

Charity Registration No. 1080641

Company Registration No. 3834841 (England and Wales)

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THE KING'S SCHOOL, GLOUCESTER
GOVERNORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2009

THE KING'S SCHOOL, GLOUCESTER

LEGAL AND ADMINISTRATIVE INFORMATION

Visitor		The Lord Bishop of Gloucester
Governors	Ex-Officio Governors:	The Dean of Gloucester The Very Reverend Nicholas Bury, M.A. The Canons Residentiary of Gloucester Cathedral: Canon N.C. Heavisides, M.A. Canon Dr D M Hoyle, M.A., PhD Canon C. Thomson, M.A.
	Lay Governors:	Miss C. Holme, J.P., LL.B. University Administrator (retired) Mrs A.L.K. Cadbury, O.B.E., J.P., DL Deputy Lieutenant of Gloucestershire Mr T.F.H. Heal, F.R.I.C.S. Partner, Alder King, Chartered Surveyors, Gloucester Mr J.H. Smith, B.Sc Dip.Ed. Retired Headmaster, Central Technology College Canon M.J. Irving, B.Ed. Clergyman Mr J.H. Holroyd, C.B., C.V.O., M.A. Former Crown Appointments Secretary Mr C. Collier, F.C.I.B. Former Banker Mr C. Major, LL.B. Solicitor **Mrs S. White, M.A. Former Arts Administrator Mrs J. Gazard, M.A., Cert. Ed. (retired 17 November 2009) Retired Teacher Mr P. Markey, A.C.A. Managing Director, Markey Builders Mr P. Lapping, BA (Hons) Natal, MA Oxon Retired Headmaster **Mr M Wharton, BEd (Hons) NDA MRAC FRAg.S FRSA Principal & Assistant Vice Chancellor, Hartpury College Mr R Slawson, RIBA (appointed 24 February 2009) Retired Architect Mr A Brett, BSc (Hons), psc, MInst RE (appointed 23 June 2009) Retired Bursar

**** Governors who are also parents of children currently at the school.**

THE KING'S SCHOOL, GLOUCESTER

LEGAL AND ADMINISTRATIVE INFORMATION

Officers

The Headmaster	Mr A K J Macnaughton, M.A.
The Deputy Heads	Mr D.J. Evans, M.A., P.G.C.E., (Academic) Miss V. Scholes, B.Ed., M.B.A. (Pastoral)
The Head of Junior School	Mr C. W. Dickie, B.Ed.
The Bursar and Company Secretary	Mrs N.A. Mosley, B.A. (Hons), A.C.A.
Estates Manager	Mrs C. Savage, M.A., M.R.I.C.S., M.B.I.F.M.

Charity number 1080641

Company number 3834841

Principal address Pitt Street
Gloucester
GL1 2BG

Registered office Pitt Street
Gloucester
GL1 2BG

Auditors Horwath Clark Whitehill LLP
Carrick House
Lypiatt Road
Cheltenham
GL50 2QJ

Bankers Lloyds TSB Bank Plc
Eastgate Street
Gloucester
GL1 1NU

Solicitors Rickerbys LLP
Ellenborough House
Wellington Street
Cheltenham
GL50 1YD

THE KING'S SCHOOL, GLOUCESTER

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THE KING'S SCHOOL, GLOUCESTER

GOVERNORS' REPORT FOR THE YEAR ENDED 31 JULY 2009

The Board of Governors present their consolidated annual report for the year ended 31 July 2009 under the Companies Act 2006 and the Charities Act 1993, together with the audited accounts for the year, and confirm that the latter comply with the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" the Charities SORP 2005.

Status and Administration

The King's School, Gloucester was established by Henry VIII by statute in 1541 following the dissolution of the monasteries. The School had originally been constituted as a charity (no. 311745) under a scheme framed by the Board of Education under the Endowed School Acts, 1869, 1873 and 1874. The scheme was approved by His Majesty King George V by way of Order of Council dated 30 July 1928.

The School is a charity (no. 1080641) and was incorporated as a limited company by guarantee (no. 3834841) on 26 August 1999. The assets and liabilities of the old charity were transferred to the new charity on 1 September 2000. The Endowed Funds were transferred to a separate charity, King's School Prize and Scholarship Fund (charity no. 3961979), and are consolidated within these accounts.

The Governors, who are also directors for the purposes of company law, who served during the year were:

The Very Reverend N Bury, M.A. *
Canon N C Heavisides, M.A.
Canon Dr D M Hoyle, M.A.,
Canon C Thomson, M.A.
A Brett, BSc (Hons), psc, MInst RE, *
Mrs A L K Cadbury, O.B.E., J.P., DL. ♦
C Collier, F.C.I.B. *
Mrs J Gazard, M.A. (Retired 17 November 2009)
T F H Heal, F.R.I.C.S. * # ♦
Miss C Holme, J.P. LL.B. ♦
J H Holroyd, C.B., C.V.O., M.A. * #
Canon M Irving, B.Ed.
P Lapping, BA (Hons) Natal, MA Oxon
C Major, LL.B. * #
P Markey, A.C.A.* # ♦
R Slawson, RIBA
J H Smith, B.Sc. Dip. Ed.
M Wharton, BEd (Hons) NDA MRAC FRAg.S FRSA
Mrs S White, M.A.

* Member of Finance Committee

Member of the Fabric & Development Committee

♦ Retired by rotation and re-appointed at Annual General Meeting

Structure, Governance and Management

Governing Document

The School is governed by its Memorandum and Articles of Association, last amended on 20 November 2002.

Governing Body

The Governors, who are also required under the Articles to serve as members of the School, are elected at a full Governors meeting on the basis of nominations received.

THE KING'S SCHOOL, GLOUCESTER

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

The Governing Body shall not be less than 16 and not more than 21 and is comprised of not more than 6 ex-officio Governors, who shall be the Dean of the Gloucester Cathedral and not more than 5 Residentiary Canons of the Cathedral. Such ex-officio Governors shall hold office by virtue of their respective offices.

The balance of the Governing Body comprises of Governors, one-third of which retire at the School's Annual General Meeting. A retiring Governor is eligible to stand for re-election.

Organisational Management

The Governors meet as a Board at least four times a year to determine the general policy of the School and to review its overall management and control, for which they are responsible. There are two key sub-committees to the Governing Body, the Finance Committee and the Fabric and Development Committee. Each of these committees meets at least four times a year, preceding the Board of Governors meetings, to report to the Governing Body. The day to day running of the School is delegated to the Headmaster supported by the Senior Management Team.

Recruitment and Training of Governors

Governors are appointed at a meeting of Members on the basis of nominations received from Governors and the Head of The King's School, Gloucester following agreed specifications concerning eligibility, personal competence, specialist skills and local availability.

New Governors are inducted in the workings of the School, and the Company as a registered charity, including Board Policy and Procedures, at an induction day specially organised for them by the Head and Bursar, who also organise regular strategic and trustee-training workshops for all Governors.

Group Structure and Relationships

Serlo Enterprises Limited is a wholly owned non-charitable trading subsidiary of The King's School, Gloucester, whose activities are the organising and marketing of events at The King's School, Gloucester.

King's School Gloucester Prize and Scholarship Fund is a charitable subsidiary of The King's School, Gloucester, whose objects are to further the education of pupils attending the School particularly (but not exclusively) by the provision of prizes and scholarships.

The King's School, Gloucester is an HMC school and HMC exists to serve and support its members, to represent their views and to exemplify excellence in education. It is also a member of the Choir Schools Association which is a group of schools attached to cathedrals, churches and college chapels around the country enabling pupils to have unlimited access to a first-class schooling and musical training, giving them an excellent start in life.

Risk Management

The Governors have carried out an assessment of the risks and uncertainties facing the School and those identified relate to long term demand for places in the School and membership of the Government Teachers' Pension Scheme. Within the locality there are four state grammar schools, however through prudent structuring of the curriculum and extra-curricular activities offered by the School, Governors aim to ensure that pupils are not lost to the grammar schools. In addition the physical location of the School provides constraints on the expansion and development of the School within its current boundaries, however, this is mitigated by the environment and history associated with the School's location. Membership of the Teachers' Pension Scheme is seen to be important in terms of recruitment of good quality teaching staff, however, as a final salary scheme, there is a risk that it may become too cost prohibitive to sustain membership. It is felt that this risk will affect all similar schools and is largely beyond the immediate control of the Governors.

THE KING'S SCHOOL, GLOUCESTER

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

Objectives, Aims and Activities

Charitable Objects

The School's Objects, as set out in its Memorandum of Association, are the advancement of education of the public, within the meaning of English law, and is based on Church of England principles, to provide such pupils with spiritual, moral, mental and physical training. Within these Objects, the School also has to create and administer scholarships, exhibitions and bursaries.

Public Benefit Aims and Intended Impact

In meeting these Objects, the School's public benefit aim is to provide a first class independent education, both through strong academic tuition, and through developing wider sporting, artistic and social skills in all its pupils. This is intended to provide an environment where each pupil can develop and fulfil his or her potential, thus help to build self-confidence and inculcate desire to contribute to the wider community.

In furtherance of these aims the Governors, as charity trustees, have complied with the duty in s.4. of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under the Act.

Objectives for the Year

This year the focus has been on the continued achievement of academic, musical and sporting performance, further widening of access to the education provided by the School, to encourage the fulfilment of pupils potential.

Strategies to achieve the year's objectives

These included the maintaining a high teacher-pupil ratio and by treating each pupil as an individual, the development of the curriculum and the extra-curricular activities offered to support the achievement of pupils at the School, alongside this the professional development of staff is comprehensively recorded and reported to match the personal development of staff and support the continuing development of the curriculum and extra-curricular activities and further development of links with local junior and senior schools in both the state and independent sector which facilitates the wider community access to the our facilities.

Principal Activity

The School was originally established as a boarding and day school for boys. Prior to September 1985, the School admitted junior girls up to the age of 11. With effect from September 1985, the Governors voted to admit girls throughout the entire range of 3 to 18 years on sound educational, social and financial grounds. Boarding has now been phased out; as such the School is now a co-educational day school for pupils aged 3 to 18.

Grant-making

This year, the value of scholarships, exhibitions and other awards to the School's pupils out of unrestricted funds exceeded £350,000. The Governor's policy, in line with that of other Independent Schools, is to make these awards on the basis of the individual's educational potential. As a Choir School a further £125,838 was awarded in scholarships by the Governors to support the education of the Choristers of Gloucester Cathedral.

Further awards of approximately £160,170 in bursaries were made from unrestricted funds, where the policy is to relieve hardship where the pupil's education and future prospects would otherwise be at risk.

The availability of all such awards for fee-assistance, together with the terms and conditions of each kind of award, is advertised on our website at www.thekingsschool.co.uk.

Review of Activities and Achievements

Pupil numbers during the year average 480 (2008: 513). Numbers increased during the year following a focused recruitment at the Foundation Stage and in the Junior School.

THE KING'S SCHOOL, GLOUCESTER

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

Academic results at A-level continued to improve with an overall pass rate of 100% with A to C grades of 83% (2008: 82%). The equivalent A to C figure for AS level was 74% (2008: 70%). At GCSE level 89% (2008: 96%) of results were grade A* to C. The success of our pupils in public examinations bears testament to the School's objective of encouraging pupils to develop their potential. This achievement is greatly helped by the high quality of teaching staff we have been able to retain and recruit.

Many pupils in the School continued to be involved in activities within the community and recognition has been received for their work in supporting bilingual pupils from ethnic minorities in local primary school.

The School participates in a "Gifted and Talented" programme with a local maintained school which enabled pupils from both schools to take part in scientific and artist projects.

Financial Review and Results for the Year

Net incoming resources for the year of £146,241 (2008: £368,065). This was achieved despite a decrease in pupils numbers and hence fee income, whilst the cost base was maintained. The surplus at the operating level whilst being below the targeted percentage of fee income as set out in the longer term plans exceeded the budget agreed by the Governors and the outcome is considered to be satisfactory.

The financial strength of the School continues to increase which will enable it to continue with capital development to enhance the facilities for the future.

Investment Policy and Objectives

The School has absolute power to invest any monies of the School not immediately required for its purpose in or upon such investments, securities or property of whatsoever nature as may be thought fit and to vary the investment thereof in such manner as may from time to time be determined.

Investments are currently held in COIF Charities Investment Fund and 3.5% War Loan Stock, to support the Prize and Scholarship Fund with a view to achieving an above-average annual dividend, relative to UK equities, to enable the provision of prizes and scholarships.

Investment Performance

The investment performance for the year yielded a total return of -9.7%. Investments are made to maximise the total return and generate investment for the granting of prizes and scholarships. The investment performance for the year has generated an annual dividend yield of 4.8%.

Reserves Policy

The School's policy is to invest in its facilities to support the educational and business needs of the School. This investment is subject to the availability of funds to adequately support the day to day operational needs and to maintain adequate resources to meet any contingencies. Any major investment in buildings will be financed by borrowings or fundraising. The level of borrowings will not exceed a level which the Governors are confident can be serviced by the prudent projection of future income and expenditure and associated cash flows.

Free reserves, as defined by the Charities SORP, excluding fixed assets were £787,233 at the year end (2008: £826,309). These free reserves are within the parameters set by the Governors, thereby ensuring there are adequate resources in place to continue current operations.

Risk Factors

The Governors have previously assessed the major risks to which the school is exposed, and are satisfied that systems are in place to manage exposure to the major risks.

THE KING'S SCHOOL, GLOUCESTER

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

Future Plans

The whole School development plan is considered by the Board of Governors on an annual basis, with review at regular intervals. The objectives within the current plan are:

1. To Maintain high standards of academic achievement in the Senior School through small class sizes and the recruitment and retention of inspirational teachers;
2. To maintain the combined pupil roll at a normal level of 510;
3. To continue to review the academic syllabus, and in particular review the Sixth Form provision;
4. To balance academic achievement through maintaining a curriculum allowing full scope for the development of extra curricular opportunities in sport, the performing arts, outdoor pursuits and social as well as academic skills;
5. To encourage new forms of learning and communication via the introduction of independent learning skills and techniques for all pupils;
6. To widen the access to the School still further through the provision of means-tested bursaries equivalent to 15 full-fee paying places;
7. To build a new sports hall facility, subject to funding adequacy;
8. To continue to build links with local junior and senior schools in the state and independent sector; and
9. To continue to build and encourage community access for educational purposes to the School's facilities.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and regulations.

Company law requires the Governors to prepare accounts for each financial year. Under that law the Governors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Governors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and the group and of the surplus or deficit of the group for that period. In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for ensuring that adequate accounting records are maintained that are sufficient to show and explain the Charity's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and the group and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and ensuring their proper application in accordance with Charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Governors are aware, there is no relevant audit information of which the Charity's auditors are unaware. The Governors have each taken all of the steps that we ought to have taken as Governors in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

THE KING'S SCHOOL, GLOUCESTER

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

Auditor

In accordance with Section 385 of the Companies Act 2006, a resolution proposing the re-appointment of Horwath Clark Whitehill LLP as auditor to the school will be put to the annual general meeting.

On behalf of the board of Governors



The Very Reverend N. Bury, M.A
Governor

Dated: 17 November 2009

THE KING'S SCHOOL, GLOUCESTER

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING'S SCHOOL, GLOUCESTER

We have audited the group and parent company accounts of The King's School, Gloucester for the year ended 31 July 2009, which comprise the Group Statement of Financial Activities, the Group Income and Expenditure Account, the Balance Sheets, the Group Cash Flow Statement and the related notes set out on pages 16 to 29. These accounts have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Sections 495 to 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of the Governors and Auditor

The Governors' (who are also directors of The King's School, Gloucester for the purpose of company law) responsibilities for preparing the Annual Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Governors' Responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 2006 and whether the Governors' Report is consistent with the accounts.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if the information specified by law regarding Governors' remuneration and other transactions with the charity is not disclosed.

We read the Governors' Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgments made by the Governors in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

THE KING'S SCHOOL, GLOUCESTER

INDEPENDENT AUDITOR'S REPORT (Continued) TO THE MEMBERS OF THE KING'S SCHOOL, GLOUCESTER

Opinion

In our opinion:

- the accounts give a true and fair view of the state of the affairs of the charitable parent company and of the group as at 31 July 2009 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the year then ended;
- the accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the accounts have been prepared in accordance with the Companies Act 2006; and
- the information given in the Governors' Report is consistent with the accounts.



Michael Hall
Senior Statutory Auditor
for and on behalf of **Horwath Clark Whitehill LLP**
Chartered Accountants and Statutory Auditor

Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Date: 19/11/09

THE KING'S SCHOOL, GLOUCESTER

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2009

	Note	Unrestricted Funds £	Restricted Funds £	Total 2009 £	Total 2008 £
INCOMING RESOURCES					
Incoming resources from charitable activities					
School fees	3	4,951,025	-	4,951,025	5,115,229
Other ancillary trading income	6	54,028	-	54,028	44,031
Incoming resources from generated funds					
Trading turnover – Serlo Enterprises	4	66,180	-	66,180	101,496
Investment income	5	28,371	4,043	32,414	61,257
Voluntary income	2	-	79,615	79,615	53,421
Other Incoming resources	6	<u>21,438</u>	<u>-</u>	<u>21,438</u>	<u>27,326</u>
Total Incoming resources		<u>5,121,042</u>	<u>83,658</u>	<u>5,204,700</u>	<u>5,402,760</u>
RESOURCES EXPENDED					
Costs of generating funds					
Serlo Enterprises trading costs	4	61,873	-	61,873	81,466
Fundraising costs – other		11,372	-	11,372	13,410
Finance costs		4,025	-	4,025	11,742
Charitable activities					
Education and grant making costs		4,933,424	5,718	4,939,142	4,904,781
Governance costs		<u>42,047</u>	<u>-</u>	<u>42,047</u>	<u>23,296</u>
Total resources expended	7	<u>5,052,741</u>	<u>5,718</u>	<u>5,058,459</u>	<u>5,034,695</u>
Net incoming resources for the year		68,301	77,940	146,241	368,065
Unrealised investment losses	11	<u>-</u>	<u>(6,221)</u>	<u>(6,221)</u>	<u>(8,806)</u>
Net movement in funds		<u>68,301</u>	<u>71,719</u>	<u>140,020</u>	<u>359,259</u>
Fund balances as at 1 August 2008		<u>2,221,460</u>	<u>220,694</u>	<u>2,442,154</u>	<u>2,082,895</u>
Fund balances as at 31 July 2009	16	<u>2,289,761</u>	<u>292,413</u>	<u>2,582,174</u>	<u>2,442,154</u>

All amounts relate to continuing operations.

The notes on pages 16 to 29 form part of these accounts.

THE KING'S SCHOOL, GLOUCESTER

CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2009

	2009 £	2008 £
Total income	5,204,700	5,402,760
Total expenditure from income funds	<u>5,058,459</u>	<u>5,034,695</u>
Net income for the year	<u>146,241</u>	<u>368,065</u>

The summary income and expenditure account is derived from the statement of financial activities on page 12 which, together with the notes on pages 16 to 29, provides full information on the movements during the year on all funds of the school.

CONSOLIDATED STATEMENT OF RECOGNISED GAINS AND LOSSES

	2009 £	2008 £
Net income for the year	146,241	368,065
Unrealised losses on investment assets held by income funds	<u>(6,221)</u>	<u>(8,806)</u>
Total recognised gains and losses relating to the year	<u>140,020</u>	<u>359,259</u>

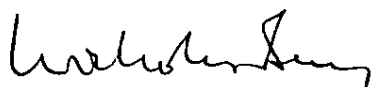
The notes on pages 16 to 29 form part of these accounts.

THE KING'S SCHOOL, GLOUCESTER
COMPANY REGISTRATION NUMBER 3834841

BALANCE SHEETS
AS AT 31 JULY 2009

	Note	Group 2009 £	2008 £	School 2009 £	2008 £
Fixed assets					
Tangible assets	10	1,501,749	1,394,372	1,501,749	1,394,372
Investments	11	42,897	49,118	3,858	4,229
		<u>1,544,646</u>	<u>1,443,490</u>	<u>1,505,607</u>	<u>1,398,601</u>
Current assets					
Stocks		19,700	15,080	19,073	13,542
Debtors	12	206,042	240,564	205,913	265,078
Cash at bank and in hand		1,602,621	1,598,124	1,601,525	1,562,189
		<u>1,828,363</u>	<u>1,853,768</u>	<u>1,826,511</u>	<u>1,840,809</u>
Creditors: amounts falling due within one year	13	<u>(667,849)</u>	<u>(641,049)</u>	<u>(666,779)</u>	<u>(628,872)</u>
Net current assets		<u>1,160,514</u>	<u>1,212,719</u>	<u>1,159,732</u>	<u>1,211,937</u>
Total assets less current liabilities		2,705,160	2,656,209	2,665,339	2,610,538
Creditors: amounts falling due after more than one year	14	<u>(122,986)</u>	<u>(214,055)</u>	<u>(122,986)</u>	<u>(214,055)</u>
Net assets		<u>2,582,174</u>	<u>2,442,154</u>	<u>2,542,353</u>	<u>2,396,483</u>
Income funds					
Restricted funds	17a	292,413	220,694	253,371	175,802
Designated and General funds	17b	2,289,761	2,221,460	2,288,982	2,220,681
	16	<u>2,582,174</u>	<u>2,442,154</u>	<u>2,542,353</u>	<u>2,396,483</u>

The accounts were approved and authorised for issue by the Board on *17 November 2009* and were signed on its behalf by:



The Very Reverend N. Bury, M.A
Governor

The notes on pages 16 to 29 form part of these accounts.

THE KING'S SCHOOL, GLOUCESTER

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2009

	Note	2009 £	2008 £
Net cash inflow from operating activities	18	276,420	545,121
Returns on investments and servicing of finance			
Finance costs paid		(4,025)	(11,742)
Investment income receivable		32,414	61,257
Capital expenditure and financial investment			
Payment for tangible fixed assets		(231,315)	(165,254)
Net cash inflow before financing		73,494	429,382
Financing: Advance fee schemes			
Receipts from new advance fee contracts		133,939	182,705
Withdrawals		(56,247)	-
Amounts accrued to advance fee contracts		14,195	19,299
Amounts utilised		(160,884)	(169,898)
Increase in cash	19	4,497	461,488

The notes on pages 16 to 29 form part of these accounts.

THE KING'S SCHOOL, GLOUCESTER

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2009

1. Accounting policies

1.1 Basis of preparation

The accounts are prepared under the Companies Act 2006 on the historical cost convention modified to include the revaluation of certain investments.

The accounts have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities: The Charities SORP 2005.

These accounts consolidate the accounts of the School and its wholly owned non-charitable subsidiary trading company, Serlo Enterprises Limited, and the charitable trust King's School Prize and Scholarship Fund. For Serlo Enterprises Limited the period included in the consolidation is the year to 31 August 2009. The year end for Serlo Enterprises Limited is different to the that of the School in order to account for the full summer activities operated by the company, this difference in accounting reference date does not significantly affect the numbers.

As permitted by Section 408 of the Companies Act 2006 and in accordance with the Charities SORP 2005, no separate SoFA has been presented for the School alone. The parent company's surplus for the year was £141,818 (2008 £347,360).

1.2 Incoming resources

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

Fees receivable and charges for services are accounted for in the year in which the service is provided. Fees received for education to be provided in future years are carried forward as deferred income in the balance sheet.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

1.3 Resources expended

Expenditure is accounted for on an accruals basis and is summarised under functional headings on a direct cost basis or, for overheads, apportioned according to management estimates. The irrecoverable element of VAT is included with the item of expenditure.

Governance costs comprise costs of running the charity, any legal advice and all costs of complying with constitutional and statutory requirements.

Fundraising costs include costs associated with the planning and organisation of fundraising events and the costs of the trading subsidiary

THE KING'S SCHOOL, GLOUCESTER

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

Accounting policies (continued)

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its useful economic life, as follows:

Freehold land is not depreciated	
Freehold and Long Leasehold buildings	2% - 10% straight line
Fixtures, fittings and equipment	10% - 33% straight line
Motor vehicles	20% straight line

Leasehold improvements to buildings held on short term leases are depreciated over the remaining term of the short term lease when incurred, which is currently 9% straight line.

Items costing less than £5,000 are written off as an expense when acquired.

1.5 Operating lease commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.6 Investments

Fixed asset investments are stated at market value at the balance sheet date. Changes in the valuation of investments during the year are shown as unrecognised gains or losses in the Statement of Financial Activities.

1.7 Stock

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

1.8 Taxation

The School is a registered charity and as such is entitled to tax exemptions on all its income and gains properly applied for its charitable purposes.

1.9 Pensions

The School participates in the Teachers' Pension Defined Benefits Scheme, for its teaching staff, at rates set by the Scheme Actuary and advised to the School 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 that are attributable to the School. Accordingly, under FRS 17 the Scheme is accounted for as if it were a defined contributions scheme and the contributions are accounted for when advised as due by the Scheme Administrator.

The School also contributes to a defined contribution pension scheme for non-teaching staff at a rate of 6% of annual basic pay and these contributions are accrued accordingly.

1.10 Unrestricted funds

The General Funds comprise the accumulated surplus. As such the Governors consider these funds to be Unrestricted Funds within the definitions contained in the Charities Acts in that they are funds over which they have complete discretion as to their use.

1.11 Designated funds

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the accounts.

THE KING'S SCHOOL, GLOUCESTER

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

Accounting policies (continued)

1.12 Restricted funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.13 Recognition of liabilities

Liabilities are recognised once there is a legal or constructive obligation that commits the charity to the obligation.

2. Voluntary Income

	2009 £	2008 £
Donations	<u>79,615</u>	<u>53,421</u>

3. School Fees

	2009 £	2008 £
Fees receivable consist of:		
Gross fees	5,691,872	5,805,654
Less: Total bursaries, grants and allowances	<u>(746,565)</u>	<u>(692,141)</u>
	4,945,307	5,113,513
Add back: Scholarships and grants paid for by restricted funds	<u>5,718</u>	<u>1,716</u>
	<u>4,951,025</u>	<u>5,115,229</u>

THE KING'S SCHOOL, GLOUCESTER

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

4. Trading Income

	2009 £	2008 £
Turnover	66,180	101,496
Interest receivable	116	675
Operating expenses	<u>(61,873)</u>	<u>(81,466)</u>
Net income from trading	<u>4,423</u>	<u>20,705</u>

5. Investment Income

	2009 £	2008 £
Interest receivable	<u>32,414</u>	<u>61,257</u>

6. Other Income

	2009 £	2008 £
Other ancillary activities		
Insurance commissions	6,433	5,960
After School holiday clubs	40,416	31,115
Late payment surcharges	<u>7,179</u>	<u>6,956</u>
	<u>54,028</u>	<u>44,031</u>
Other incoming resources		
Other	<u>21,438</u>	<u>27,326</u>
	<u>21,438</u>	<u>27,326</u>

THE KING'S SCHOOL, GLOUCESTER

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

7. Resources Expended

	Staff Costs £	Deprec- iation £	Other Costs £	Total 2009 £	Total 2008 £
Charitable expenditure:					
School operating costs:					
Teaching costs	2,694,491	-	386,711	3,081,202	2,961,055
Welfare costs	27,684	-	-	27,684	29,554
Support costs	361,246	-	270,643	631,889	604,223
Catering	-	-	312,722	312,722	311,329
Premises	311,499	123,938	444,490	879,927	996,904
Grants, awards and prizes	-	-	5,718	5,718	1,716
	<u>3,394,920</u>	<u>123,938</u>	<u>1,420,284</u>	<u>4,939,142</u>	<u>4,904,781</u>
Governance costs	-	-	42,047	42,047	23,296
Costs of generating funds:					
Fundraising costs	-	-	11,372	11,372	13,410
School financing costs	-	-	4,025	4,025	11,742
School	<u>3,394,920</u>	<u>123,938</u>	<u>1,477,728</u>	<u>4,996,586</u>	<u>4,953,229</u>
Trading costs	<u>7,384</u>	<u>-</u>	<u>54,489</u>	<u>61,873</u>	<u>81,466</u>
Group	<u>3,402,304</u>	<u>123,938</u>	<u>1,532,217</u>	<u>5,058,459</u>	<u>5,034,695</u>

Governance costs include payments to the auditors of £11,661 for audit services and £1,485 for non-audit services (2008: £9,100 for audit services and £1,751 non-audit services).

Premises costs includes operating lease payments of £1,361 in respect of equipment (2008: £6,316) and £78,206 in respect of land and buildings (2008: £74,718).

8. Staff Costs

	2009 £	2008 £
Wages and salaries	2,874,740	2,798,667
Social security costs	214,765	208,574
Pension contributions	312,799	298,269
	<u>3,402,304</u>	<u>3,305,510</u>

THE KING'S SCHOOL, GLOUCESTER

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

8. Staff Costs (continued)

The average monthly number of full time equivalent employees during the year was:

	2009	2008
Teaching Staff	78	76
Support Staff	37	37
	<u>115</u>	<u>113</u>

The number of employees whose annual emoluments were £60,000 or more were:

	2009	2008
£70,001 - £80,000	<u>1</u>	<u>1</u>

The employee whose emoluments exceed £60,000, has retirement benefits accruing under defined benefit pension schemes.

9. Governors

The Governors received no remuneration or other benefits for the year, and £Nil (2008: £210) of expenses were reimbursed to Governors during the year.

10. Tangible fixed assets

	Group and School			
	Land and buildings £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 August 2008	2,439,376	228,135	31,916	2,699,427
Additions	<u>153,321</u>	<u>63,894</u>	<u>14,100</u>	<u>231,315</u>
At 31 July 2009	<u>2,592,697</u>	<u>292,029</u>	<u>46,016</u>	<u>2,930,742</u>
Depreciation				
At 1 August 2008	1,138,026	157,179	9,850	1,305,055
Charge for the year	<u>92,342</u>	<u>22,393</u>	<u>9,203</u>	<u>123,938</u>
At 31 July 2009	<u>1,230,368</u>	<u>179,572</u>	<u>19,053</u>	<u>1,428,993</u>
Net book value:				
At 31 July 2009	<u>1,362,329</u>	<u>112,457</u>	<u>26,963</u>	<u>1,501,749</u>
At 31 July 2008	<u>1,301,350</u>	<u>70,956</u>	<u>22,066</u>	<u>1,394,372</u>

THE KING'S SCHOOL, GLOUCESTER

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

10a. Freehold and leasehold property

	Group and School	
	Accumulated Costs 2009 £	Net Book Value 2009 £
Freehold		
Old Bishop's Palace	506,654	250,895
Archdeacon Meadow	264,579	142,559
Sports Hall	218,063	218,063
Design and Technology Building	51,599	46,439
	<u>1,040,895</u>	<u>657,956</u>
Long leasehold improvements to land and buildings leased from the Chapter of Gloucester Cathedral: Junior School Buildings on Paddock Land	<u>985,416</u>	<u>499,955</u>
Short leasehold improvements to land and buildings leased from the Chapter of Gloucester Cathedral:		
King's School House	4,742	952
Little Cloister House	11,615	2,437
Wardle House	32,162	7,115
Paddock House – 5 Pitt Street	469,561	178,049
Dulverton House and Coach house	48,306	15,865
	<u>566,386</u>	<u>204,418</u>
	<u>2,592,697</u>	<u>1,362,329</u>

- (i) The leasehold property is leased from the Chapter of Gloucester Cathedral under renewable 20 year leases expiring on 24 December 2013. The terms provide for full repairing liability and at rents independently reviewed at 5 yearly intervals. The current rents amount to £65,000 per annum.
- (ii) The school occupies the Paddock Land which is owned by the Chapter of Gloucester Cathedral. The school has erected buildings thereon with the latter's consent. The Chapter has granted a 99 year lease, expiring on 27 October 2095, in favour of the school at a peppercorn rent of £10 per annum.

The school occupied premises under license from the Chapter of Gloucester Cathedral at a rent of £6,500 per annum, until this lease is incorporated into the main school leases.

THE KING'S SCHOOL, GLOUCESTER

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

11. Fixed asset investments

Group	2009 £	2008 £
Quoted Investments at market value 1 August 2008	49,118	57,924
Unrealised losses	(6,221)	(8,806)
Quoted Investments at market value 31 July 2009	42,897	49,118
Cost	11,593	11,593
School		
Quoted Investments at market value 1 August 2008	4,226	4,752
Unrealised losses	(371)	(526)
Quoted Investments at market value 31 July 2009	3,855	4,226
Shares in subsidiary trading company, at cost	3	3
	3,858	4,229
Cost	1,596	1,596

The School owns 100% of the ordinary shares in Serlo Enterprises Limited which is a trading company selling services and goods relating to the School. It covenants its taxable profits to the School. Its trading results, extracted from its audited accounts were:

	2009 £	2008 £
Turnover	66,180	101,496
Cost of sales	(50,208)	(69,962)
Gross Profit	15,972	31,534
Administration	(11,665)	(11,504)
Operating profit	4,307	20,030
Interest receivable	116	675
Profit on ordinary activities before taxation	4,423	20,705
Taxation	-	-
Profit on ordinary activities after taxation	4,423	20,705
Gross covenant to The King's School	(4,423)	(20,705)
Retained profit for the year	-	-
Retained reserves brought forward	782	782
Retained reserves carried forward	782	782

Material investments

	Group Market value £	% of total	School Market value £	% of total
COIF Charity Investment Fund	41,413	97.0	2,372	61.5
3.5% War Loan Stock	1,483	3.0	1,483	38.5
	42,896	100.0	3,855	100.0

THE KING'S SCHOOL, GLOUCESTER

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

12. Debtors

	Group		School	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	115,833	102,947	111,587	102,947
Other debtors	33,930	33,370	33,624	19,288
Prepayments and accrued income	56,279	104,247	56,279	104,247
Amounts owed by group companies	-	-	4,423	38,596
	<u>206,042</u>	<u>240,564</u>	<u>205,913</u>	<u>265,078</u>

13. Creditors: amounts falling due within one year

	Group		School	
	2009	2008	2009	2008
	£	£	£	£
Trade creditors	178,675	171,666	178,675	171,666
Taxes and social security costs	69,704	70,464	69,704	70,464
Pension costs	38,760	34,738	38,760	34,738
Refundable fee deposits	137,389	136,265	137,389	136,265
Advance fee payments	154,872	132,800	154,872	132,800
Other creditors	50,019	47,876	50,019	35,699
Accruals and deferred income	38,430	47,240	37,360	47,240
	<u>667,849</u>	<u>641,049</u>	<u>666,779</u>	<u>628,872</u>

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

	Group and School	
	2009	2008
	£	£
Advance fee payments	<u>122,986</u>	<u>214,055</u>

15. Advance fee payments

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

	2009	2008
	£	£
Greater than 5 years	-	-
Within 2 to 5 years	59,642	99,114
Within 1 to 2 years	<u>63,344</u>	<u>114,941</u>
	<u>122,986</u>	<u>214,055</u>
Within in 1 year	<u>154,872</u>	<u>132,800</u>
	<u>277,858</u>	<u>346,855</u>

THE KING'S SCHOOL, GLOUCESTER

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

15. Advance fee payments (continued)

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

	£
Balance as at 1 August 2008	346,855
New contracts	133,939
Withdrawals	(56,247)
Amounts accrued to contracts as debt-financing costs	14,195
	<u>438,742</u>
Amounts utilised in payment of fees	(160,884)
Balance at 31 July 2009	<u>277,858</u>

16. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Group			
Fund balances at 31 July 2009 are represented by:			
Tangible fixed assets	1,501,749	-	1,501,749
Investments	-	42,897	42,897
Current assets	1,578,847	249,516	1,828,363
Creditors: amounts falling due within one year	(667,849)	-	(667,849)
Creditors: amounts falling due after more than one year	(122,986)	-	(122,986)
	<u>2,289,761</u>	<u>292,413</u>	<u>2,582,174</u>

	Unrestricted funds £	Restricted funds £	Total £
School			
Fund balances at 31 July 2009 are represented by:			
Tangible fixed assets	1,501,749	-	1,501,749
Investments	3	3,855	3,858
Current assets	1,576,995	249,516	1,826,511
Creditors: amounts falling due within one year	(666,779)	-	(666,779)
Creditors: amounts falling due after more than one year	(122,986)	-	(122,986)
	<u>2,288,982</u>	<u>253,371</u>	<u>2,542,353</u>

THE KING'S SCHOOL, GLOUCESTER

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

17a. Restricted funds: Movements in the Year

Group Funds	Prize & Scholarship Fund £	Bursary Fund £	Sports Fund £	Legacies Fund £	Annual Fund £	General Fund £	Total £
Balance as at 1 August 2008	120,191	37,914	49,899	-	-	12,690	220,694
Income	2,244	679	893	-	-	227	4,043
Donations\Grants	-	44,797	25,000	500	5,750	3,568	79,615
Amounts expended	(718)	(5,000)	-	-	-	-	(5,718)
Investment losses	(6,221)	-	-	-	-	-	(6,221)
Balance as at 31 July 2009	<u>115,496</u>	<u>78,390</u>	<u>75,792</u>	<u>500</u>	<u>5,750</u>	<u>16,485</u>	<u>292,413</u>

The Prize and Scholarship fund is for the provision of prizes and scholarships for pupils at the School.

The Bursary fund is for the provision of financial assistance for those pupil's at the school, or due to start the School, whose families have fallen on difficult time or would otherwise be unable to afford the education at the School.

The Sports fund is for the provision of sport facilities at the School.

The Legacy fund is income that has been left to the School for the Trustees to distribute as they wish.

The Annual fund is an annual fundraising activity for specific purposes. The current Annual fund is raising money for a grand piano, the Senior School library, a debating lectern, gavel and bell and Nintendo Wii.

The General fund is from donations with no specific purpose other than to support the School and for the Trustees to distribute as they wish.

School Funds	Prize & Scholarship Fund £	Bursary Fund £	Sports Fund £	Legacies Fund £	Annual Fund £	General Fund £	Total £
Balance as at 1 August 2008	75,299	37,914	49,899	-	-	12,690	175,802
Income	2,244	679	893	-	-	227	4,043
Donations\Grants	-	44,797	25,000	500	5,750	3,568	79,615
Amounts expended	(718)	(5,000)	-	-	-	-	(5,718)
Investment losses	(371)	-	-	-	-	-	(371)
Balance as at 31 July 2009	<u>76,454</u>	<u>78,390</u>	<u>75,792</u>	<u>500</u>	<u>5,750</u>	<u>16,485</u>	<u>253,371</u>

THE KING'S SCHOOL, GLOUCESTER

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

17b. Unrestricted funds: Movements in the Year

	Balance as at 1 August 2008 £	Income £	Expended £	Transfers £	Balance as at 31 July 2009 £
Designated funds:					
Major Repair funds	98,700	-	(98,700)	65,000	65,000
General funds	2,121,981	5,054,746	(4,892,168)	(60,577)	2,223,982
School funds	2,220,681	5,054,746	(4,990,868)	4,423	2,288,982
Non charitable trading funds	779	66,296	(61,873)	(4,423)	779
Group funds	2,221,460	5,121,042	(5,052,741)	-	2,289,761

The Major Repair funds represent funds held towards the repair costs expected to be incurred for the main School buildings within the next two years. During the year a further £65,000 was designated for roof repairs to the Old Bishops Palace. The trading subsidiary made a surplus of £4,423 during the year which was gift aided to the charity.

18. Net cash inflow from operating activities

	2009 £	2008 £
Reconciliation to changes in resources:		
Changes in resources before revaluations	146,241	368,065
Depreciation of tangible fixed assets	123,938	147,038
(Increase)/decrease in stocks	(4,620)	7,906
Decrease in debtors	34,522	10,520
Increase in creditors	4,728	61,107
Investment income	(32,414)	(61,257)
Financing costs	4,025	11,742
	276,420	545,121

19. Reconciliation of net cash flow to movement in net funds

	2009 £	2008 £
Net cash at 1 August 2008	1,598,124	1,136,636
Increase in cash	4,497	461,488
Net cash at 31 July 2009	1,602,621	1,598,124

Refer to the cash flow statement on page 15 of the accounts.

THE KING'S SCHOOL, GLOUCESTER

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

20. Analysis of net cash balances

	At 1 August 2008 £	Cash Flow £	At 31 July 2009 £
Cash	1,598,124	4,497	1,602,621
Advance fees due within 1 year	(132,800)	(22,072)	(154,872)
Advance fees due after more than 1 year	(214,055)	91,069	(122,986)
	<u>1,251,269</u>	<u>73,494</u>	<u>1,324,763</u>

21. Pension scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the Scheme"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School.

The latest actuarial valuation of the Scheme by the Government Actuary issued in October 2006 relating to the period 1 April 2001 to 31 March 2004 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) exceeded the value of the Scheme's assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) by 2.0%.

From 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution rate has been assessed at 19.75%, and the supplementary contribution rate has been assessed to be 0.75% (to balance the Scheme's assets and liabilities within 15 years as required by the regulations); a total contribution rate of 20.5%. This translates into an employer contribution rate of 14.1% and an employee contribution rate of 6.4%. The cost-sharing agreement has also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

The pension charge represents contributions payable to the fund and amounted to £279,504 (2008: £262,513, including outstanding contributions payable to the fund of £32,757 (2008: £29,808)). This amount is included in creditors and was paid by its due date in August 2009. The valuation of the scheme by the Government Actuaries as 31 March 2008 is expected to be issued early in 2010.

The School also runs a scheme for its non-teaching staff, which is a defined contribution scheme, amounts paid into the scheme for the year were £30,695 (2008: £35,756). There were contributions of £5,057 (2008: £4,930) outstanding at the year end; this amount is included in creditors and was paid by its August due date.

THE KING'S SCHOOL, GLOUCESTER

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2009

22. Operating lease commitment

At 31 July 2009, the School had annual commitments under non-cancellable operating leases as follows:

	2009	2008
	£	£
Other		
Expiring in less than one year	-	1,842
Expiring between two and five years	<u>28,859</u>	<u>28,859</u>

23. Capital commitment

The School had no capital commitments (2008: £160,496) at the year end.

24. Related party transactions

Under the provisions of Financial Reporting Standard No. 8, related party transactions with Serlo Enterprises Limited are exempt from disclosure, as the company is a wholly owned subsidiary of The King's School, Gloucester, the immediate parent charity.