bursaries, which together total £2,113k (2018: £1,772k). These were awarded to enable pupils to benefit from the education offered at King's where there was need for financial assistance.

At present, a significant proportion of Scholarships and Bursaries are funded out of the School's current income. In order to ameliorate this, the Governors have set up a Foundation Office to encourage OKS, parents and friends of the School, to endow both Scholarships and Bursaries, this initiative had led to the Kent Awards which began during 2018-19. The aim of the Kent Award is to strengthen our roots in Kent by providing bursary support to local families who would otherwise not be able to afford a King's education.

The Governors keep the School's Bursary and Scholarship Awards policies under continuous review to help ensure that the objective of wider access continues to be achieved.

**Bursaries** - The School endeavours to provide an education to those pupils who will best benefit from the style of teaching and the facilities that we have to offer. Inevitably not all parents of such pupils will possess the means to fund the school fees that we necessarily have to charge. The School does provide means-tested bursaries for this purpose. In the year 2018-2019, we were able to offer assistance worth £1,406k (2018: £1,133k). In addition to this direct assistance with fees, the School also subsidises ancillary expenses, such as school trips, where parents would otherwise experience financial hardship.

### The King's Society

The King's Society has 258 members who are current or former parents and represents a vibrant part of school life, hosting a series of educational, cultural and social events in a variety of different venues. At the start of the academic year, the Society held welcome receptions for new parents in both Canterbury and Hong Kong, and last term hosted parents from the Junior King's School in the newly opened Malthouse. Members enjoyed a full programme of events including London theatre trips, a visit to the Dior exhibition at the V&A Museum, a tour of Goldsmiths' Hall, guided tours of St Paul's Cathedral and Westminster Abbey and a guided walking tour of Medieval London. Further afield the Society hosted a two-day visit to Oxford and Blenheim Palace, seasonal walks and a guided weekend in Vienna.

# THE KING'S SCHOOL, CANTERBURY

## THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019

### **The King's School Development Office**

In the financial year 2018-19 the King's School and Junior King's received gifts (including Gift Aid) of £2.4m which will enable the Schools to deliver a programme of significant improvements to the pastoral and teaching environment, as well as the provision of wider access to a King's education through the bursaries programme. In particular, the School has benefitted from very generous support for the Malthouse Theatre, which hosted its opening performance in King's Week 2019. The new Malthouse Sports Hall, hosting the UK's largest school fencing salle, attracted gifts of over £114k, which funded the installation of specialist fencing equipment. Once again, there was significant support from alumni and parents for the provision of bursaries at King's, and a further two 6<sup>th</sup> Form boarding places have been fully funded by one generous benefactor. The Legacy Club continues to attract support from those members of our community who have pledged to include a gift to the Schools in their will. The majority of these gifts will contribute to the funding of bursaries by adding to the overall value of the Endowment Fund. The Legacy Club Chairman, Sir Richard Ashworth, noted the sad passing of one of their key members, Tony Venner OKS, who left a very generous bequest to the King's School which has been included above.

The School wishes to record its gratitude and appreciation to all those who have contributed or pledged their support for King's over the past year, enhancing and expanding a King's Education for future generations.

### **PUBLIC BENEFIT – AUDIT PARTNERSHIP ACTIVITIES FOR THE YEAR 2018-19**

Our partnerships programme has been growing since 2014, based on our core belief that collaboration with other schools (and community groups) benefits all of us. "Widening horizons and developing skills."

#### **East Kent Schools Together (established 2017)**

It has been a busy year for EKST, the independent-state school partnership of which we are a member and which our Head of Partnerships co-chairs. It involves 7 schools and a university, working together for mutual benefit. It is funded by a levy from each school (including King's) and other grants and donations. There is a busy calendar of events for both pupils and staff (around 40 per year), aimed at widening horizons and raising aspirations across East Kent. It has attracted nationwide attention as one of the foremost multi-school ISSPs in the country. Further information at [www.ekst.org](http://www.ekst.org).

#### **Canterbury Primary Science Partnership (established 2014)**

This was established with ISSP funding from the DfE in 2014 but King's now funds. The partnership aims to support science teaching in primary schools in and around Canterbury. There are 21 member schools but some events are open to a wider catchment. The partnership covers many activities including Saturday Smarties (our twice-termly science masterclasses for upper primary pupils), teacher CPD workshops, pupils workshops (e.g. geology) and assemblies, lead teacher cluster meetings, an annual extravaganza (science show) for 600 pupils, equipment and lab loan, magazine subscriptions and resource and information sharing. The Family Science Day was established in 2017, aimed at children in receipt of pupil premium and a parent/carer to do a carousel of science experiments together, with lunch, creche and transport provided.

CPSP was the subject of a case study by the DfE:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/636291/RR682\\_ISSP\\_evaluation.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/636291/RR682_ISSP_evaluation.pdf) - from p.24)

# THE KING'S SCHOOL, CANTERBURY

THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019

## Sounding Out

This launches in September 2019 after much groundwork through the past year and is the school's response to the demise of music education in schools. Julie Evans who is employed 1 day per week heads it. Every Saturday morning during term time primary children will come to the school for instrumental and general musicianship tuition. We are starting with 16 children from four city-centre schools and will grow from there. This is aimed at families who have not been able to access music lessons and is fully funded by the school and private donors. <https://www.kings-musicschool.co.uk/copy-of-staff>

## Spires Academy partnership

We have developed a close relationship with Spires Academy over the last 5 years. Our weekly projects include Aspiring Maths - tuition for able Y9 and Y10 pupils, Exploring Classics – a course on Latin and Classical Civilisation for Y8 pupils, taught by King's pupils, and Cathedral Spires – an enrichment project for Y7 pupils in conjunction with staff at the Cathedral. We also hosted a Sailing afternoon in June 2019 for SEN pupils from Spires. All the projects bring benefit to King's pupils through the development of leadership and soft skills for the volunteers who help with or run these activities.

## St. John's CEP School Partnership

St. John's is our nearest neighbouring school and has a mobile pupil roll and high pupil premium percentage, situated in Northgate Ward, which suffers 44% child poverty. King's pupils and staff help with a number of initiatives: breakfast (daily) and after school (weekly) clubs, reading (as part of VCS), Mandarin teaching and loan of St. Mary's Hall for productions. St. John's staff and pupils take part in many of our other primary projects including CPSP and Minilympics.

## Other projects include:

- VCS – Voluntary Community Service, run as a Wednesday afternoon activity, and involving 60-70 pupils helping with reading at primary schools, charity shops and charities every week
- Minilympics/Rugbylympics – annual sporting events at Birley's for up to 180 primary pupils aimed at encouraging participation in sport and making healthy lifestyle choices.
- Talks – King's has a busy programme of talks by staff and external speakers, many of which are open to guests from local schools and the community. Typically, 150 students, parents and staff from outside King's might attend 15 talks in a term.
- Science box loan scheme – launched in 2019, dedicated boxes of science equipment are available for local schools to borrow in 3-week blocks. Designed to support the teaching of GCSE science, schools apply for (free) membership of the scheme, to include a training workshop.
- Debating – we run introductory workshops and an annual tournament for local schools.
- Philosophy conference – established in 2018 and run in partnership with the University of Kent this annual conference is attended by 200 students and staff from across East Kent and offers both curriculum and teacher CPD strands.
- Litter picks – teams of volunteer pupils and staff frequently join local community groups
- Kent SENDCo Group – we host an annual conference for SENDCos across Kent
- Russian – King's has offered weekly Russian lessons for the community for some years
- University preparation – pupils from local state schools join our Oxbridge preparation sessions. We have reciprocal arrangements for practice interviews – and many colleagues do this individually .

# THE KING'S SCHOOL, CANTERBURY

## THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019

- Work with refugees – we are working with unaccompanied minors to offer enrichment activities, and have given maths tuition in the past.
- Young Scientists Journal – founded at King's, this international online science journal is written, edited and run by school students, led by a mentor at King's and part-funded by the school. [www.ysjournal.com](http://www.ysjournal.com)
- Leadership Days – 6b pupils have run activities at primary schools during their leadership days, and PE students have run sports sessions at primary schools

### Communications:

Website: [www.kings-partnerships.co.uk](http://www.kings-partnerships.co.uk) Twitter: @Kings\_Partners Termly newsletter

### Staff:

Head of Partnerships: Christina Astin ([cma@kings-school.co.uk](mailto:cma@kings-school.co.uk))

Partnerships Administrator: Jane Murray ([jfm2@kings-school.co.uk](mailto:jfm2@kings-school.co.uk))

Head of Music Partnerships: Julie Evans ([jde@kings-school.co.uk](mailto:jde@kings-school.co.uk))

(EKST Coordinator: Sarah Moir – employed by the school but funded by and working across the EKST partnership)

### Glossary:

EKST = East Kent Schools Together, ISSP = Independent-State School Partnership, DfE = Department for Education, CPD = Career Professional Development, SEN = Special Educational Need, CPSP = Canterbury Primary Science Project, SENCO = Special Educational Needs Co-ordinator

### The King's Recreation Centre

This is an outstanding enterprise built by the School, from which the community really benefits. A high quality sports and leisure complex in the centre of Canterbury, it offers a swimming pool, sauna and steam room, gym, cardio theatre, strength & conditioning room, badminton, tennis and squash courts and a multi-use sports hall for most indoor team games. Shared between the School and the City, over 2,336 members of the public have taken out annual membership at rates that are cheaper than similar facilities in the commercial sector.

NHS and council workers are offered a further 20% discount, as are local companies' group membership. There are also 745 staff members and 939 pupils using it outside School use. Opening times are planned around the School timetable, so that members of the public can maximise use of the Centre. The 25 metre pool offers classes 7 days a week on the ASA National Teaching Plan and coaches teach swimming to just over 1,000 people a week ranging from 6 month old babies to senior citizens. Recreation Centre Manager, Clare Reed, says: "We are bombarded with requests for swimming lessons every week. We are fortunate to have a waiting list of over 200 people who all want to learn to swim here." The multi-use sports hall offers cricket nets, football, basketball and badminton; in addition, there are four squash courts, two fitness rooms, a strength and conditioning room, an aerobics studio, and multi-surface tennis courts and an all-weather hockey pitch. The Centre offers coaching across a number of sports to the local community, which has helped a number of children reach country standard in both Squash and Basketball.

The care and training at the Recreation Centre are of a high standard and currently at full capacity within the exercise referral programme. Due to the enormous success of the programme and growing demand the Centre has 10 trained instructors with a few members of the team with level 4 specific qualifications ranging from BCPR, Cancer, lower back pain, diabetes and obesity and mental health issues. The King's School Boat Club, based at Westbere Lake, has hosted invitation events and training days with local clubs such as Maidstone, Bawl Bridge and Kent University with access to the King's equipment and rowing facilities.



# **THE KING'S SCHOOL, CANTERBURY**

**THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019**

## **Charity fundraising and sponsorship**

In the year 2018-2019 over £21k was raised through collections and special events and this money has been donated to charities designated by the pupils. The Support Staff also nominated Hersden Neighbourhood Centre association as Charity of the Year and raised over £5k through various fundraising ideas.

Various other events raised £2,493 for The Gurkha Welfare Trust, £2,500 by Walpole House for Alzheimers Research UK. There are many others that are done through the Just Giving page. The MacMillan Coffee Morning raised £425.

Once again, the School sponsored the Canterbury Festival with facilities and expertise being made available to the event's organisers.

## **FINANCIAL RESULTS**

### **The King's School**

The year to 31 August 2019 resulted in net incoming resources relating to School activity of £490k (2017-18 £927k).

This excludes the net incoming resources from donations and legacies to the School's Foundation of £2,466k (2017-18 £1,541k).

The School's financial policy is to ensure that these resources are used to provide a first class education and to create and improve the facilities available to pupils but also to enable these facilities to be shared with the Canterbury community, in pursuance of the Charity's objects, when not in use by the pupils and many other users.

The incoming resources are shown after providing academic scholarships and bursaries of £2,113k (2017-18: £1,772k). During the year over £18.95m was invested in buildings and equipment (2017-18: £28.97m).

The School's properties were revalued externally August 2016 in line with the 5-year cycle.

### **King's School Enterprises Limited**

King's School Enterprises Limited is a subsidiary company of the School. It was set up in order to undertake trading activities on behalf of the School, utilising School premises and facilities when not in use by the School. All of the profits of the company are paid over to the School under a deed of covenant.

The company made a net profit of £143k (2017-18: £137k), which was paid over to the School under the deed of covenant and, under the gift aid arrangement, is not subject to tax. The net assets of the company consequently remained at nil.

### **Cleary Blackfriars Trust**

This is a registered subsidiary charity of the School whose principal objects are:

1. The promotion of education at The King's School, Canterbury
2. The establishment and maintenance of one or more "Cleary Scholarships" for pupils of The King's School, Canterbury, supporting their creative work and trips to visit places of outstanding artistic interest.
3. The maintenance of the Blackfriars building
4. The promotion of the Arts

The Trust's property was revalued in August 2016 in line with the 5-year cycle.

# THE KING'S SCHOOL, CANTERBURY

## THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019

This subsidiary charity had net incoming resources (following payment of Scholarships and Awards) of £24k (2017-18: £24k) and net assets of £675k (2017-18: £651k).

### King's School Reserves

The reserves of the charity are split between various funds and are described in more detail in notes 12A-C of the accounts:

1. **Endowed Funds:** These are funds where the capital element is considered to be permanent. The major part of these funds is the Foundation capital, which comprises the original endowment of land to the School and this forms the bulk of the School's freehold property. Other endowment funds comprise trusts set up to provide scholarships and bursaries.
2. **Restricted Funds:** These are funds subject to specific trusts declared by their donors. The use of these funds is subject to the provisions set out in each trust.
3. **Unrestricted Funds:** These are funds expendable at the discretion of the Governors; £11,632k of these funds have been designated for the Bursary Fund. Bursaries are awarded annually.

### Reserves Policy

The Governors are following policies intended:

1. to build up the reserves available to fund bursaries (the Bursary Fund) through fundraising and appeals and to seek further endowments for the funding of scholarships
2. to obtain a nominal gross yield of at least 2.5% on the School's investments and a nominal total return of RPI plus 4%

The School's ten-year cash flow forecast shows that, excluding borrowing for major capital works, all other liabilities and commitments are fully matched by available funds and the Governors are confident that the School's overall financial position remains a strong one.

Reserves and future capital funding requirements are monitored regularly by the Governors through the Finance and General Purposes Committee.

The assets and liabilities attributable to the various funds by type are shown in Note 12 to the Financial Statements, and Notes 12A-C describe the year's movements on each fund. The Governors consider that each of the charity's Funds has adequate resources to meet its individual obligations.

The School raises the majority of its income through the levying of termly tuition and boarding fees and hence it is not dependent (unlike many other charities) on irregular and uncertain sources of income. There is therefore less of a need to accumulate significant levels of freely available reserves to guard against periods of reduced income. The Governors have set an interim target of eliminating the deficit on notional freely available reserves but do not consider the current deficit to have any adverse impact upon the School's operations or on its capital development plan.

### Investment powers

These are governed by the Trustee Act 2000. Strategic investment policy is set by the Governors in conjunction with Sarasin & Partners, the School's investment managers, who then manage the investments within prescribed guidelines on a discretionary basis. The current Investment Policy is to protect the real value of income and capital whilst spreading risk. We ensure that our investment manager has strong corporate governance protocols, voting with our shareholdings and engaging with management teams, when appropriate.

# THE KING'S SCHOOL, CANTERBURY

## THE ANNUAL REPORT OF THE GOVERNING BODY FOR THE YEAR ENDED 31 AUGUST 2019

During the course of the year, the Investment Committee met to receive the reports of Sarasin & Partners. In 2007 the School's segregated portfolio was moved into the Alpha CIF for Endowments Income Units. It was felt that this was the most appropriate and efficient way of meeting the School's investment objective. Specifically, the CIF is able to invest across a very wide range of asset classes in a well-diversified fashion. The School's Sarasin investments produced an income return for the year of 4.07% against the Governors' objectives of at least 2.5%.

The Governors remain confident that their investment policy is prudent, in keeping with their investment objectives and likely to produce attractive returns over the longer term.

### Future plans

The School's plans include:

1. To uphold the ethos of the School by maintaining the current ratio of boarding to day pupils within the King's School and striving to fulfil the School's academic and co-curricular aims.
2. To build up Capital and Bursary funds through the Foundation Development Committee to enable the School to increase the number and value of means-tested bursaries as well as to implement Capital projects.
3. To continue to improve facilities through a carefully monitored Capital Building programme.
4. To explore international opportunities, both at home and abroad.
5. To continue to develop the School's commercial activities through the Kings School Enterprises Ltd.

These plans are kept under regular review by the Governors and the Senior Management Team of the School.

### Statement of Governors' responsibilities

Charity law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the affairs of the Charity and of its financial activities for that period. In preparing those financial statements the Governors are required to:

1. Select suitable accounting policies and then apply them consistently;
2. Make judgements and estimates that are reasonable and prudent;
3. Follow applicable accounting standards and the Charities SORP, disclosing and explaining any material departures in the financial statements;
4. Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

The Governors are responsible for keeping accounting records, which are such as to disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with charity law. The Governors are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

The Very Reverend Dr Robert Willis

Chairman of the Governors

  
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For and on behalf of the Governors

Canterbury, 3<sup>rd</sup> December 2019

# THE KING'S SCHOOL, CANTERBURY

## Independent Auditor's report to the Governors of The King's School Canterbury

### Opinion

We have audited the Financial Statements of The King's School for the year ended 31 August 2019, which comprise the Consolidated and School Statements of Financial Activities, the Consolidated and School Balance Sheets, the Consolidated Cash Flow and the related notes, 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 and parent Charity's affairs as at 31 August 2019 and of the group's and Charity's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### 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 Charity in accordance with the ethical requirements that are relevant to our Audit of the Financial Statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the Audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

### Other information

The Governors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the Financial Statements and our Auditor's Report thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our Report, we do not express any form of assurance conclusion thereon.

In connection with our Audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the Audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# THE KING'S SCHOOL, CANTERBURY

## Independent Auditor's report to the Governors of The King's School Canterbury

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

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the Audit, we have not identified material misstatements in the Governors' Annual Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our Audit.

### Responsibilities of the Governors

As explained more fully in the Accounting and Reporting Statement, the Governors 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 Directors 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the Audit of the Financial Statements

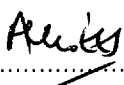
Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

A further description of our responsibilities for the Audit of the Financial Statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our Auditor's Report.

This Report is made solely to the Charity's Governors, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that act. Our audit work has been undertaken so that we might state to the Charity's Governors 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 Charity's Governors as a body, for our audit work, for this Report, or for the opinions we have formed.

Alliotts  
Chartered Accountants  
Statutory Auditor

Friary Court, 13-21 High Street, Guildford, Surrey GU1 3DL

 9th January 2020

Alliotts is eligible to act as Auditor in terms of section 1212 of the Companies Act 2006.

**THE KING'S SCHOOL, CANTERBURY**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

		Unrestricted Funds		Restricted	Endowed	Total	Total
		School	Other	Funds	Funds	Funds 2019	Funds 2018
	Notes	£'000	£'000	£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>							
<b>Charitable activities</b>							
School fees receivable	2(a)	35,513	0	(239)	0	35,274	33,237
Other educational income	4	1,641	0	0	0	1,641	1,512
Ancillary trading income	4	205	8	0	0	213	265
<b>Other trading activities</b>							
Activities for generating funds:							
Trading Income: KSEL	3	0	717	0	0	717	847
<b>Investments</b>							
Investment Income	8c	0	103	218	0	321	343
Bank and other interest	8c	95	0	0	0	95	92
<b>Voluntary sources</b>							
Grants and donations	4	455	0	422	1,589	2,466	1,541
<b>Total Incoming Resources</b>		<b>37,909</b>	<b>828</b>	<b>401</b>	<b>1,589</b>	<b>40,727</b>	<b>37,837</b>
<b>Expenditure on:</b>							
<b>Raising funds</b>							
Trading costs - KSEL	3	0	574	0	0	574	710
Expenditure on raising funds		356	0	0	0	356	319
Financing Costs		1,440	0	0	0	1,440	1,433
<b>Total deductible costs</b>	6a	<b>1,796</b>	<b>574</b>	<b>0</b>	<b>0</b>	<b>2,370</b>	<b>2,462</b>
Net incoming resources available for charitable application		<b>36,113</b>	<b>254</b>	<b>401</b>	<b>1,589</b>	<b>38,357</b>	<b>35,375</b>
Total charitable resources expended	6b	35,278	0	123	0	35,401	32,907
<b>Total Expenditure</b>		<b>37,074</b>	<b>574</b>	<b>123</b>	<b>0</b>	<b>37,771</b>	<b>35,369</b>
Net income from operations before transfers and investment gains		835	254	278	1,589	2,956	2,468
Gains/(Losses) on Investments	8a	99	0	10	167	276	163
Transfers between funds	12d	125	99	(224)	0	(1)	0
<b>Net income and capital</b>		<b>1,412</b>		<b>64</b>	<b>1,756</b>	<b>3,232</b>	<b>2,631</b>
Revaluation of tangible fixed assets	7	725		0	433	1,158	140
<b>NET MOVEMENT IN FUNDS FOR YEAR</b>		<b>2,137</b>		<b>64</b>	<b>2,189</b>	<b>4,390</b>	<b>2,771</b>
Fund balances at 1 September 2018		33,832		3,447	30,197	67,476	64,705
<b>FUND BALANCES AT 31 AUGUST 2019</b>	12	<b>35,969</b>		<b>3,511</b>	<b>32,386</b>	<b>71,866</b>	<b>67,476</b>

All amounts above relate to continuing activities.  
The notes on pages 25 to 42 form part of these accounts

# THE KING'S SCHOOL, CANTERBURY

## SCHOOL STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2019

		Unrestricted Funds		Restricted Funds	Endowed Funds	Total Funds 2019	Total Funds 2018
	Notes	School £'000	Other £'000	£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>							
<b>Charitable activities</b>							
School fees receivable	2(a)	35,513	0	(232)	0	35,281	33,245
Other educational income	4	1,641	0	0	0	1,641	1,512
Ancillary trading income	4	205	8	0	0	213	265
<b>Other trading activities</b>							
Activities for generating funds:							
Trading Income: KSEL	3	0	143	0	0	143	137
<b>Investments</b>							
Investment Income	8c	0	103	203	0	306	331
Bank and other interest	8c	95	0	0	0	95	92
<b>Voluntary sources</b>							
Donations and legacy	4	455	0	422	1,589	2,466	1,541
<b>Total Income</b>		<b>37,909</b>	<b>254</b>	<b>393</b>	<b>1,589</b>	<b>40,145</b>	<b>37,123</b>
<b>Expenditure on:</b>							
<b>Raising funds</b>							
Expenditure on raising funds		356	0	0	0	356	319
Financing Costs		1,440	0	0	0	1,440	1,433
<b>Total deductible costs</b>	6	<b>1,796</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,796</b>	<b>1,752</b>
Net incoming resources available for charitable application		36,113	254	393	1,589	38,349	35,371
Total charitable resources expended	6b	35,296	0	111	0	35,407	32,921
<b>Total Expenditure</b>		<b>37,092</b>	<b>0</b>	<b>111</b>	<b>0</b>	<b>37,203</b>	<b>34,673</b>
Net income from operations before transfers and investment gains		817	254	282	1,589	2,942	2,450
Net Gains/(Losses) on Investments	8b	99	0	0	167	266	156
Transfers between funds	12d	0	242	(242)	0	0	0
<b>Net income and capital</b>		<b>1,412</b>		<b>40</b>	<b>1,756</b>	<b>3,208</b>	<b>2,606</b>
Revaluation of tangible fixed assets	7	725		0	433	1,158	140
<b>NET MOVEMENT IN FUNDS</b>		<b>2,137</b>		<b>40</b>	<b>2,189</b>	<b>4,366</b>	<b>2,746</b>
Fund balances at 1 September 2018		33,832		2,796	30,197	66,825	64,079
<b>FUND BALANCES AT 31 AUGUST 2019</b>	12	<b>35,969</b>		<b>2,836</b>	<b>32,386</b>	<b>71,191</b>	<b>66,825</b>

All amounts above relate to continuing activities.

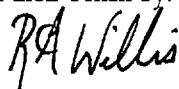
The notes on pages 25 to 42 form part of these accounts

**THE KING'S SCHOOL, CANTERBURY**  
**SCHOOL AND CONSOLIDATED BALANCE SHEETS**  
**AS AT 31 AUGUST 2019**

		Consolidated		School	
		31 August	31 August	31 August	31 August
	Notes	2019	2018	2019	2018
		£'000	£'000	£'000	£'000
<b>FIXED ASSETS</b>					
Tangible assets	7	115,533	97,978	115,308	97,753
Investments	8	9,280	7,714	8,979	7,423
		<u>124,813</u>	<u>105,692</u>	<u>124,287</u>	<u>105,176</u>
<b>CURRENT ASSETS</b>					
Stock		343	341	84	71
Debtors	9	2,666	1,308	2,973	1,587
Cash at bank and in hand		7,307	25,149	7,160	25,076
		<u>10,316</u>	<u>26,798</u>	<u>10,217</u>	<u>26,734</u>
<b>CREDITORS: due within one year</b>	10a	<u>(13,394)</u>	<u>(16,297)</u>	<u>(13,444)</u>	<u>(16,368)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>(3,078)</u>	<u>10,501</u>	<u>(3,227)</u>	<u>10,366</u>
<b>Bank Loan</b>					
		0	0	0	0
<b>Other Loan</b>					
		(40,000)	(40,000)	(40,000)	(40,000)
<b>Deposits &amp; Accruals</b>					
		(8,667)	(7,032)	(8,667)	(7,032)
<b>Advance Fees</b>					
	11	<u>(1,202)</u>	<u>(1,685)</u>	<u>(1,202)</u>	<u>(1,685)</u>
<b>CREDITORS: due after one year</b>	10b	<u>(49,869)</u>	<u>(48,717)</u>	<u>(49,869)</u>	<u>(48,717)</u>
<b>TOTAL NET ASSETS</b>		<u>71,866</u>	<u>67,476</u>	<u>71,191</u>	<u>66,825</u>
<b>ENDOWED FUNDS</b>					
	12a	32,386	30,197	32,386	30,197
<b>RESTRICTED FUNDS</b>					
	12b	3,511	3,447	2,836	2,796
<b>UNRESTRICTED FUNDS</b>					
Designated and general funds	12c	35,969	33,832	35,969	33,832
		<u>71,866</u>	<u>67,476</u>	<u>71,191</u>	<u>66,825</u>
	12	<u>71,866</u>	<u>67,476</u>	<u>71,191</u>	<u>66,825</u>

Approved by the Governors and

Signed on their behalf by:



The Very Reverend Dr Robert Willis  
Chairman of the Governors

3rd December 2019



**THE KING'S SCHOOL, CANTERBURY**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

<b>Consolidated cashflow statement</b>		<b>31 August 2019</b>		<b>31 August 2018</b>	
		£'000	£'000	£'000	£'000
	Note				
<b>Cash flows from operating activities</b>	15		2,912		11,048
<b>Cash flows from investing activities</b>					
Investment income receipts		416		435	
Interest received		0		0	
Purchase of tangible fixed assets		(18,948)		(28,971)	
Sale of investments		0		3,500	
			(18,532)		(25,036)
<b>Cash flows from financing activities</b>					
Repayments of borrowing		0		0	
Cash inflows from new borrowing		0		0	
Finance Costs paid		(1,440)		(1,433)	
New fees in advance money		783		1,232	
Discount Allowed to Parents		(14)		(23)	
Amounts Utilised From Advanced Fees		(1,550)		(1,221)	
			(2,221)		(1,445)
<b>Increase/(Decrease) in cash in the year</b>			<b>(17,841)</b>		<b>(15,433)</b>
<b>Cash and cash equivalents at beginning of the year</b>			25,149		40,582
<b>Cash and cash equivalents at end of the year</b>			<b>7,308</b>		<b>25,149</b>

**THE KING'S SCHOOL, CANTERBURY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**1 STATEMENT OF ACCOUNTING POLICIES**

The King's School Canterbury is a charity incorporated by Royal Charter in England and Wales. Registered address: 25 The Precincts, Canterbury, Kent, CT1 2ES.

**Basis of Accounts Preparation**

These accounts are prepared under the Charities Act 2011 on the historical cost convention as modified by the adoption of current cost for investment assets and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities: FRS102 and FRS102 SORP. The accounts consolidate the results of the School, its wholly owned subsidiary King's School Enterprises Limited together with the Cleary Blackfriars Trust, a registered charity (number 297249), which is subject to common control, on a line by line basis. The School is a Public Benefit Charity as defined by FRS102.

**Going Concern**

The Governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the school to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of approval of the financial statements. There are no material uncertainties about the School's ability to continue as a going concern.

**Fees**

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School from its unrestricted funds but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

**Advance Fee income**

The School offers parents the opportunity to pay school fees in advance in accordance with a written contract. The contract sets out agreed termly payments from the prepaid balance against school fees net of an agreed fixed termly discount. The amount received is held as an interest-bearing liability with the interest accruing to the Scheme. The advance fee is treated as deferred income until the pupil joins the School whereupon the agreed termly amount for each school term is charged against the remaining balance and taken to income. The school fee payer is liable for any difference between the agreed termly payment and the school fees for that term. Any excess accrued to the Scheme over and above the agreed total termly payments is treated as additional school income.

**Grants and Bursaries**

Grants and bursaries from restricted funds are included as expenditure in the period for which the award is given. Bursaries and allowances from unrestricted funds towards school fees at the Schools are treated as a reduction in those fees.

**Donations**

Donations receivable for the general purposes of the School are credited to "other Unrestricted Funds" to distinguish them from direct school income. Donations for purposes restricted by the wishes of the donor are taken to the relevant "Restricted Funds" where these wishes are legally binding on the School Governors, except that any amounts required to be retained as Capital in accordance with the donor's wishes are accounted for instead as Endowments – permanent or expendable according to the nature of the restriction. All donations are recognised on receipt and bequests are recognised on execution of will.

**THE KING'S SCHOOL, CANTERBURY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**Legacies**

Legacies are accounted for when the economic benefit to the School is considered probable.

**Resources expended**

Expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the School Governors, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

**Pension Schemes**

The charity contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School.

In accordance with FRS102 the scheme is accounted for as a defined contribution scheme. The Charity also contributes to a defined contribution scheme, with funds held externally, for non-teaching staff who become eligible on completion of their probation to join the scheme.

**Operating leases**

Rentals payable are charged in the SOFA on a straight line basis over the lease term.

**School land and buildings and equipment.**

- a. **Freehold and leasehold property** – These properties were valued in August 2016 by independent Valuers, Carter Jonas (School buildings) and Amos & Dawton (residential properties).

In accordance with FRS102, the Governors have and will continue to carry out annual review for impairment

- b. **Capitalisation of property improvements and additions** – Only the costs of constructing new buildings are capitalised. The costs of improvements, maintenance and in converting existing buildings for other uses are written-off to the Statement of Financial Activities in the year in which they are incurred.
- c. **Capitalisation of furniture and equipment** – All additions are capitalised in the year in which the expenditure was incurred, subject to a de minimus level of £5,000.

**Depreciation**

Depreciation is provided on fixed assets so as to write-off their cost or valuation less any residual value by equal instalments over their expected useful lives. Depreciation is charged from the term following the period in which the expenditure was incurred. No depreciation is provided in any period prior to that in which the asset was first brought into use by the School.

- a. **Freehold property** – No depreciation has been provided on the School's freehold property, other than the exceptions detailed below, as their expected useful lives are in excess of 50 years and the amounts of depreciation and accumulated depreciation calculated thereon deemed to be neither

**THE KING'S SCHOOL, CANTERBURY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

material nor significant. The following are exception to this: JKS Sports Hall and Nursery, the Recreation Centre and St Mary's Hall.

- b. **Depreciated freehold property** - the amounts of depreciation calculated on the JKS Sports Hall and Nursery, the Recreation Centre and St Mary's Hall additions are significant and accordingly they have been depreciated over their expected useful lives of between 10 and 50 years.
- c. **Leasehold property** – these are amortised over the period of their individual leases.
- d. **Furniture and equipment** – depreciation is provided based on their cost and useful lives ranging between three and twenty years on a straight line basis.
- e. **Motor vehicles** – depreciation is provided based upon their cost and expected useful lives of four years on a straight line basis.

**Revaluation**

The freehold, long leasehold and short leasehold properties which are used for general school use have been valued on the basis of Fair Value (FV) in accordance with FRS102. The school sports facilities have been valued on the basis of Depreciated Replacement Cost (DRC) whereas the residential properties and freehold investment land has been valued on the basis of Market Value (MV).

**Creditors**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the school anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**Connected charities**

- a. **The Norah Elizabeth Jervis Will Trust** – This trust is listed by the Charity Commission as a subsidiary charity of the King's School, Canterbury. However, it is doubtful whether the Trust should be classified as a subsidiary charity as it would appear that the original settlor intended that the Trust remain separate from the School and accordingly appointed a trustee independent of the School, HSBC.

Consequently, the activities of the Trust have not been incorporated into these financial statements. During the year the Trust received investment income of £8k (2017-18: £8k) and leased property to the School on a commercial basis for £84k per annum. The Trust assets were £1.936m as at 31<sup>st</sup> August, (2017-18: £2.040 million).

The school receives facilities from the Trust donated at market value.

- b. **The Calvin & Rose Hoffman Marlowe Memorial Trust** – This is a separately registered charity (number 289971) but is connected to the School by virtue of common control and administration. However, the results of the Trust have not been consolidated into these financial statements as the School Governors consider that the objects of the Trust are too dissimilar to those of the School such that the results would be meaningless.

The full accounts of the Trust are available from the Bursar of the School. In summary, the Trust had net incoming resources of £6k (2017-18: £5k) and net movement in funds of £27k (2017-18: £60k) and net assets of £978k (2017-18: £951k).

**THE KING'S SCHOOL, CANTERBURY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**Investments**

Investments are included at closing mid-market value at the Balance Sheet date. Any gain or loss on revaluation is taken to the SOFA. Investment income is accounted for in the period in which the charity is entitled to receipt. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction based, while investment income management costs are charged as expenditure out of the relevant income funds.

**Stock**

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

**Critical Accounting Estimates and Areas of Judgement**

The school investment portfolio is managed externally and valued at Market Rate.

Depreciation is charged over the useful life of the asset. Fixed assets are revalued every 5 years by external valuers.

**2 SCHOOL FEES**

	2019 £'000	2018 £'000
<b>(a) The School's fee income comprised:</b>		
Gross Fees	37,394	35,017
Less: Total bursaries, grants and allowances	<u>(2,113)</u>	<u>(1,772)</u>
	35,281	33,245
 Add back: Scholarships, grants, etc. paid by trust fund	 <u>(7)</u>	 <u>(8)</u>
	<u>35,274</u>	<u>33,237</u>

In addition, the Old King's Scholars' Trust contributed £19k towards pupils' fees during the year (2017-18 £23k).

	2019 £'000	2018 £'000
<b>(b) Grants, awards and prizes paid for by Restricted Funds comprised:</b>		
Scholarship, grants etc.	233	213
 Prizes, exhibitions and leaving awards	 6	 5
	<u>239</u>	<u>218</u>

Total educational awards were made to 268 individuals (2017-18: 249).

**THE KING'S SCHOOL, CANTERBURY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**3 INCOME FROM THE SUBSIDIARY'S TRADING ACTIVITIES AND LINKED CHARITY**

The Charity owns the whole of King's School Enterprises Ltd, which provides accommodation, catering facilities and retail shop trading. It covenants its taxable profits to the School. Supplies made by King's School Enterprises to the School are excluded from the consolidated results. At year end £133k was owed to the School.

<b>King's School Enterprises Ltd</b>	<b>2019</b>	<b>2018</b>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	717	847
Cost of sales	(386)	(390)
Gross Profit	<u>331</u>	<u>457</u>
Administration expenses	(188)	(320)
	143	137
Transfer to Parent Charity under Gift Aid	(143)	(137)
	<u>0</u>	<u>0</u>
 <b>Cleary Blackfriars Trust</b>	 <b>2019</b>	 <b>2018</b>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
Total Income	<u>43</u>	<u>36</u>
Cost of generating funds		
Charitable activities	18	11
Governance Costs	1	1
Total Expenditure	<u>19</u>	<u>12</u>
Net Income	<u>24</u>	<u>24</u>

**THE KING'S SCHOOL, CANTERBURY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**4 OTHER INCOME**

	Consolidated		School	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
<b>Charitable activities - Other income</b>				
Entrance and registration fees	175	104	175	104
Deposits & fees forfeited	261	178	261	178
Recreation Centre	1,205	1,230	1,205	1,230
	<u>1,641</u>	<u>1,512</u>	<u>1,641</u>	<u>1,512</u>
<b>Other ancillary activities</b>				
Insurance commissions	38	56	38	56
Lettings, property rentals and other income	130	160	130	160
King's Week income	45	49	45	49
Profit re Sale of Asset	0	0	0	0
	<u>213</u>	<u>265</u>	<u>213</u>	<u>265</u>
<b>Other incoming resources</b>				
Covenanted income from subsidiary company	0	0	143	137
	<u>0</u>	<u>0</u>	<u>143</u>	<u>137</u>
<b>Voluntary sources</b>				
Donations	966	934	966	934
Legacy	1,500	607	1,500	607
	<u>2,466</u>	<u>1,541</u>	<u>2,466</u>	<u>1,541</u>

**5 EXPENDITURE**

	Consolidated		School	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
<b>Charitable Activity expenditure includes:</b>				
Refurbishment of buildings & pupil accommodation	944	770	944	770
	<u></u>	<u></u>	<u></u>	<u></u>
<b>Governance expenditure includes:</b>				
Auditors remuneration:				
for audit services	30	28	22	20
for other services	8	13	6	8
	<u>38</u>	<u>41</u>	<u>28</u>	<u>28</u>
Wages and salaries	19,693	18,698	19,606	18,649
Social security costs	1,796	1,712	1,788	1,708
Pension contributions	2,161	2,006	2,156	2,003
	<u>23,650</u>	<u>22,416</u>	<u>23,550</u>	<u>22,360</u>

**THE KING'S SCHOOL, CANTERBURY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

	2019	2018
	£'000	£'000
Aggregated employee-benefits of key management personnel	992	951

Key management personnel are made up of the Officers of the School plus the Head of Strategy & Marketing.

	2019	2018
	£'000	£'000
Termination and redundancy payments	51	47

Termination and redundancy payments relate to benefits payable as a result of either:

- (a) a decision to terminate an employee's employment before the normal retirement date; or
- (b) an employee's decision to accept voluntary redundancy in exchange for those benefits.

It does not include payment in lieu of notice.

The average number of School employees during the year was 432 full-time and 194 part-time, (2017-18: 434 full-time and 191 part-time) of which 156 full-time and 19 part-time (2017-18: 152 full-time and 16 part-time) were teaching staff.

Neither the Governors nor persons connected with them received any remuneration or other benefits from the School or any connected organisation. Two Governors reclaimed travel expenses totalling £1k (2017-18: £2k) during the year.

The School in the course of its ordinary activities, conducted business with the Dean and Chapter of Canterbury Cathedral (in respect of rental and insurance) totalling £370k (2017-18: £369k). The School also shares the cost of security guards jointly with the Dean and Chapter for which the School contributed £248k (2017-18: £206k). The Dean and four residentiary canons who make up the corporation known as the Dean and Chapter are all ex officio members of the Governing body.

	2019	2018
	No.	No.
The number of higher paid employees was:		
Taxable emoluments band:		
£60,001 - £70,000	24	26
£70,001 - £80,000	14	13
£80,001 - £90,000	4	4
£90,001 - £100,000	3	2
£140,001 - £150,000	0	1
£150,001 - £160,000	1	0
£210,001 - £220,000	0	1
£220,001 - £230,000	1	0
The number with retirement benefits accruing in		
-Teachers Pension Scheme was	42	41
-Defined Contribution Scheme was	5	6



**THE KING'S SCHOOL, CANTERBURY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**6 ANALYSIS OF TOTAL RESOURCES EXPENDED**

	Staff Costs £'000	Other Costs £'000	Depreciation £'000	Total £'000
<b>(a) Costs of generating funds</b>				
Financing costs	0	1,440	0	1,440
Fundraising for voluntary resources	242	114	0	356
<b>Total for Charity</b>	<b>242</b>	<b>1,554</b>	<b>0</b>	<b>1,796</b>
Trading costs of the subsidiary	126	448	0	574
<b>Total for Group</b>	<b>368</b>	<b>2,002</b>	<b>0</b>	<b>2,370</b>
<b>Total for Charity 2018</b>	<b>220</b>	<b>1,532</b>	<b>0</b>	<b>1,752</b>
<b>Total for Group 2018</b>	<b>220</b>	<b>2,242</b>	<b>0</b>	<b>2,462</b>

	Staff Costs £'000	Other Costs £'000	Depreciation £'000	Total £'000
<b>(b) Charitable activities</b>				
Teaching costs	15,430	3,310	691	19,431
Welfare	3,456	1,895	126	5,477
Premises	2,275	4,794	433	7,502
Support costs	1,868	1,078	7	2,953
<b>School's operating costs</b>	<b>23,029</b>	<b>11,077</b>	<b>1,257</b>	<b>35,363</b>
Grants, awards & prizes	0	6	0	6
	23,029	11,083	1,257	35,369
<b>Governance Costs</b>	<b>12</b>	<b>26</b>	<b>0</b>	<b>38</b>
<b>Total for Charity</b>	<b>23,041</b>	<b>11,109</b>	<b>1,257</b>	<b>35,407</b>
Subsidiary expenditure	0	(6)	0	(6)
<b>Total for Group</b>	<b>23,041</b>	<b>11,103</b>	<b>1,257</b>	<b>35,401</b>
<b>Total for Charity 2018</b>	<b>21,873</b>	<b>9,975</b>	<b>1,073</b>	<b>32,921</b>
<b>Total for Group 2018</b>	<b>21,873</b>	<b>9,961</b>	<b>1,073</b>	<b>32,907</b>

**THE KING'S SCHOOL, CANTERBURY**  
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**7 TANGIBLE FIXED ASSETS**

	Freehold Property £'000	Assets Under Construction £'000	Leasehold Property £'000	Furniture & Equipment £'000	Vehicles £'000	Charity Total £'000	<i>Subsidiaries</i>		Group Total £'000
							Freehold Property £'000	Vehicles £'000	
<b>Cost or Valuation</b>									
Balances as of 1 September 2018	67,646	24,277	5,405	6,356	129	103,813	225	6	104,044
Transfer of Assets	18,882	(18,882)				0			0
Additions	3,332	14,120	101	1,395		18,948			18,948
Revaluations	(530)					(530)			(530)
Disposals	(1,290)			(1,587)		(2,877)			(2,877)
<b>Balance as at 31 August 2019</b>	<b>88,040</b>	<b>19,515</b>	<b>5,506</b>	<b>6,164</b>	<b>129</b>	<b>119,354</b>	<b>225</b>	<b>6</b>	<b>119,585</b>
<b>Accumulated depreciation</b>									
Balances as of 1 September 2018	1,834		627	3,480	119	6,060		6	6,066
Charge for the year	325		90	839	3	1,257			1,257
Revaluations	(1,191)		(495)			(1,686)			(1,686)
Disposals				(1,585)		(1,585)			(1,585)
<b>Balance as at 31 August 2019</b>	<b>968</b>	<b>0</b>	<b>222</b>	<b>2,734</b>	<b>122</b>	<b>4,046</b>	<b>0</b>	<b>6</b>	<b>4,052</b>
					1,686				
<b>Net Book Value</b>									
<b>Balance at 31 August 2019</b>	<b>87,072</b>	<b>19,515</b>	<b>5,283</b>	<b>3,431</b>	<b>7</b>	<b>115,308</b>	<b>225</b>	<b>0</b>	<b>115,533</b>
<b>Balance at 31 August 2018</b>	<b>65,812</b>	<b>24,277</b>	<b>4,778</b>	<b>2,876</b>	<b>10</b>	<b>97,753</b>	<b>225</b>	<b>0</b>	<b>97,978</b>

All of the fixed assets are used for the direct charitable purposes of the School, shown within the Charity total.  
A full revaluation of all properties was carried out in August 2016 in line with the 5 year cycle.

Due to the age of our buildings the cost model is not a useful comparison.

**THE KING'S SCHOOL, CANTERBURY**  
**NOTES TO THE ACCOUNTS**  
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**8 INVESTMENTS**

(a)	Consolidated	Designated	Restricted	Endowment	Investment	Total
		Funds	Funds	Funds	Property	
		£'000	£'000	£'000	£'000	
	At Valuation					
	Balance as at 1 September 2018	2,521	291	4,902	0	7,714
	Additions	0	0	0	1,290	1,290
	Unrealised gains / (losses)	99	10	167	0	276
	<b>Balance as at 31 August 2019</b>	<b>2,620</b>	<b>301</b>	<b>5,069</b>	<b>1,290</b>	<b>9,280</b>

Investments are in UK held Sarasin Alpha CIF for Endowment (Income Funds)

Bonds - UK	1,052
Equity - UK	1,542
Bonds - Overseas	33
Equity - Overseas	4,034
Property	732
Other Investments	314
Liquid Assets	283
	<b>7,990</b>
Property Held for Investment	<b>1,290</b>
	<b>9,280</b>
Historic Cost	<b>5,108</b>

(b)	School	Designated	Restricted	Endowment	Investment	Total
		Funds	Funds	Funds	Property	
		£'000	£'000	£'000	£'000	
	At Valuation					
	Balance as at 1 September 2018	2,521	0	4,902	0	7,423
	Additions	0	0	0	1,290	1,290
	Unrealised gains / (losses)	99	0	167	0	266
	<b>Balance as at 31 August 2019</b>	<b>2,620</b>	<b>0</b>	<b>5,069</b>	<b>1,290</b>	<b>8,979</b>

(c) **Investment Income**

	Consolidated		School	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Interest on cash deposits held for investment	95	92	95	92
On listed investments (inc Gilts)	321	343	306	331
	<b>416</b>	<b>435</b>	<b>401</b>	<b>423</b>

All investments are either in a common investment fund or Government Stocks, which are held until their redemption dates.

**THE KING'S SCHOOL, CANTERBURY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**9 DEBTORS**

	Consolidated		School	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Pupil debtors	182	224	182	224
Trade debtors	21	14	0	0
Other debtors	364	193	334	143
Prepayments & Accrued Income	2,099	877	2,099	877
Amounts owed by subsidiary undertakings	0	0	358	343
	<u>2,666</u>	<u>1,308</u>	<u>2,973</u>	<u>1,587</u>

**10a CREDITORS due within one year**

	Consolidated		School	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Trade creditors	1,270	2,673	1,231	2,660
Due to subsidiary undertakings	0	0	168	150
Other creditors	925	567	889	546
Tax & Social Security costs	581	575	567	539
Deposits & Accruals	3,910	5,505	3,881	5,496
Fees received in advance	5,679	5,650	5,679	5,650
	<u>12,365</u>	<u>14,970</u>	<u>12,415</u>	<u>15,041</u>
Advance fees (note 11)	1,029	1,327	1,029	1,327
	<u>13,394</u>	<u>16,297</u>	<u>13,444</u>	<u>16,368</u>

**10b CREDITORS due after one year**

	Consolidated		School	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Other Loan	40,000	40,000	40,000	40,000
Deposits & Accruals	8,667	7,032	8,667	7,032
Advance fees (note 11)	1,202	1,685	1,202	1,685
	<u>49,869</u>	<u>48,717</u>	<u>49,869</u>	<u>48,717</u>

An unsecured Private Placement of £40m was obtained in July 2016. The interest of 3.5% has been fixed for the period of the contract. The agreement is in three tranches:

- £10m 30 year final
- £20m 35 year bullet
- £10m 34 year final

Two annually tested covenants:

- Net Debt not to exceed 75% of Consolidated Total Assets
- Ratio of EBITDA to Net Interest at year end not to be less than 1.50:1.00

**THE KING'S SCHOOL, CANTERBURY**  
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**11 ADVANCE FEE PAYMENTS**

Parents may enter into a contract to pay to the School usually up to the equivalent of five years' tuition fees in advance. The money may be returned subject to specific conditions following a due notice period. Assuming pupils will remain in the School, advance fees will be applied as follows:

	2019 £'000	2018 £'000
After 5 years	49	161
Within 2 to 5 years	498	743
Within 1 to 2 years	<u>655</u>	<u>781</u>
	1,202	1,685
 Within 1 year	 1,029	 1,327
	<u>2,231</u>	<u>3,012</u>

The balance represents the accrued liability under the contracts. The movements during the year were:

	2019 £'000	2018 £'000
Balance as at 1 September 2018	3,012	3,024
 New contracts	 783	 1,232
Amounts accrued to contracts	0	0
Discount Allowed to Parents	<u>(14)</u>	<u>(23)</u>
	3,781	4,233
 Amounts utilised in payments of fees	 (1,550)	 (1,221)
 Balance as at 31 August 2019	 <u>2,231</u>	 <u>3,012</u>

**THE KING'S SCHOOL, CANTERBURY**  
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**12 NET ASSETS OF THE FUNDS OF THE SCHOOL AND GROUP**

The net assets belong to the various funds (including Advance Fees) as follows:

<b>Consolidated</b>	<b>Fixed Assets</b>	<b>Investments</b>	<b>Net current liabilities</b>	<b>Long-term liabilities</b>	<b>Total</b>
	£ '000	£ '000	£ '000	£ '000	£ '000
Endowment funds	25,728	5,069	1,589	0	32,386
Restricted funds	225	301	2,985	0	3,511
Unrestricted funds	89,580	3,910	(8,854)	(48,667)	35,969
	<b>115,533</b>	<b>9,280</b>	<b>(4,280)</b>	<b>(48,667)</b>	<b>71,866</b>
Advance fees	0	0	1,202	(1,202)	0
	<b>115,533</b>	<b>9,280</b>	<b>(3,078)</b>	<b>(49,869)</b>	<b>71,866</b>

<b>School</b>	<b>Fixed Assets</b>	<b>Investments</b>	<b>Net current liabilities</b>	<b>Long-term liabilities</b>	<b>Total</b>
	£ '000	£ '000	£ '000	£ '000	£ '000
Endowment funds	25,728	5,069	1,589	0	32,386
Restricted funds	0	0	2,836	0	2,836
Unrestricted funds	89,580	3,910	(8,854)	(48,667)	35,969
	<b>115,308</b>	<b>8,979</b>	<b>(4,429)</b>	<b>(48,667)</b>	<b>71,191</b>
Advance fees	0	0	1,202	(1,202)	0
	<b>115,308</b>	<b>8,979</b>	<b>(3,227)</b>	<b>(49,869)</b>	<b>71,191</b>

**12A ENDOWED FUNDS: MOVEMENTS IN THE YEAR**

	<b>Balance 1 Sept 2018</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Investment gains/(losses) revaluations</b>	<b>Transfers</b>	<b>Balance 31 Aug 2019</b>
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Permanent endowments:</b>						
Foundation capital	5,805	0	0	0	0	5,805
Revaluation Reserve	19,490	0	0	433	0	19,923
<b>Other special trusts:</b>						
J Corner	734	0	0	25	0	759
Edmondson Noakes	151	79	0	5	0	235
Scholarship, Exhibitions & Prize Fund	1,828	0	0	63	0	1,891
Leonore Pleuger Bursary Fund	102	0	0	3	0	105
Heyman	11	0	0	0	0	11
Chafy Scholarship	102	0	0	4	0	106
Foundation Endowment	1,474	10	0	50	0	1,534
Goodes Bursary Fund	500	0	0	17	0	517
T&J Venner Bursary Fund	0	1,500	0	0	0	1,500
	<b>30,197</b>	<b>1,589</b>	<b>0</b>	<b>600</b>	<b>0</b>	<b>32,386</b>

The Foundation Capital represents the original endowment of land forming the bulk of the School's freehold property.

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The special trusts were set up by individuals and restricted to providing funds for scholarships and bursaries; the assets are pooled for investment with the School's Scholarship, Exhibition and Prize Fund and designated funds and are allocated a proportion of investment income, gains or losses.

The gift from Esme Chafy provides income that funds the Chafy Scholarship.

**12B RESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance 1 Sept 2018 £ '000	Incoming resources £ '000	Resources expended £ '000	Investment gains/(losses) & revaluations £ '000	Transfers £ '000	Balance 31 Aug 2019 £ '000
J Corner	0	30	0	0	(30)	0
Edmondson Noakes	0	6	0	0	(6)	0
Scholarship, Exhibitions & Prize Fund	105	76	(40)	0	0	141
Leonore Pleuger Bursary Fund	0	4	0	0	(4)	0
Esme Chafy	0	4	(4)	0	0	0
Foundation Endowment Income	0	61	(61)	0	0	0
Goode Bursary Fund	0	21	(21)	0	0	0
Foundation Scholarship & Bursary Term Funding	0	6	(6)	0	0	0
Restricted Bursary Funds	297	49	(88)	0	0	258
Foundation Music School	0	1	0	0	(1)	0
Foundation Sports	38	115	0	0	(114)	39
Foundation Other Funds	28	114	(105)	0	0	37
Kings Appeal - Building Developemnt	0	51	0	0	(51)	0
Science Centre	1,916	41	0	0	0	1,957
Malthouse - Drama	0	36	0	0	(36)	0
Junior King's Appeal	73	2	(17)	0	0	58
JKS Swimming Pool	339	7	0	0	0	346
<b>School Total</b>	<b>2,796</b>	<b>624</b>	<b>(342)</b>	<b>0</b>	<b>(242)</b>	<b>2,836</b>
Cleary Blackfriars Trust	651	15	(19)	10	18	675
<b>Consolidated total</b>	<b>3,447</b>	<b>639</b>	<b>(361)</b>	<b>10</b>	<b>(224)</b>	<b>3,511</b>

The Scholarship, Exhibition and Prize Fund represents accumulated income to be used for scholarships, bursaries and prizes, as do the J Corner, Edmondson Noakes and Leonore Pleuger Bursary Funds.

The Junior School Sports Hall Fund represents monies donated towards the construction of a new sports hall at Milner Court, completed in 1998.

The transfer to the Cleary Blackfriars Trust represents rental income payable to the Trust by the School, which for the purposes of the consolidated accounts is treated as a transfer.

Other transfers represent reinvestment of investment income on the Corner, Noakes and Pleuger Funds into the restricted Bursary Fund.

**THE KING'S SCHOOL, CANTERBURY**  
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**12C UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance 1 Sept 2018 £ '000	Incoming resources £ '000	Resources expended £ '000	Investment gains/(losses) revaluations £ '000	Transfers £ '000	Balance 31 August 2019 £ '000
Designated						
School Scholarship & Bursary Fund	11,404	103	0	0	125	11,632
Beerling Hall	18	8	0	0	0	26
General Fund	14,669	37,909	(37,074)	99	242	15,845
Revaluation Reserve	7,741	0	0	725	0	8,466
	<b>33,832</b>	<b>38,020</b>	<b>(37,074)</b>	<b>824</b>	<b>367</b>	<b>35,969</b>
Non-charitable trading funds	0	717	(574)	0	(143)	0
	<b>33,832</b>	<b>38,737</b>	<b>(37,648)</b>	<b>824</b>	<b>224</b>	<b>35,969</b>

The School Scholarship & Bursary Fund represents amounts set aside for the funding of bursary awards in the future. It is separately designated within the general pool of investments.

The General Fund is retained to cover fixed assets and to provide working capital. It is also being built up to underpin the capital development programme.

**12D TRANSFERS**

	Unrestricted				Total
	School £ '000	Other £ '000	Restricted £ '000	Endowed £ '000	£ '000
Kings Appeal -Building Developemnt	0	51	(51)	0	0
Comer, Noakes & Pleuger	0	40	(40)	0	0
Foundation Sports	0	114	(114)	0	0
Malthouse Drama	0	36	(36)	0	0
Music School	0	1	(1)	0	0
<b>School</b>	<b>0</b>	<b>242</b>	<b>(242)</b>	<b>0</b>	<b>0</b>
Deed of covenant	143	(143)	0	0	0
Cleary Blackfriars Trust	(18)	0	18	0	0
<b>Consolidated</b>	<b>125</b>	<b>99</b>	<b>(224)</b>	<b>0</b>	<b>0</b>



**THE KING'S SCHOOL, CANTERBURY**  
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**School and consolidated transfers**

Bursary Fund - the transfer from the School to the School Bursary Fund (a designated fund) reflects the Governors' intention to enhance the School Bursary Fund.

Restricted Fund – the transfer from the Restricted Fund to the School Bursary Fund reflects depreciation re JKS Sports Hall being paid for from the John Edmonds Fund, and the transfers of Investment Income from J Corner, Edmondson Noakes and Leonore Pleuger Bursary Fund.

Funds were released from the restricted King's Appeal Building Development, Foundation Sports, Malthouse Drama and Music School funds in line with actual spend during the 2018-19 financial year.

**Transfers relating only to the consolidated accounts**

Deed of covenant - the transfer to the School from other unrestricted funds represents the covenant of profits from the trading subsidiary company less the transactions relating to the sale of power to the School.

Cleary Blackfriars Trust – this transfer represents the rent charged to the School for a building leased from the Trust.

**13 CONTRACTS AND COMMITMENTS**

Authorised and contracted commitments in 2018-19 – £12.039 million (2017-18: £10.751 million)

**14 PENSION SCHEMES**

The School's employees can belong to one of two principal pension schemes, the Teachers' Pensions Scheme (TPS), which is a national scheme and the AEGON Group Personal Pension Scheme for King's staff only. The total pension cost for the year was £2,161k (2017-18 - £2,006k). Employer contributions to the TPS are higher than the AEGON scheme due to it being a defined benefit scheme, compared to AEGON which is a defined contribution scheme.

The School has also set up a Legal & General Stakeholder Pension Scheme, which currently has no members.

**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 £2,532k (2017-18: £2,416k) and at the year-end £210k (2017-18 - £191k) 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

# THE KING'S SCHOOL, CANTERBURY

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 AUGUST 2019

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 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.

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 a remedy to the discrimination conclusion has been determined by the Employment Tribunal 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.

#### **AEGON Group Personal Pension Scheme**

Non-teaching staff are eligible to participate in a defined contribution scheme managed by Aegon Group. The assets of the scheme are held separately from the School.

The employer's contribution rate varies according to the level of employee's contribution chosen by an individual member of staff. New entrants auto enrolled into the scheme join at standard 3% Employee's and 4% Employer's contribution, with a maximum Employer's contribution of 10% (on completion of probationary period).

Employer's contribution rates	
Staff	School
3.0%	4.00%
≥ 7.5%	10.00%

1.33% for every 1%

There was £94k accrued to the scheme as at 31 August 2019 and this was duly paid.

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**15 RECONCILIATION OF GROUP NET INCOME**

**NET CASH INFLOW FROM GROUP OPERATIONS**

	31 August 2019 £ '000	31 August 2018 £ '000
Net income (see page 21)	2,956	2,468
Depreciation	1,257	1,073
Investment Income	(416)	(435)
Finance and other costs	1,440	1,433
Decrease/(increase) in stocks	(2)	(7)
Decrease/(increase) in debtors	(1,358)	(370)
Increase/(decrease) in creditors	(2,600)	5,049
Increase/(decrease) in deposits	1,635	1,837
<b>Net cash inflow from group operations</b>	<b>2,912</b>	<b>11,048</b>

**16 ANALYSIS OF CHANGES IN NET CASH RESOURCES AND DEBT OF THE GROUP**

	At at 31 August 2018 £ '000	Cash flow £ '000	At at 31 August 2019 £ '000
Cash in hand and at bank	25,149	(17,842)	7,307
Other Loan	(40,000)	0	(40,000)
Net cash inflow from group operations	(14,851)	(17,842)	(32,693)
Advance fees due within one year	(1,327)	298	(1,029)
Advance fees after more than one year	(1,685)	483	(1,202)
	<b>(17,863)</b>	<b>(17,061)</b>	<b>(34,924)</b>

