



King Alfred School Society  
A company having no share capital and limited  
by guarantee

# ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31st July 2022

The King Alfred School, North End Road,  
London NW11 7HY





EX CORDE VITA

# The King Alfred School Society

## A company having no share capital and limited by guarantee

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# REFERENCE AND ADMINISTRATIVE DETAILS

**PRESIDENT**

Kara Conti

**CHAIR**

Annabel Cody

**TREASURER**

Nick Friedlos

**HEAD**

Robert Lobatto  
BA Hons (Oxon),  
PGCE, NPQH (London)

**DIRECTOR OF FINANCE & OPERATIONS**

Victoria Heeley  
BSc Hons,  
FCA

**OTHER COUNCIL MEMBERS**

Amy Chapman, Shay David (resigned 5 July 2022), Angela Dehadray (appointed 1 February 2022)  
Sandra Denicke-Polcher (resigned 10 October 2022), Robert Dye,  
Grace Edghill (re-appointed 8 February 2022), David Gossen, Fiona Hackett, Sam Jukes-Adams,  
Jo Lucas (appointed 8 February 2022), Liam Michaels (resigned 8 February 2022),  
Sarah Phillips (re-appointed 8 February 2022), Sophie Ricard (re-appointed 8 February 2022),  
Johnny Rosen (appointed 8 February 2022), Christian Schmidt, Sophie Silocchi,  
Sam Walsh (resigned 30 June 2022), Philip Whale

**REGISTERED ADDRESS**

Manor Wood, 149 North End Road, London, NW11 7HY

**AUDITORS**

Haysmacintyre LLP, Chartered Accountants  
10 Queen Street Place, London EC4R 1AG

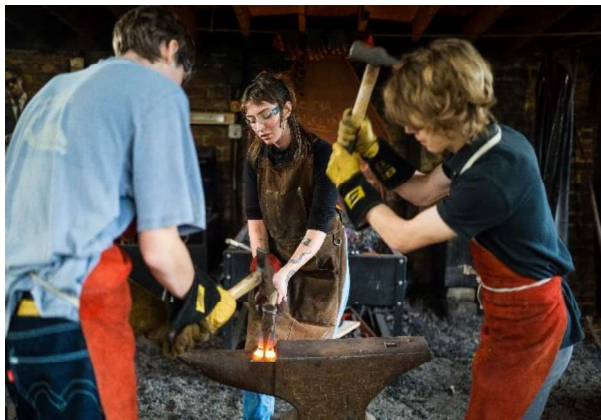
**BANKERS**

Barclays Bank Plc, PO Box 12820, London N20 0WE

**SOLICITORS**

Harrison Clark Rickerbys, Ellenborough House, Wellington Street,  
Cheltenham, Gloucestershire, GL50 1YD

Farrer & Co LLP, 66 Lincoln's Inn Fields, London WC2A 3LH



## INTRODUCTION BY THE CHAIR OF COUNCIL

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The King Alfred School Society (the Society) was established in 1897 to provide a new model of education and to influence the educational landscape.

Reacting to the selective and exam-focused Victorian school system, the founders established, one year later, the King Alfred School (the School) whose purpose was to educate the whole child. Learning would take place in a non-selective co-educational setting in which staff would work collaboratively with pupils using teaching based on the latest scientific methods in an environment free from unnecessary pressures. The work of its forward-thinking founders is as relevant today as it was when the Society was formed and the School first opened. The School aims to provide a rounded education which enables its students to function well in society because they are confident, self-disciplined and inquisitive with a wide range of knowledge and awareness of social issues.

A key pillar of the Society's founding aims as a charity is the commitment to widening access to a King Alfred Education beyond those who are able to afford fees. In the School's current strategy this is expressed as our 'impact on the world,' and takes the form of the direct funding of bursary places and hardship support as well as our undertaking to share our educational research and practice across the broader educational community.

It is Council's role, as school governors to oversee the financial, educational and strategic direction of the School, in line with the Society's aims.

The School has ended the year in a sound financial position, despite ongoing challenges caused by the pandemic. This year saw a significant increase in expenditure, largely due to a planned programme of works to the site which had been suspended during lockdown. There was also extra investment in staffing in order to ensure that students were fully supported in the return to school, post-pandemic. After a two-year freeze, Council approved a moderate fee rise and whilst encouraged by strong student numbers, we have navigated the rest of the year carefully, remaining agile in the face of current economic

and political challenges and mindful of those which may be on the horizon.

The year 2021-22 was one of strong educational growth and development.

In March 2022, the ISI (Independent Schools' Inspectorate) carried out an inspection to judge the quality of education that the School provides. It found the quality of both the pupils' academic and personal development to be 'excellent', which is the highest possible standard. The report recognised the extent to which the School's values actively shape pupils' development, noting that, "pupils of all ages demonstrate an intrinsic motivation towards their work and towards their contribution to the extracurricular life of the School, and this comes from the high expectations of the teachers and from the School's culture of mutual respect."

The positive inspection outcome has built confidence both within the current community and with prospective parents and its acknowledgement of success of the King Alfred approach has strengthened yet further our foundations for future development.

One area in which significant progress has been made this year is the School's founding commitment to generate innovation in education (to be a 'demonstration' school) whilst keeping the personal and academic development of the students as its core.

The 6-8 curriculum entered its second year, with two year-groups now progressing through the programme, which aims to expand students' personal and intellectual growth in the pre-exam years through inter-disciplinary learning.

Deputy Head, Alistair McConville has spearheaded change in Years 9-11 with the introduction of the new 'Global Challenges' course. Community consultation is also underway on a variety of changes which seek to broaden the educational experience in the GCSE years and will shape future developments in our offer.

Alistair is one of the founders of the Rethinking Assessment Group, a coalition of state and independent school educators committed to challenging the current orthodoxy in terms of our national approach to exams. In March the

## INTRODUCTION BY THE CHAIR OF COUNCIL

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Society was proud to co-host a conference called 'Education on the move,' with Rethinking Assessment. The conference featured schools leading educational innovation across the state and independent sectors and was strongly attended by members of our own community and educators from a wide range of schools and organisations.

In September 2022, we established the role of 'Partnerships and Leadership Support.' This newly created role is a significant step towards achieving our aim of widening our impact as a charity. As part of this initiative, the School has become a founder member of 'The Big 10', a group of 10 forward-looking schools who are committed to sharing best practice and influencing the wider education system. KAS is the only independent school in the group.

In terms of governance, Council has continued to work closely with Robert and the Senior Leadership Team to oversee the operation of the School in terms of its day-to-day running and with a view to its longer-term strategic development.

Work has continued on the site Masterplan which will enable informed decision-making about the future, sustainable development of our facilities in accordance with our educational aims.

Work on diversity, equity and inclusion has been ongoing throughout the year and we intend to bring this together in a new policy document which, as a school with strong values, we hope will reflect our thinking and aims in this area.

Council as a whole has repeated its process of self-review, based on best practices in the UK charity sector, leading to opportunities for improvements in the performance of individuals and Council as a whole. As a result of this work, we have updated our Council Strategy with highlighted objectives across a broad spectrum of areas.

Full Council meetings are always attended by staff representatives and this year Council has continued its commitment to working with School Six, the elected student representatives for the Upper School. This is in keeping with the School's ethos of valuing student voice and we intend their contribution to play an active role in

future discussions around the governance of the School.

We were pleased to welcome 2 new and 3 re-elected Council members after the last AGM, as well as a newly co-opted member in the year. The cycle of renewal is crucial to effective governance and accordingly we have maintained our recruitment and succession planning in order to ensure that, as a body, we are operating as effectively as possible.

As we approach our next round of elections, I would like to thank our retiring Council members this year for their commitment and contribution to the School during their tenure.

Looking to the future, KAS will celebrate its 125th anniversary in 2023. This will provide an opportunity to acknowledge the School's history as well as to look to its future development. A number of events and a celebratory book are being planned which will bring together the community past, present and future to celebrate this remarkable milestone.

Last year we could not have achieved so much without the continued support of our members and the School's staff and parents. Council offers its heartfelt thanks to every one of you for being a vital part of the Society and enabling to continue its work. Finally, I would like to take this opportunity to thank Robert, the SLT and all staff for their outstanding contribution and commitment.

**ANNABEL CODY,**  
Chair of The King Alfred School



## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31<sup>st</sup> JULY 2022

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The King Alfred School Society is a company and registered charity.

The principal activity of the Society is the operation of the King Alfred School in North London. However, the Society has a wider remit than simply the operation of the School.

It also aims to promote the wider advancement of education through research and to disseminate the results of that research. Additionally, the Society seeks to broaden its impact by making its education and educational philosophy available to a wider range of students.

The Members of the Society, of whom the majority are The King Alfred School parents, elect Council members to act as charity trustees, company directors and governors of The King Alfred School. Council members are all volunteers and come from a wide range of professions and occupations. As school governors of The King Alfred School, Council members work alongside the School's senior leadership team which is responsible for execution of policy and management of the day-to-day operation of the School.

At its heart, the Society promotes the belief that a good education provides the opportunity for each young person to achieve their potential and to contribute to society in whatever way best suits their talents.

In the report below, Council, as trustees of the Society, sets out the aims of the Society, its charitable objects, and how the Society has delivered public benefit.

## 1. OBJECTIVES, ETHOS, STRATEGIES & ACTIVITIES

### 1.1. Aims and Objectives of The King Alfred School Society

The objects of the Society are set out in the Articles of Association. These include:

- To promote the advancement of Educational Science in all or any of its branches by the diffusion of knowledge relating thereto.
- To establish and carry on schools which take account of the work of educational reformers, to initiate or co-operate in educational research, and encourage the fullest development of whatever talents their members possess without resort to pressures which might upset the proper balance of the physical, the emotional and the intellectual aspects of the individual.

### 1.2. Ethos

The King Alfred School Society was established in 1897 by a group of parents with a specific vision that education should be based on rational, scientific principles focused on what is best for the individual development of the child as a whole person. The founders were influenced by reformers such as Pestalozzi, Herbart and Froebel and they set out principles of the Society by which schools were to be operated. The principles of education promoted by the Society have been developed but not materially changed in the years since and include:

- Being co-educational with a mixed ability intake
- Encouraging parental involvement
- Creating a trusting collaborative working relationship between teachers and pupils
- Developing each individual's talents fully without the pressure of competitive testing
- Valuing learning for its own sake rather than the attainment of awards
- Encouraging a spirit of enquiry and developing habits of work and self-reliance
- Being free from any religious or political organisation
- Maintaining the value of play and a minimum of rules.

"The King Alfred School Society Framework", first published in 2012, illuminates this approach and how it is put into practice.

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31<sup>st</sup> JULY 2022, CONTINUED

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### 1.3. Strategies for Achieving Objectives

#### 1.3.1. Educational research and dissemination

The Society aims to serve as a role model, inspiring and influencing others to create a better kind of education. It runs seminars and conferences and held a third TEDx in September 2021 as well as the "Education on the Move" conference in March 2022 to share ideas and to provide a forum for debate. The Society also promotes projects that model our approach, generating evidence of best practice.

The Society supports research both externally and from individual staff members who can be offered financial assistance with their projects. Visitors are welcomed to the School and come from far and wide.

#### 1.3.2. The School

During the year, The King Alfred School educated 674 children aged 4 to 18.

The School provides a warm and nurturing environment in which children are treated as individuals, and appreciated for who they are. Within the School, relationships between pupils and staff are informal and trusting. We minimise unnecessary pressure, and our approach to learning, testing and exams is based on the best available research evidence. We foster the intrinsic motivation of a child over extrinsic approval and teach every individual the importance of valuing their achievement on their own terms, rather than in relation to others' expectations. Having small classes with excellent teaching means that the needs of every child are planned for.

Council and the Senior Leadership Team continue to align strategic planning with our vision for education; a vision that has been richly informed by input from students, staff and parents.

The three core strategic areas of focus for the School are:

- Developing a holistic "4 to 18" curriculum.
- Increasing our impact on the world, both through empowering our students to be change-makers, and by disseminating our ideas throughout the broader education system.
- Developing a plan for investing in our campus

Significant work has taken place over the last 12 months in each of these areas and our 125<sup>th</sup> anniversary in 2023 represents, not just an opportunity to honour our past and recognise the School's achievements to-date, but also a time during which to celebrate and promote our vision as we pursue exciting and ambitious goals.

#### 1.3.3 Broadening our Reach

The Trustees believe that it is important that access to The King Alfred School education is not restricted to those who can afford our fees. Each year, means-tested bursaries are awarded to children entering Year 7 which, subject to financial review, remain in place throughout the school career of the child concerned. Means-tested bursaries are also awarded for children joining the Sixth Form. In addition, temporary hardship relief is provided on a means tested basis for children whose circumstances have changed. Over the past year, the School has also been able to provide fully-funded bursary places to five young people from Ukraine, whose education was disrupted following Russia's invasion – two in Year 10 and three in Year 12.

Partnerships at home and abroad continue to play an important role for both the Society and the School. In the UK, the School has links with local state schools, such as the Archer Academy, and outreach activities, particularly to share access to some of our facilities and counselling services. Partnership work with like-minded schools in both the state and independent sectors is on an exciting trajectory, with various projects underway to encourage and support other schools to explore and embrace similar methods, but also to contribute to the educational debate and influence future policy. Internationally, the School has active partnerships with schools in Namibia and Sri Lanka.

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31<sup>st</sup> JULY 2022, CONTINUED

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#### 1.4. Public Benefit

The Trustees confirm that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission, including the guidance "Public Benefit: running a charity" (PB2).

## 2. REVIEW OF ACHIEVEMENTS AND PERFORMANCE

### 2.1 The King Alfred School

In 2021/2022, 674 students (2020/2021, 656) were educated within The King Alfred School, of which 62 (2020/21, 93) received education at subsidised rates or free of charge.

In March 2022, the ISI (Independent Schools' Inspectorate) carried out an inspection to judge the quality of education the School provides. It found the quality of both the pupils' academic and personal development to be 'excellent', which is the highest possible level. The ISI report particularly noted that "pupils of all ages make rapid progress across the full range of subjects" and that "pupils demonstrate excellent attitudes towards their learning. They work independently and collaboratively with energy and purpose." The inspectors also identified that "pupils of all ages demonstrate an intrinsic motivation towards their work and towards their contribution to the extracurricular life of the School, and this comes from the high expectations of the teachers and from the School's culture of mutual respect". Inspectors also judged the School to be compliant in all regulatory areas.

The School has a holistic vision of educational performance and is committed to the notion of a 'broad definition of success' - exam results are an outcome of a good education rather than defining it.

The Society considers its School's exam performance using a nationally recognised value-added method which evaluates whether or not the School has supported pupils to achieve outcomes above their predicted grades in public examinations. The academic year ended July 2022 was the eighth year that the School value added has been independently evaluated. In all years, on this measure, the School has performed very positively. In 2021/22 A level results showed that the School was performing in the top 23% of independent schools nationally for progress between GCSEs and A levels (ALIS data<sup>1</sup>).

The summer examination season 2022 was able to go ahead following two years in which exams were cancelled by the Government in response to the disruption to teaching and learning caused by the Covid pandemic.

At A level, 55% of all grades were A\*-A, and 95% of the grades secured by students were A\* - C. In addition to again being higher than national averages and in line with other independent schools, these results put KAS in the top quartile for value added.

Students progressed to a variety of top tier universities, including overseas institutions, with some choosing alternative pathways such as internships and work experience in creative industries.

The third cohort successfully completed the UAL Diploma in Performing Arts this summer. This course is equivalent to three A levels. All students achieved distinctions, which are equivalent to three A\*s at A level.

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<sup>1</sup> ALIS, Leading provider of A level data analysis from CEM: Durham University

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31<sup>st</sup> JULY 2022, CONTINUED

#### A Level Results for the Last Four Years

	A*/A %	A*-B %	A*-C %	A*-E %
<b>KAS 2022</b>	55.4	85.2	95.0	99.2
<b>National 2022</b>	35.9	62.2	82.1	98.4
<b>Independent 2022</b>	58.0		92.1	
<b>KAS 2021</b>	72.5	87.3	97.2	100
<b>National 2021</b>	44.3	69.8	88.2	99.5
<b>Independent 2021</b>	70.1	88.3	96.4	99.7
<b>KAS 2020</b>	62.0	87.7	96.9	100
<b>National 2020</b>	35.7	63.4	86.7	99.6
<b>KAS 2019</b>	34.5	65	90	99
<b>National 2019</b>	25.2	51.1	75.5	97.5
<b>KAS Averages 2019 – 2021</b>	56	80	95	99
<b>National Av. 2019-2021</b>	35	61	83	99

At GCSE level, students achieved excellent results, with 31% of results at grades 8 and 9 (equivalent to A\*), and 52% at grades 9-7 (equivalent to A\* and A). Year 11 results at KAS were higher than national averages and in line with the independent school sector.

#### GCSE Results for the Last Four Years

	7/8/9 (A/A*/A**) %	4 and above (C and above) %
<b>KAS 2022</b>	51.2	94.5
<b>National 2022</b>	26.0	73.0
<b>Independent 2022</b>	53.0	92.5
<b>KAS 2021</b>	73.5	99.5
<b>National 2021</b>	28.5	76.9
<b>Independent 2021</b>	61.2	95.5
<b>KAS 2020</b>	74.6	100
<b>National 2020</b>	25.9	75.9
<b>Independent 2020</b>	57.3	95.6
<b>KAS 2019</b>	47.9	95.3
<b>National 2019</b>	20.7	67.1
<b>Independent</b>	47	90.1

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31<sup>st</sup> JULY 2022, CONTINUED

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The United Nations Sustainable Development Goals are explicitly and systematically built into the Lower School curriculum with students engaged in a range of activities such as a Climate Change Awareness programme. The School further improved its environmental credentials with student eco clubs in both the Lower and Upper Schools.

Students continued to have a significant voice. The King Alfred School Peer Listener's Programme is now embedded in the timetable. Representatives from "School Six", the elected Student representatives for the Upper School, take the lead in coordinating a Pupil's Council, which comprises representatives from each Upper School year group. And, in the Lower School, student councillors represent each class in Years 2-6 and student Council meetings take place on a regular basis.

The Development Office has continued to provide a much-needed hub for School alumni (Old Alfredians). Their stories and connections with the School provide a wonderful tapestry of experience and are sowing the seeds for a valuable network connecting past, present and future generations of Alfredians. The @OldAlfredians social media account has continued to grow, and the very successful Connections series continued to link Old Alfredians with Sixth Formers to provide careers advice and insights. Much work has gone into planning for the KAS 125 anniversary celebrations in 2023, including a book showcasing the lived experiences of past and present members of the KAS community. In addition, the Development Office oversaw the third year of the Annual Fund, generating funds for the proposed expansion to the Phoenix Theatre.

The new Sixth Form building, which was officially opened in September 2021, has boosted recruitment, with numbers increasing from 92 students in 20/21 to 119 in 22/23.

## 2.2 Educational Research

KAS staff members have been involved in a range of different research projects over the past year, particularly those aligned with ongoing efforts to support curriculum innovation and assessment reform.

The School's Deputy Head, Alistair McConville, has explored the spectrum of Years 9-11 offers in schools across the country. Findings subsequently fed into proposed changes to the School's own offer for these year groups, with a consultation among the KAS community due to launch in early 2023.

Research has also been undertaken looking into the assessment of creativity – a project carried out in partnership with Bill Lucas, Professor of Learning and Director of the Centre for Real-World Learning at the University of Winchester.

Daniel Love, the Upper School's Head of Learning Support, has recently completed a Masters Degree, for which his thesis explored the social and emotional dimension of SEND and how this understanding can be most effectively utilised in KAS and other educational settings.

## 2.3 Broadening Impact and Dissemination

In 2021/22, 35 (2020/21: 33) bursaries were in operation with a value of £476,786 (2020/21: £460,258). In addition, fee remissions and hardship awards totalled £323,059 (2020/21 £495,509).

The School remains a key player within the "Rethinking Assessment" group which is exploring alternatives to GCSE and counts the School's Deputy Head as a co-founder. Al's work around assessment has developed further with the formation of the Schools Directed Courses Consortium, which is an alliance of schools running non-GCSE courses at Key Stage 4.

The King Alfred School Society and Rethinking Assessment hosted the 'Education on the Move' conference at KAS in March, 2022, bringing together voices from across the UK to share ideas on how our education system needs to change.

Groundwork continues to be laid for more partnership work, and the appointment of Liz Robinson as our partnership coordinator is a significant investment in this area.

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31<sup>st</sup> JULY 2022, CONTINUED

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The School has just become a founder member of 'The Big 10', which is a group of 10 forward-looking schools who are committed to sharing best practice and having a wider influence on the education system. KAS is the only independent school in the group.

After a pause of two years necessitated by Covid, students from the School were able to visit Namibia once again. The visit was an opportunity to establish a partnership with Abraham Gariseb Primary School. Unfortunately, due to the local political situation, visits to our partner school in Sri Lanka are on hold for the time-being.

In the UK, the partnership with Archer Academy to provide counselling support continued. Meanwhile, the School works in partnership with Tudor Park Education Trust (TPET where the Head, Robert Lobatto, is on the Board of Directors.

It was another successful year for the Village Project, which went ahead in June 2022, with Year 8 students establishing a self-sufficient community in the School grounds, governing their society, building their own shelters and preparing their own food. Work continued on the book about the Village Project, commissioned by the Society and written by Stephen de Brett. The publication will cover the 'what, why and how' of the Village, describing the history and inherent philosophy behind it, whilst also providing a handbook for other schools so that they can replicate this extraordinary outdoor experiment. In addition, the shorter publication called 'A day in the village', giving visitors an insight into the experience, is in circulation and shared with prospective members of the community.

Looking forward to our 125<sup>th</sup> anniversary in 2023, the Society aims to bring the community together to celebrate the founders' aims, the history of the School and the Society, and the role they have to play in shaping the education conversation in the future. Among the various celebratory projects in the pipeline is an event on 24 June 2023, which aims to bring the KAS community together to recognise past achievements and look ahead, setting out future ambitions. The development office will play a key role in increasing our engagement with Old Alfredians during this milestone anniversary.

The Head, Robert Lobatto, also presented a key notes speech at the ISA Heads Conference in May 2022 and took part in two panel discussions at the WISE conference in Doha, Qatar, in December 2021.

## 3. FINANCIAL REVIEW AND RESULTS

### 3.1. Income and Expenditure

Following two years of Covid-19 restrictions, the year represented a transition as the community returned in full and activities moved towards operating at their pre-pandemic level. Both income and expenditure continued to be impacted by this transitional phase.

As in previous years, by far the largest single income generating activity of the Society was the School, with 95% of the Society's income representing educational activities for the School. The remaining 5% of income arose from school meals, activities of the trading company and donations.

On the income side, the School increased 2021/22 fees by 2% after a two year freeze with residual levels of financial support provided to families whose incomes had been severely impacted by Covid. Total income of the Society amounted to £13,681,754 for the year compared to £12,715,340 for 2020/2021, representing a rise of 8%. This was primarily driven by an increase in pupil numbers following the opening of the new Sixth Form Centre which provided an increase in capacity.

The income included £245,217 (2020/21 £221,486 in donations and gifts. Some donations were given for specific purposes by the donor and appear as "restricted" funds. Others were donated unrestricted and were designated by the trustees for particular purposes, and appear as "designated" funds. Donations which are neither restricted nor designated are unrestricted.

On the expenditure side, the increase in activities necessitated an increase in the maintenance programme, which had been reduced during the pandemic, and there was an additional investment in staff to ensure that students were supported appropriately during the full return to school, thus increasing the running costs of the organisation. Expenses of the Society therefore increased from £11,989,862 in 2020/21 before adjustment for the pension provision to £13,452,744 in 2021/22.

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31<sup>st</sup> JULY 2022, CONTINUED

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Expenses, as in previous years, were mostly directly or indirectly costs of running the School (95%). The remaining 5% represented costs of the Society's research and trading activities. Of the costs associated with running the School, 60% were teaching costs, and 14% represented the cost of operating the School site, including investing in the infrastructure, insurance, maintenance and repairs. Support costs including the Bursary, catering and information technology added a further 26%.

Overall, the Society finished the year with a financial surplus of £251,873 (£818,692 in 2020/21).

#### 3.2. The Trading Company

The King Alfred Trading Company Limited manages after-school, weekend and holiday lettings of the grounds and building as well as the coffee kiosk. It is a wholly owned subsidiary of the Society and its profits are gift aided to the School. The results of its trading activities are set out in Note 5 and are consolidated into the financial results. 2021/22 saw a return to profitability following an increase in lettings, and coffee kiosk takings after Covid-19 related freeze on activities. The total operating profit of £71,068 for the year will be gift aided to the Society after the year end, after adjusting for the brought forward loss. Following a trading loss made in 2020/21, no donation was gift aided to the Society during the current year.

#### 3.3. The Balance Sheet

At 31 July 2022, net assets of the Society totaled £32,769,450 (2021: £32,517,577). The most significant asset of the Society is the land and buildings of the School which had a net book value of £35,084,847 at the end of the year (2021: £35,250,190). Other fixed assets totaled £925,400 (2021: £923,423). Unrestricted funds of the Society total £31,977,027 with £592,962 of these funds designated for specific purposes. Restricted funds total £199,461 including a bursary fund of £98,414.

Net current assets on 31 July 2022 were £2,653,807 (2021: £2,377,957). Debtors of £544,951 (2021: £410,544) are primarily outstanding school fees at year-end which will be collected as part of the normal termly cycle. Cash, the other current asset, was £4,254,073 at year-end (2021: £4,178,660), sufficient to meet the ongoing cash needs of the Society without having to draw on the overdraft facility, despite significant swings caused by termly income covering regular monthly costs.

Current liabilities, at £2,145,217 (2021: £2,211,247), include deposits, tax and national insurance payments, normal trade creditors and holiday accrued during the year but not yet taken.

Long-term creditors, at £5,016,138 (2021: £5,132,664), mostly comprise fee deposits and advance fee payments of students in the early years of their studies. The long-term provision of £878,466 represents the potential deficit on the Independent Schools' Pension Scheme.

#### 3.4. Reserves Policy

On 31 July 2022, the Society's cash balances were £4,254,073 (2021: £4,178,660). Free reserves, defined as unrestricted funds plus long-term creditors minus fixed assets, were £2,454,346 compared to £2,119,166 on 31 July 2021.

The Society aims to have an operating surplus of unrestricted income each year. It does not aim to build up its free reserves but to invest its operating surplus in capital projects and infrastructure to keep the School at the forefront of the independent school sector.

To ensure that the Society has adequate access to the cash, it has an arranged bank overdraft facility that allows up to £1,000,000 to be drawn. The bank overdraft facility was not used during 2021/22. In addition, to allow flexibility and provide a further cash cushion if required, the Society arranged a five-year term loan of £1,000,000. Council monitors the level of cash reserves on a termly basis and reviews the reserve policy on an annual basis.

Council considers the level of free and cash reserves currently held to be adequate.

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31<sup>st</sup> JULY 2022, CONTINUED

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#### 3.5. Investment Policy

The School holds the cash it needs to meet its day-to-day requirements in its current account. Excess cash is invested in interest-bearing deposits.

#### 3.6 Going Concern

During the period of uncertainty caused by the pandemic, Council worked hard to ensure the financial sustainability of the Society. School fees were frozen for 2020/21 and then increased only slightly in 2021/22 to avoid increasing the financial burden for families at a difficult time. At the same time, all but essential expenditures were frozen during this period. 2021/22 has necessitated investment in essential expenditure that was deferred. As a result, whilst school numbers increased, the Society recorded a more modest surplus in 2021/22, with £488,077 of the total of £251,873 representing unrestricted and designated funds.

Council set aside funds of £835,412 in 2019/20 to allow the School to cover operational losses in future years when the economic impact of Covid was expected to be more significant. In 2020/21 a transfer of £185,802 was made from this fund to unrestricted funds in respect of Covid-19 hardship awards. A further £352,940 has been released in 2021/22 in recognition of the additional amounts incurred directly as a result of the pandemic as well as in recognition of the deferred essential expenditure now incurred. The remainder of the balance has been repurposed as the Priorities Development Fund to be utilised for developing priorities that were previously deferred due to the pandemic.

To provide further liquidity and resilience, the Society has renewed its £1m overdraft facility and maintains the term loan of £1m.

Overall, Council is confident that the Society has adequate resources to continue its activities for the foreseeable future. Following the opening of the Sixth Form Centre and the associated increased student capacity, School numbers have risen to 680 and above. In addition, the Society has cash reserves and banking facilities in place to provide liquidity.

In light of the above, no material uncertainties have been identified which compromise the Society's operations. Accordingly, the financial statements have been prepared on a going concern basis.

## 4. PLANS FOR FUTURE PERIODS

Emerging from the significant disruption brought about by the pandemic, the Society and the School are moving ahead with our strategic development goals. We are making progress with ambitious projects that we are confident will benefit our entire community and be sustainable for the future.

During 2022/23, Council and the Senior Leadership Team will take forward the strategic plan by:

- Using our 125th anniversary as an opportunity to reinforce KAS's vision for education
- Challenging the current educational paradigms through research, documentation and influence
- Further strengthening the School and Community through a new education strategy, delivering the Year 6-8 curriculum, refining the vision for the sixth form, beginning the process to examine the GCSE years, and refreshing the vision for early years' education
- Continuing to broaden our impact via partnerships and outreach
- Managing our finances so that we can invest in our buildings and education

#### 4.1 Challenging the Educational Paradigms

The cancellation of exams in 2019/20 and 2020/21 has led many to question the validity of the UK assessment system and in particular the value of GCSEs leading to perhaps the best opportunity in a generation to shift the system as a whole. The Society is excited to be engaged in the dialogue. We plan to:

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31<sup>st</sup> JULY 2022, CONTINUED

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- At Years 9-11, play a leading role within the 'Rethinking' Assessment group to contribute to the conversation on GCSEs in the future and the alternative pathways that could be taken. This will be enhanced through our role within the Schools Directed Courses (SDC) consortium
- With the embedding of the Year 6-8 curriculum, set up a research project together with an academic institution, which will enable us to document the innovative aspects of our work and collect evidence of impact
- Through our involvement in "The Big 10", join with other like-minded schools to champion our forward-thinking approach to education, and amplify this voice within the wider educational community

#### 4.2 Further Strengthening the School and Community

We continue to develop our ambitious vision for each of the five stages of the stage of the educational journey; early years (Reception to Year 2), Years 3-5, Years 6-8, Years 9-11 and Sixth Form. Other plans include:

- The KAS 'thrive wheel' model is being refined to effectively encapsulate the fundamentals of the education the School aims to provide
- In the Lower School, significant work is taking place to develop our approaches to enquiry, pupil agency, and skills development
- The second year of the 6 – 8 curriculum will embed and develop the programme, and take forward key strands including Crew, assessment and reporting
- New courses will come online within the GCSE years, including a KAS English Literature course. This follows the introduction of our first non-GCSE course in September 2022 – a Global Challenges course, which can be taken as an HPQ if desired
- Ongoing development of the Sixth form curriculum, with a greater emphasis on independent work through the EPQ, and new subjects such as Sociology A level
- We will further promote diversity and inclusion through staff training, student workshops, and the development of our curriculum
- Finally, we will continue to look at innovative new ways of engaging alumni and connecting them with the current generation of students

#### 4.3 Continuing to Broaden our Impact via Partnerships and Outreach

Council is committed to increasing the Society and School's impact and the development of a new strategy and approach is being taken forward following the creation of a Partnerships and Leadership role within the School.

Meanwhile, the School's programme of bursaries will continue with additional bursary provision introduced to support young people from Ukraine.

Internationally, we will build on our partnership with Abraham Gariseb Primary School in Namibia with a visit planned for Summer 2023. Although it may not be possible to travel to Sri Lanka, we will continue the King Alfred School Kiniya.

Closer to home, we will continue to share with likeminded schools and educational institutions through the 'Rethinking Assessment' and 'Big 10' networks', as well as continuing our work with local schools such as the Archer Academy.

#### 4.4 Maintaining our Financial Results and Investing in the Future

Council will continue to carefully monitor the School's cash flow and develop scenarios for the future.

In addition to current inflationary pressures, there are a number of external economic challenges that present uncertainty to the financial results, however the School will continue to review the business

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31<sup>st</sup> JULY 2022, CONTINUED

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model and develop agile methodologies to respond to these as they arise, particularly with regard to political changes and the potential impact on student numbers. At the same time, the School needs to plan to maintain investment across the School curriculum and campus in order to enable and reflect our educational aims, to deliver our charitable objectives and to further strengthen our position in the market and maintain our student numbers.

## 5. STRUCTURE, GOVERNANCE AND MANAGEMENT

### 5.1 Governance and Organisation

The King Alfred School Society is a company limited by guarantee governed by its Articles of Association which were last updated on 8 December 2015. The King Alfred School Society is registered as a charity with the Charity Commission.

Council members, as Directors and Trustees, have the ultimate responsibility for good governance of the Society and all of its activities and is the highest decision-making body. Council members oversee the work of the senior leadership team of the School who are responsible for execution of policy and management of the day to day operation of the School. On 31 July 2022, there were 15 Council members.

### 5.2 Conflict of Interest

Council takes the management of potential conflicts of interest very seriously and the Articles of Association, adopted in December 2015, brought the provision in this area up to current best practice. Each year, Council members receive a briefing note describing their responsibilities and giving guidance on managing conflicts. In addition, the Chair of Council and the Chair of the Governance Committee are available to help Council members to identify conflicts and to deal with them appropriately, which may include making a declaration to Council or withdrawing from discussions and/or decisions.

### 5.3 Development and Fundraising

The Society has registered with the Fundraising Regulator and complies with the Fundraising Code of Practice. It has received no complaints about its fundraising activities. The Society has developed rigorous procedures to support its fundraising activities including a supported charter, gift form and gift aid declarations. It does not use third party participator firms to support fundraising activities. Fundraising practices, including GDPR compliance, are overseen directly by the Governance Committee.

### 5.4 Appointment, Induction and Review of Members of Council

Council can be between 7 and 21 members. Council members are elected by the Society members, most in a general election, for a term of up to four years. Council reserves three places for co-opted members. The Treasurer and President are elected annually by members at the Annual General Meeting. Council elects its own Chair annually following the Annual General Meeting.

In 2021/22, the Council Committee structure continued to go from strength to strength. The Education, Governance, Finance, Community and Grounds & Buildings Committees provide Council with specific and broader skills in their area of focus. The Society Committee oversees the programme of conferences, outreach and research whilst a Bursaries Committee reviews all applications for financial support.

Council repeated its process of self-review, benchmarking Council's performance against the Charity Governance Code and updating its strategy, action plan and objectives. This will continue to be reviewed each year.

All new members of Council undergo induction training and meet with the Director of Finance & Operations and Chair shortly after appointment. Ongoing training is provided to all Council members through training days and other appropriate external courses. Council is also fortunate that Sarah Phillips, Council member and former Treasurer, sits on the board of AGBIS, the umbrella organisation for governors of independent schools.

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31<sup>st</sup> JULY 2022, CONTINUED

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#### **5.5 Remuneration of Key Management**

Key management personnel comprise the Head, the Head of Lower School, the Deputy Headteacher in the Upper School and the Director of Finance & Operations. Their remuneration is reviewed by the members of the Finance Committee of Council, together with the Head, where appropriate. The review takes account of school survey data, published information from comparable schools, the maintained school leadership scale and general commercial knowledge.

#### **5.6 Risk Management**

Council is satisfied that the major risks to which the Society and School are exposed have been reviewed and that there are systems and procedures in place to manage those risks. The Governance Committee oversees the Society's risk management process with individual risks delegated to relevant Council committees.

Council has identified a number of critical risk areas and defined for each of these risk areas a risk control process which sets out the level of risk, what the controls are, who is responsible, how frequently the risk should be monitored, and any further actions required. Risks are grouped into six areas shown in the table overleaf. Each risk is reviewed in depth at least once a year by one of the Council Committees. Council has determined that Covid-19 no longer represents a segregated risk to the School thus it has been removed.

The table overleaf shows the risk register and the risk mitigation strategies for the six risk areas.

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31<sup>st</sup> JULY 2022, CONTINUED

#### The King Alfred School Risk Register 2021/22

<b>Risk Area</b>	<b>Risk Mitigation Strategies</b>
1. Strategic Risks	<ul style="list-style-type: none"> <li>• Council approves the Strategy and Strategic Plan and the Head reports to Council</li> <li>• Council monitors the external environment and the School's financial position</li> <li>• Council oversees educational standards and approach</li> </ul>
2. Operational risks, including: - reduction in pupil numbers; - major incident.	<ul style="list-style-type: none"> <li>• The Finance Committee and Council carefully monitor school numbers and factors which affect admissions</li> <li>• The Designated Safeguarding Lead works closely with the Head and Council to ensure safeguarding is embedded into the School and Society's practices culture</li> <li>• The Critical Incident Management Plan is regularly reviewed and updated</li> <li>• The Grounds &amp; Buildings Committee receives regular reports on the planned preventative maintenance programme and on business continuity plans</li> </ul>
3. Financial Risks	<ul style="list-style-type: none"> <li>• The Finance Committee reviews and approves the annual budget, and monitors spend against budget and debtors</li> <li>• Long term and short-term cash flow forecasts are maintained and reviewed</li> <li>• Financial controls are reviewed on a rolling basis by the external auditors and Finance Committee</li> </ul>
4. Compliance Risks	<ul style="list-style-type: none"> <li>• Governance Committee reviews an annual compliance report</li> <li>• External audits in a wide range of areas</li> </ul>
5. Human Resources Risks, including: - recruitment & retention risk - key person risk	<ul style="list-style-type: none"> <li>• The Governance Committee reviews HR strategies and policies on a rolling basis.</li> <li>• The Head and other members of the senior leadership team are appraised every 2 years including 360 feedback</li> <li>• Council carries out a self-review annually</li> </ul>
6. Asset Risks, including Buildings and IT.	<ul style="list-style-type: none"> <li>• The Grounds &amp; Building Committee reviews the planned preventative maintenance programme, oversees security arrangements and maintains the master plan</li> <li>• The Finance Committee receives regular update from the IT team on IT security</li> </ul>

## STATEMENT OF TRUSTEES RESPONSIBILITIES FOR THE YEAR ENDED 31<sup>st</sup> JULY 2022

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The Council Members who are Charity Trustees (and directors of The King Alfred School Society for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires Council Members to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Council Members are required to:

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

The Council Members are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council Members are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

In so far as the Council Members are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Council Members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Report is approved by the Council Members of The King Alfred School Society. The strategic report, which forms part of the Annual Report, is approved by Council in their capacity as Directors in company law of The King Alfred School Society.

Registered office and official address:

The King Alfred School Society Limited  
Manor Wood  
North End Road  
London NW11 7HY

**BY ORDER OF THE COUNCIL**

*N Friedlos*

Treasurer: Nick Friedlos  
Date: 6 December 2022

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING ALFRED SCHOOL SOCIETY

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## Opinion

We have audited the financial statements of The King Alfred School Society for the year ended 31 July 2022 which comprise the Consolidated Statement of Financial Activities including the Summary Income and Expenditure Account, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the Introduction by the Chair of Council and the Trustees' Annual Report. 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.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING ALFRED SCHOOL SOCIETY, CONTINUED

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## **Opinions on other matter prescribed by the Companies Act 2006**

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

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

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

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

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

## **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and parent charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING ALFRED SCHOOL SOCIETY, CONTINUED

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regulations related to safeguarding regulations, health and safety law, GDPR and employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the independent school regulations, Companies Act 2006, the Charities Act 2011, and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

### Use of our report

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



Lee Stokes (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP (Statutory Auditors)

10 Queen Street Place  
London  
EC4R 1AG

Date: 24 January 2023

KING ALFRED SCHOOL SOCIETY  
(A company having no share capital and limited by guarantee)

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

INCLUDING THE INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST JULY 2022

	Note	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<b>INCOME FROM:</b>						
<b>Charitable Activities</b>	1					
School fees		13,285,641	-	-	13,285,641	12,324,445
KASS membership		-	15,051	-	15,051	11,550
<b>Trading activities</b>						
Trading income		38,776	-	-	38,776	1,863
<b>Investments</b>	1					
Investment income		17,913	-	-	17,913	2,982
Rents and lettings		79,156	-	-	79,156	5,629
<b>Donations and legacies</b>	1					
Grants and donations		2,082	155,573	87,562	245,217	368,871
<b>Total income</b>		<b>13,423,568</b>	<b>170,624</b>	<b>87,562</b>	<b>13,681,754</b>	<b>12,715,340</b>
<b>EXPENDITURE ON:</b>						
<b>Charitable activities</b>	2					
Education		12,873,931	406,828	96,892	13,377,651	11,887,591
<b>Raising funds</b>	2					
Letting expenses		25,294	-	-	25,294	6,603
Trading expenses		26,936	-	-	26,936	2,454
<b>Total expenditure</b>		<b>12,926,161</b>	<b>406,828</b>	<b>96,892</b>	<b>13,429,881</b>	<b>11,896,648</b>
<b>Net income</b>		<b>497,407</b>	<b>(236,204)</b>	<b>(9,330)</b>	<b>251,873</b>	<b>818,692</b>
Transfer between funds	11	46,870	3,130	(50,000)	-	-
<b>Net movement in funds</b>		<b>544,277</b>	<b>(233,074)</b>	<b>(59,330)</b>	<b>251,873</b>	<b>818,692</b>
Fund balances brought forward at 1 August 2021		31,432,750	826,036	258,791	32,517,577	31,698,885
Fund balances carried forward at 31 July 2022	11,12	<b>31,977,027</b>	<b>592,962</b>	<b>199,461</b>	<b>32,769,450</b>	<b>32,517,577</b>

### Continuing operations

None of the Society's activities were acquired or discontinued during the above two financial periods.

### Total recognised gains and losses

The Society has no recognised gains or losses other than those shown in the above two financial periods.

The notes on pages 25 to 44 form part of these financial statements. Details of comparative figures by fund are given in Note 16.

KING ALFRED SCHOOL SOCIETY  
(A company having no share capital and limited by guarantee)

## CONSOLIDATED AND COMPANY BALANCE SHEETS AS AT 31ST JULY 2022

	Note	The Group		The Company	
		2022 £	2021 £	2022 £	2021 £
<b>TANGIBLE FIXED ASSETS</b>					
School land, buildings and equipment	4	36,010,247	36,173,613	36,010,247	36,173,613
Investments	5	-	-	2	2
		<b>36,010,247</b>	<b>36,173,613</b>	<b>36,010,249</b>	<b>36,173,615</b>
<b>CURRENT ASSETS</b>					
Debtors	6	544,951	410,544	593,882	434,511
Cash	10	4,254,073	4,178,660	4,140,504	4,152,600
		<b>4,799,024</b>	<b>4,589,204</b>	<b>4,734,386</b>	<b>4,587,111</b>
<b>CREDITORS: Due within one year</b>	7	(2,145,217)	(2,211,247)	(2,141,875)	(2,204,747)
<b>NET CURRENT ASSETS</b>		<b>2,653,807</b>	<b>2,377,957</b>	<b>2,592,511</b>	<b>2,382,364</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>38,664,054</b>	<b>38,551,570</b>	<b>38,602,760</b>	<b>38,555,979</b>
<b>CREDITORS: due after more than one year</b>	8	(5,016,138)	(5,132,664)	(5,016,138)	(5,132,664)
<b>PROVISIONS: for liabilities and charges</b>	9	(878,466)	(901,329)	(878,466)	(901,329)
<b>NET ASSETS</b>		<b>32,769,450</b>	<b>32,517,577</b>	<b>32,708,156</b>	<b>32,521,986</b>
<b>FUNDS</b>					
Unrestricted - General	11 & 12	9,177,927	8,633,650	9,116,633	8,638,059
Unrestricted - Revaluation Reserve	11 & 12	22,799,100	22,799,100	22,799,100	22,799,100
Unrestricted - Designated	11 & 12	592,962	826,036	592,962	826,036
Restricted	11 & 12	199,461	258,791	199,461	258,791
		<b>32,769,450</b>	<b>32,517,577</b>	<b>32,708,156</b>	<b>32,521,986</b>

The Company's net movement in funds for the year was £251,873 (2020/21: £818,692).

Approved and authorised for issue by Council on 6 December 2022 and signed on their behalf by:

*annabel cody*

Chair: Annabel Cody

*N Friedlos*

Treasurer: Nick Friedlos

Company Registration No: 00057854

KING ALFRED SCHOOL SOCIETY  
(A company having no share capital and limited by guarantee)

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST JULY 2022

	Note	2022	2021
		£	£
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	10	<b>691,473</b>	<b>1,380,766</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Bank interest received		17,913	2,982
Interest payable		(40,640)	(24,471)
Payments to acquire fixed assets		(537,745)	(1,279,347)
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>		<b>(560,472)</b>	<b>(1,300,836)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Net receipts from new deposits and deposit increases less deposits refunded		152,891	66,919
Net receipts from new advance fees less advances utilised		(184,670)	(469,392)
Receipts from long term loan		(23,809)	1,000,000
<b>NET CASH INFLOW FROM FINANCING ACTIVITIES</b>		<b>(55,588)</b>	<b>597,527</b>
<b>INCREASE IN CASH</b>		<b>75,413</b>	<b>677,457</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD</b>		<b>4,178,660</b>	<b>3,501,203</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF REPORTING PERIOD</b>		<b>4,254,073</b>	<b>4,178,660</b>

KING ALFRED SCHOOL SOCIETY  
(A company having no share capital and limited by guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022

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### ACCOUNTING POLICIES

#### Company Information

King Alfred School Society is a limited company domiciled and incorporated in England and Wales. The registered office is 149 North End Road, London, NW11 7HY.

#### Accounting Convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Statement of Recommended Practice (SORP 2015) (Second Edition, effective 1 January 2019) "Accounting and Reporting by charities: Statement of Recommended Practice" and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention, modified by the recognition of certain investments, investment properties, and financial assets and liabilities measured at fair value. The principal accounting policies adopted are set out below.

#### Going Concern

These financial statements are prepared on the going concern basis. The Council has a reasonable expectation that the charitable company will continue in operational existence for the foreseeable future. They are not aware of any material uncertainties which may cause doubt on the charitable company's ability to continue as a going concern.

#### Group Financial Statements

These financial statements consolidate the results of the Society and its wholly owned subsidiary King Alfred School Trading Company Ltd on a line by line basis. Transactions and balances between the Society and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the Society's balance sheet. A separate statement of financial activities, or income and expenditure account for the Society itself is not presented because the Society has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and in accordance with the FRS 102 SORP.

#### Fees and similar income

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 granted by the School but include contributions from Restricted Funds for bursaries. Fees received for education to be provided in future years are carried forward as deferred income.

#### Donations

Donations receivable for the general purposes of the Society are credited to Unrestricted Funds. Donations restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on the Council Members.

#### Expenditure

Expenditure is accounted for on an accruals basis and recognised when there is a constructive or legal obligation to pay for expenditure. Certain expenditure is apportioned to cost categories based on the estimated amount attributable to that activity in the year. These estimates are based on staff time or on floor area as appropriate.

#### Fixed Assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Items costing less than £2,000 are written off as an expense as acquired unless part of a larger project.

Depreciation is provided on the original cost of all tangible fixed assets, except freehold land, at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as:

- Freehold buildings 2% on cost or valuation
- Furniture and Equipment 20% on cost
- Motor vehicles 25% on cost

Assets under course of construction are not depreciated until completed. No depreciation is charged on freehold land.

KING ALFRED SCHOOL SOCIETY  
(A company having no share capital and limited by guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

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### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

### **Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in expenditure.

### **Basic financial liabilities**

Basic financial liabilities, including trade and other creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### **Taxes**

Under Section 505 of the Income and Corporation Taxes Act 1988 the Company is exempt from certain taxes. Full account is taken of tax credits attaching to covenants and dividends.

**KING ALFRED SCHOOL SOCIETY**

(A company having no share capital and limited by guarantee)

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED**

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**Fund Accounting**

Unrestricted funds are available for use at the discretion of Council in furtherance of the general objectives of the Society.

Designated funds are unrestricted funds earmarked by Council for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

**Operating Leases**

Rentals payable under operating leases are charged on a straight line basis over the lease term.

**Pensions**

The School contributes to the Teachers' Pension Scheme operated by the Teachers' Pension Agency and the Independent Schools Pension Scheme for non teaching staff, a defined benefit scheme administered by the Pensions Trust. Under the provisions of FRS 102 as applied to multi-employer defined benefits schemes, both schemes are treated as defined contribution schemes and costs are charged as incurred.

**Judgements and key sources of estimation uncertainty**

In the application of the charitable company's accounting policies, Council are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

The charitable company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 6 for the net carrying amount of the debtors and associated impairment provision.

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 4 for the carrying amount of the property, plant and equipment and refer to the accounting policies for the useful economic lives for each class of asset.

The charitable company makes an estimate of the likely timing of repayment of deposits to establish which are due for repayment within one year. The timing of deposits being repaid is not certain as only a proportion of pupils continue from year 11 to sixth form each year.

The charitable company makes an estimate of the value of work carried out by teachers in August that relate to the forthcoming financial year and deducts this from the holiday pay accrual otherwise provided as part of accruals within short term creditors as disclosed in note 7 in relation to the cost of holiday taken in August which is earned during the current financial year.

## KING ALFRED SCHOOL SOCIETY

(A company having no share capital and limited by guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 1 INCOME

#### 1.1 FEE INCOME

The Group's activities are carried out within the UK.

Income comprised:

	2022	2021
	£	£
<b>School fees</b>		
Gross fees	13,203,779	12,552,347
Less: Total bursaries, grants and allowances	(799,845)	(955,766)
	<b><u>12,403,934</u></b>	<b><u>11,596,581</u></b>
<b>Other educational income</b>		
School trips and camps	208,914	78,574
Textbooks and other extras	18,875	91,123
Fee deposits released	113,338	183,324
Other educational income	209,277	155,510
	<b><u>550,404</u></b>	<b><u>508,531</u></b>
<b>Other</b>		
Other ancillary income	331,303	219,333
	<b><u>13,285,641</u></b>	<b><u>12,324,445</u></b>

#### 1.2 INVESTMENT INCOME

	2022	2021
	£	£
Interest receivable	17,913	2,982
Rents and lettings	79,156	5,629
	<b><u>97,069</u></b>	<b><u>8,611</u></b>

#### 1.3 GRANTS AND DONATIONS

	Unrestricted	Designated	Restricted	Total
	2022	2022	2022	2022
	£	£	£	£
Donations and gifts	2,082	155,573	87,562	245,217
	<b><u>2,082</u></b>	<b><u>155,573</u></b>	<b><u>87,562</u></b>	<b><u>245,217</u></b>
	Unrestricted	Designated	Restricted	Total
	2021	2021	2021	2021
	£	£	£	£
Job Retention Scheme income	143,351	-	-	143,351
Other Government grants (PPE & Access to Work)	4,034	-	-	4,034
Donations and gifts	25,436	104,652	91,398	221,486
	<b><u>172,821</u></b>	<b><u>104,652</u></b>	<b><u>91,398</u></b>	<b><u>368,871</u></b>

## KING ALFRED SCHOOL SOCIETY

(A company having no share capital and limited by guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 2 EXPENDITURE

Year ended 31st July 2022	Staff costs £	Other £	Depreciation £	Total £
<b>Charitable activities</b>				
Teaching	7,060,758	750,501	268,771	8,080,030
Catering	181,739	256,543	6,290	444,572
Premises	337,402	1,190,631	401,766	1,929,799
Support costs of schooling	2,081,339	820,555	24,284	2,926,178
	<b>9,661,238</b>	<b>3,018,230</b>	<b>701,111</b>	<b>13,380,579</b>
KASS Expenses	-	19,935	-	19,935
Pension provision movement (note 15)	(22,863)	-	-	(22,863)
<b>Total Education</b>	<b>9,638,375</b>	<b>3,038,165</b>	<b>701,111</b>	<b>13,377,651</b>
<b>Raising funds</b>				
Letting expenses	9,472	15,822	-	25,294
Trading expenses	5,132	21,804	-	26,936
<b>Total Raising Funds</b>	<b>14,604</b>	<b>37,626</b>	<b>-</b>	<b>52,230</b>
<b>Total Expenditure</b>	<b>9,652,979</b>	<b>3,075,791</b>	<b>701,111</b>	<b>13,429,881</b>

Governance costs of £25,162 (2021: £22,271) include auditors remuneration of £22,620 for audit services (2021: £21,240) and are included within support costs of schooling.

Year ended 31st July 2021	Staff costs £	Other £	Depreciation £	Total £
<b>Charitable activities</b>				
Teaching	7,245,720	494,568	209,855	7,950,143
Catering	190,131	232,077	4,911	427,119
Premises	344,883	869,652	313,698	1,528,233
Support costs of schooling	1,498,677	557,050	18,961	2,074,688
	<b>9,279,411</b>	<b>2,153,347</b>	<b>547,425</b>	<b>11,980,183</b>
KASS expenses	-	622	-	622
Pension provision movement (note 15)	(93,214)	-	-	(93,214)
<b>Total Education</b>	<b>9,186,197</b>	<b>2,153,969</b>	<b>547,425</b>	<b>11,887,591</b>
<b>Raising funds</b>				
Letting expenses	1,262	5,341	-	6,603
Trading expenses	-	2,454	-	2,454
<b>Total Raising Funds</b>	<b>1,262</b>	<b>7,795</b>	<b>-</b>	<b>9,057</b>
<b>Total Expenditure</b>	<b>9,187,459</b>	<b>2,161,764</b>	<b>547,425</b>	<b>11,896,648</b>

KING ALFRED SCHOOL SOCIETY  
(A company having no share capital and limited by guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 3 STAFF COSTS

	2022	2021
	£	£
Wages and salaries	7,406,723	7,225,352
Redundancy and settlement costs	2,642	6,456
Social security contributions	787,306	728,312
Pensions	1,464,238	1,316,857
Pension provision movement	(22,534)	(93,214)
	<u>9,638,375</u>	<u>9,183,763</u>

The school has paid a termination payment during the year of £2,642 (2021: £6,456)

**(a) The average number of employees of the group during the year was:**

	2022	2021
	No.	No.
Teaching staff	98	100
Non-teaching staff	85	82
<b>Total</b>	<u>183</u>	<u>182</u>

**(b) The remuneration of the highest paid employees fell within the following bands:**

	2022	2021
	No.	No.
£60,000 - £70,000	24	21
£70,000 - £80,000	4	2
£90,000 - £100,000	2	1
£100,000 - £110,000	-	1
£150,000 - £160,000	1	1
	<u>31</u>	<u>26</u>

**(c) Council Remuneration**

No members of Council were paid any remuneration or reimbursed expenses during the current or preceding year.

Trustees Indemnity Insurance is held by the School on behalf of the Council members.

**(d) Key Management Personnel**

Key management personnel comprises the Head, Deputy Head of Upper School, Head of Lower School and the Director of Finance and Operations. The total remuneration for these individuals was £567,447 (2021: £560,397).

KING ALFRED SCHOOL SOCIETY  
(A company having no share capital and limited by guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 4 TANGIBLE FIXED ASSETS - GROUP AND COMPANY

	Freehold Land £	School Buildings £	Assets under construction £	Furniture & Equipment £	Motor Vehicles £	TOTAL £
<b>COST</b>						
1st August 2021	25,000,000	14,956,051	448,818	1,241,520	65,500	41,711,889
Transfer	-	91,757	(734,390)	642,633	-	-
Additions	-	44,751	380,844	112,150	-	537,745
<b>31st July 2022</b>	<b>25,000,000</b>	<b>15,092,559</b>	<b>95,272</b>	<b>1,996,303</b>	<b>65,500</b>	<b>42,249,634</b>
<b>DEPRECIATION</b>						
1st August 2021	-	4,705,861	-	766,915	65,500	5,538,276
Charge for year	-	301,851	-	399,260	-	701,111
<b>31st July 2022</b>	<b>-</b>	<b>5,007,712</b>	<b>-</b>	<b>1,166,175</b>	<b>65,500</b>	<b>6,239,387</b>
<b>NET BOOK VALUE</b>						
<b>31st July 2022</b>	<b>25,000,000</b>	<b>10,084,847</b>	<b>95,272</b>	<b>830,128</b>	<b>-</b>	<b>36,010,247</b>
31st July 2021	25,000,000	10,250,190	448,818	474,605	-	36,173,613

- The opening cost of assets under the course of construction are transferred to the relevant asset heading on completion.
- On adoption of FRS 102 and the new SORP the freehold land was revalued to deemed cost at the transition date (1 August 2014) by the Council on the advice of a Governor who is also a partner in a real estate investment management firm.
- The carrying amount of freehold land that would have been recognised under the historic cost model is £2,200,900.
- There were no assets disposed of during the year.
- The bank overdraft is secured over the freehold property and is the amount currently drawn down on a standing facility of £1million repayable on demand. A five year term loan was agreed during the prior year for £1million, with capital repayments starting after 12 months and repaying over 15 years. This loan is also secured over the freehold property and was taken out to allow flexibility and liquidity in times of economic uncertainty. It is not required for day to day operations but will be used for investing in capital developments. The £1million was drawn down on 26 March 2021 and the interest rate is 3.15 per cent above the base rate per annum.

KING ALFRED SCHOOL SOCIETY  
(A company having no share capital and limited by guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 5 INVESTMENT IN SUBSIDIARY

The Company holds two shares of £1 each, the whole of the issued ordinary share capital of King Alfred School Trading Company Limited (No.7863431). The subsidiary was incorporated on 28th November 2011 and registered in England.

The subsidiary operates a coffee bar and manages the lettings of the school facilities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the Society.

A summary of the results of the subsidiary is shown below.

	2022	2021
	£	£
Turnover	117,933	7,602
Cost of Sales	(47,513)	(9,457)
Gross Profit / (Loss)	<u>70,420</u>	<u>(1,855)</u>
Administrative Expenses	(1,197)	(2,554)
Operating Profit / (Loss) on ordinary activities before taxation	<u><u>69,223</u></u>	<u><u>(4,409)</u></u>
Taxation	1,845	(5,365)
<b>Profit / (Loss)</b>	<u><u>71,068</u></u>	<u><u>(9,774)</u></u>

The aggregate of the assets, liabilities and funds was:

	2022	2021
	£	£
Assets	117,325	26,190
Liabilities	(56,029)	(35,962)
	<u><u>61,296</u></u>	<u><u>(9,772)</u></u>
<b>Funds</b>		
Representing share capital (2 ordinary shares of £1 each)	2	2
Profit and loss account	61,294	(9,774)
	<u><u>61,296</u></u>	<u><u>(9,772)</u></u>

## KING ALFRED SCHOOL SOCIETY

(A company having no share capital and limited by guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 6 DEBTORS

	The Group		The Company	
	2022	2021	2022	2021
	£	£	£	£
Fees and extras	245,037	198,289	245,037	198,159
Other debtors	42,313	23,461	38,557	23,461
Prepayments and accrued income	257,601	188,794	257,601	188,794
Amount due from group undertaking	-	-	52,687	24,097
	<b>544,951</b>	<b>410,544</b>	<b>593,882</b>	<b>434,511</b>

### 7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group		The Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans and overdrafts	66,667	22,224	66,667	22,224
Advance fees	314,069	289,214	314,069	289,214
Trade creditors	184,158	298,656	180,796	298,656
Taxation and social security costs	197,457	193,627	197,457	193,627
Deferred income	-	21,715	-	15,215
Other creditors	183,972	188,872	183,992	188,872
Accruals	542,965	532,650	542,965	532,650
Fee deposits	655,929	664,289	655,929	664,289
	<b>2,145,217</b>	<b>2,211,247</b>	<b>2,141,875</b>	<b>2,204,747</b>

Deferred income (including advance fees):

	The Group		The Company	
	2022	2021	2022	2021
	£	£	£	£
Deferred income brought forward	310,929	506,909	304,429	506,909
Received in year	311,380	310,929	311,380	304,429
Released in year	(308,240)	(506,909)	(301,740)	(506,909)
Deferred income carried forward	<b>314,069</b>	<b>310,929</b>	<b>314,069</b>	<b>304,429</b>

KING ALFRED SCHOOL SOCIETY  
(A company having no share capital and limited by guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	The Group		The Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans and overdrafts	909,524	977,776	909,524	977,776
Advance fees	357,753	567,278	357,753	567,278
Fee deposits	3,748,861	3,587,610	3,748,861	3,587,610
	<b>5,016,138</b>	<b>5,132,664</b>	<b>5,016,138</b>	<b>5,132,664</b>

#### 8.1 Bank Loans

	The Group		The Company	
	2022	2021	2022	2021
	£	£	£	£
Due within one year	66,667	22,224	66,667	22,224
Due within one and two years	66,667	66,667	66,667	66,667
Due within two to five years	200,001	200,000	200,001	200,000
Due after five years	642,856	711,110	642,856	711,110
	<b>976,191</b>	<b>1,000,000</b>	<b>976,191</b>	<b>1,000,000</b>

#### 8.2 Advance Fees

	The Group		The Company	
	2022	2021	2022	2021
	£	£	£	£
Due within one year	314,069	289,214	314,069	289,214
Due within one and two years	169,367	218,390	169,367	218,390
Due within two to five years	188,386	316,976	188,386	316,976
Due after five years	-	31,911	-	31,911
	<b>671,822</b>	<b>856,491</b>	<b>671,822</b>	<b>856,491</b>

#### 8.3 Fee Deposits

	The Group		The Company	
	2022	2021	2022	2021
	£	£	£	£
Due within one year	655,929	664,289	655,929	664,289
Due within one and two years	343,128	287,998	343,128	287,998
Due within two to five years	985,115	818,983	985,115	818,983
Due after five years	2,420,618	2,480,629	2,420,618	2,480,629
	<b>4,404,790</b>	<b>4,251,899</b>	<b>4,404,790</b>	<b>4,251,899</b>

KING ALFRED SCHOOL SOCIETY  
(A company having no share capital and limited by guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 9. PROVISIONS FOR LIABILITIES AND CHARGES

#### Pension Provision

	The Group		The Company	
	2022	2021	2022	2021
	£	£	£	£
Brought forward	901,329	994,543	901,329	994,543
Incurred/(utilised) in the year	(22,863)	(93,214)	(22,863)	(93,214)
<b>Carried forward</b>	<b>878,466</b>	<b>901,329</b>	<b>878,466</b>	<b>901,329</b>

The pension provision reflects the movement in the Pension Trust Pension provision disclosed in note 15.

### 10. NOTES TO THE CASHFLOW STATEMENT

Reconciliation of operating result to net cash inflow from operating activities

	2022	2021
	£	£
Net movement in funds	251,873	818,692
Depreciation	701,111	547,425
Bank interest received	(17,913)	(2,982)
Interest payable	40,640	24,471
(Increase)/Decrease in debtors	(134,407)	(66,136)
(Decrease)/Increase in creditors and provisions	(149,831)	59,296
	<b>691,473</b>	<b>1,380,766</b>

#### Analysis of Changes in Net Debt

	At 1 August 2021	Cash Flows	At 31 July 2022
	£	£	£
Cash at bank and in hand	4,178,660	75,413	4,254,073
<b>Borrowings</b>			
Due within one year	(22,224)	(44,443)	(66,667)
Due after one year	(977,776)	68,252	(909,524)
	<b>(1,000,000)</b>	<b>23,809</b>	<b>(976,191)</b>
	<b>3,178,660</b>	<b>99,222</b>	<b>3,277,882</b>

KING ALFRED SCHOOL SOCIETY  
(A company having no share capital and limited by guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 11. RECONCILIATION OF FUNDS

#### Year ending 31st July 2022 - The Group

	Balance 1 August 2021 £	Income £	Expenditure £	Transfers £	Balance 31 July 2022 £
<b>UNRESTRICTED GENERAL FUNDS</b>					
General reserve	8,633,650	13,423,568	(12,926,161)	46,870	9,177,927
Revaluation reserve	22,799,100	-	-	-	22,799,100
	<b>31,432,750</b>	<b>13,423,568</b>	<b>(12,926,161)</b>	<b>46,870</b>	<b>31,977,027</b>
<b>UNRESTRICTED DESIGNATED FUNDS</b>					
Parent Staff	-	48,526	(33,953)	-	14,573
History & Archives Fund	401	-	-	-	401
Lower School Camp Fund	3,787	-	-	-	3,787
KASS Subscriptions	26,813	15,051	(19,935)	3,130	25,059
Treehouse Fund	2,645	-	-	-	2,645
Voluntary Contributions Fund - Main Hall	142,780	-	-	-	142,780
Voluntary Contributions Fund - Phoenix Theatre	-	107,047	-	-	107,047
Priorities Development Fund	-	-	-	296,670	296,670
COVID-19 Support Fund	649,610	-	(352,940)	(296,670)	-
	<b>826,035</b>	<b>170,624</b>	<b>(406,828)</b>	<b>3,130</b>	<b>592,962</b>
<b>RESTRICTED FUNDS</b>					
Bursary Fund	106,046	-	(7,632)	-	98,414
Music Fund	7,146	-	(7,146)	-	-
Upper School Building Fund	81,030	-	(72,711)	-	8,319
Sophie Coleman Music Fund	4,545	-	-	-	4,545
Phoenix Theatre Fund	50,025	78,577	(9,402)	(50,000)	69,199
Development Fund	9,999	1,621	-	-	11,620
KAS 125	-	7,364	-	-	7,364
	<b>258,791</b>	<b>87,562</b>	<b>(96,892)</b>	<b>(50,000)</b>	<b>199,461</b>
<b>TOTAL FUNDS</b>	<b>32,517,577</b>	<b>13,681,754</b>	<b>(13,429,881)</b>	<b>-</b>	<b>32,769,450</b>

#### Designated funds for the Year Ending 31 July 2022

- Parent Staff raises funds which are designated to various teaching requests made by teachers during the year.
- The History & Archives Fund is for the maintenance of the School's archives.
- The Lower School Camp Fund is for the replacement of tents and camping equipment.
- KASS subscriptions are used for the purpose of promoting the advancement of educational science by the diffusion of knowledge relating thereto and is typically spent within 12 months of receipt.
- The Treehouse Fund has come from voluntary contributions received during 2017/18 and 2018/19. The fund is being used to replace the old treehouse that has reached the end of its life. The first stage was completed in 2021.
- The brought forward Voluntary Contributions balance is being put towards the cost of refurbishing the catering facilities in the Main Hall, with work taking place after the year end. Voluntary Contributions raised during the year will be put towards the final phase of the Phoenix Theatre refurbishment.
- The COVID-19 fund of £649K has been used against the additional premises cost the School incurred due to the continued impact of the pandemic, £353k. The remainder of the COVID-19 fund will be renamed to Priorities Development fund and going forward utilised for developing priorities which have been delayed through the pandemic.

KING ALFRED SCHOOL SOCIETY  
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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 11. RECONCILIATION OF FUNDS - CONTINUED

#### Year ending 31st July 2022 - The Company

	Balance 1 August 2021 £	Income £	Expenditure £	Transfers £	Balance 31 July 2022 £
<b>UNRESTRICTED GENERAL FUNDS</b>					
General reserve	8,638,059	13,305,636	(12,873,932)	46,870	9,116,633
Revaluation reserve	22,799,100	-	-	-	22,799,100
	<b>31,437,159</b>	<b>13,305,636</b>	<b>(12,873,932)</b>	<b>46,870</b>	<b>31,915,733</b>
<b>UNRESTRICTED DESIGNATED FUNDS</b>					
Parent Staff	-	48,526	(33,953)	-	14,573
History & Archives Fund	401	-	-	-	401
Lower School Camp Fund	3,787	-	-	-	3,787
KASS Subscriptions	26,813	15,051	(19,935)	3,130	25,059
Treehouse Fund	2,645	-	-	-	2,645
Voluntary Contributions Fund - Main Hall	142,780	-	-	-	142,780
Voluntary Contributions Fund - Phoenix Theatre	-	107,047	-	-	107,047
Priorities Development Fund	-	-	-	296,670	296,670
COVID-19 Support Fund	649,610	-	(352,940)	(296,670)	-
	<b>826,036</b>	<b>170,624</b>	<b>(406,828)</b>	<b>3,130</b>	<b>592,962</b>
<b>RESTRICTED FUNDS</b>					
Bursary Fund	106,046	-	(7,632)	-	98,414
Music Fund	7,146	-	(7,146)	-	-
Upper School Building Fund	81,030	-	(72,711)	-	8,319
Sophie Coleman Music Fund	4,545	-	-	-	4,545
Phoenix Theatre Fund	50,025	78,577	(9,402)	(50,000)	69,199
Development Fund	9,999	1,621	-	-	11,620
KAS 125	-	7,364	-	-	7,364
	<b>258,791</b>	<b>87,562</b>	<b>(96,891)</b>	<b>(50,000)</b>	<b>199,461</b>
<b>TOTAL FUNDS</b>	<b>32,521,986</b>	<b>13,563,821</b>	<b>(13,377,650)</b>	<b>-</b>	<b>32,708,156</b>

#### Restricted funds for the Year Ending 31 July 2022

- The Bursary Fund is to provide financial support to pupils who would not otherwise be able to afford to attend the School.
- The Music Fund, originally to purchase equipment and to fund a music technology teacher, has been fully utilised through continued funding of the music technology teacher.
- The Upper School Building Fund has been utilised for Sixth Form and 6 to 8 works in the year.
- The Sophie Coleman Music Bursary was set up from donations in memory of the former pupil to fund violin lessons.
- The Phoenix Theatre Fund comprised donations to build a theatre foyer, to provide an entrance, including a bar and social space as well as extra classroom space for performing arts. The first stage was completed on 9 November 2018. £50,000 was transferred to general reserves during the year in recognition of restricted funds previously spent towards the redevelopment but recognised through general reserves.
- The Development Fund raise funds from the parent staff and the community.
- The KAS 125 Fund was established during the year in advance of the School's 125th anniversary to raise funds towards continuing the School's educational vision for the next 125 years.

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(A company having no share capital and limited by guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 11. RECONCILIATION OF FUNDS - CONTINUED

#### Year ending 31st July 2021 - The Group

	Balance 1 August 2021 £	Income £	Expenditure £	Transfers £	Balance 31 July 2022 £
<b>UNRESTRICTED GENERAL FUNDS</b>					
General reserve	7,748,885	12,507,740	(11,808,777)	185,802	8,633,650
Revaluation reserve	22,799,100	-	-	-	22,799,100
	<b>30,547,985</b>	<b>12,507,740</b>	<b>(11,808,777)</b>	<b>185,802</b>	<b>31,432,750</b>
<b>UNRESTRICTED DESIGNATED FUNDS</b>					
Parent Staff	-	17,227	(17,227)	-	-
History & Archives Fund	401	-	-	-	401
Lower School Camp Fund	3,787	-	-	-	3,787
KASS Subscriptions	15,885	11,550	(622)	-	26,813
Treehouse Fund	4,067	-	(1,422)	-	2,645
2019/20 Voluntary Contributions Fund	92,556	6,525	(37,201)	-	61,880
2020/21 Voluntary Contributions Fund	-	80,900	-	-	80,900
COVID-19 Support Fund	835,412	-	-	(185,802)	649,610
	<b>952,108</b>	<b>116,202</b>	<b>(56,472)</b>	<b>(185,802)</b>	<b>826,036</b>
<b>RESTRICTED FUNDS</b>					
Bursary Fund	106,046	-	-	-	106,046
Music Fund	7,146	-	-	-	7,146
Upper School Building Fund	81,030	-	-	-	81,030
Sophie Coleman Music Fund	4,545	-	-	-	4,545
Phoenix Theatre Fund	25	50,000	-	-	50,025
Development Fund	-	36,474	(26,475)	-	9,999
COVID-19 General Fund	-	4,924	(4,924)	-	-
	<b>198,792</b>	<b>91,398</b>	<b>(31,399)</b>	<b>-</b>	<b>258,791</b>
<b>TOTAL FUNDS</b>	<b>31,698,885</b>	<b>12,715,340</b>	<b>(11,896,648)</b>	<b>-</b>	<b>32,517,577</b>

#### Designated funds for the Year Ending 31 July 2021

- Parent Staff raises funds which are designated to various teaching requests made by teachers during the year. Over the two years ended 31 July 2020 and 31 July 2021, Parent Staff have contributed £20,000 towards the Lower Court.
- The History & Archives Fund is for the maintenance of the School's archives.
- The Lower School Camp Fund is for the replacement of tents and camping equipment.
- KASS subscriptions are used for the purpose of promoting the advancement of educational science by the diffusion of knowledge relating thereto and is typically spent within 12 months of receipt.
- The Treehouse Fund has come from voluntary contributions received during 2017/18 and 2018/19. The fund is being used to replace the old treehouse that has reached the end of its life. The first stage was completed in 2021.
- 2019/20 and 2020/21 Voluntary Contributions Fund comprises voluntary contributions donated during these years. The 2019/20 expenditure covered the remaining costs of the Lower Court.
- The COVID-19 Support Fund was established by transferring funds from unrestricted reserves to designated reserves and is for covering the additional costs anticipated from COVID-19 over the next few years. This year, the fund has covered the cost of the COVID-19 hardships given during 2020/21.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 11. RECONCILIATION OF FUNDS - CONTINUED

#### Year ending 31st July 2021 - The Company

	Balance 1 August 2021 £	Income £	Expenditure £	Transfers £	Balance 31 July 2022 £
<b>UNRESTRICTED GENERAL FUNDS</b>					
General reserve	7,720,646	12,500,138	(11,768,527)	185,802	8,638,059
Revaluation reserve	22,799,100	-	-	-	22,799,100
	<b>30,519,746</b>	<b>12,500,138</b>	<b>(11,768,527)</b>	<b>185,802</b>	<b>31,437,159</b>
<b>UNRESTRICTED DESIGNATED FUNDS</b>					
Parent Staff	-	17,227	(17,227)	-	-
History & Archives Fund	401	-	-	-	401
Lower School Camp Fund	3,787	-	-	-	3,787
KASS Subscriptions	15,885	11,550	(622)	-	26,813
Treehouse Fund	4,067	-	(1,422)	-	2,645
2019/20 Voluntary Contributions Fund	92,556	6,525	(37,201)	-	61,880
2020/21 Voluntary Contributions Fund	-	80,900	-	-	80,900
COVID-19 Support Fund	835,412	-	-	(185,802)	649,610
	<b>952,108</b>	<b>116,202</b>	<b>(56,472)</b>	<b>(185,802)</b>	<b>826,036</b>
<b>RESTRICTED FUNDS</b>					
Bursary Fund	106,046	-	-	-	106,046
Music Fund	7,146	-	-	-	7,146
Upper School Building Fund	81,030	-	-	-	81,030
Sophie Coleman Music Fund	4,545	-	-	-	4,545
Phoenix Theatre Fund	25	50,000	-	-	50,025
Development Fund	-	36,474	(26,475)	-	9,999
COVID-19 General Fund	-	4,924	(4,924)	-	-
	<b>198,792</b>	<b>91,398</b>	<b>(31,399)</b>	<b>-</b>	<b>258,791</b>
<b>TOTAL FUNDS</b>	<b>31,670,646</b>	<b>12,707,738</b>	<b>(11,856,398)</b>	<b>-</b>	<b>32,521,986</b>

#### Restricted funds for the Year Ending 31 July 2021

- The Bursary Fund is to provide financial support to pupils who would not otherwise be able to afford to attend the School.
- The Music Fund, originally to purchase equipment and to fund a music technology teacher, is now being used to for music bursaries. Assets acquired are being depreciated over 50 years for the construction and 5 years for the equipment.
- The Upper School Building Fund will be applied to future building in the Upper School.
- The Sophie Coleman Music Bursary was set up from donations in memory of the former pupil to fund violin lessons.
- The Phoenix Theatre Fund comprised donations to build a theatre foyer, to provide an entrance, including a bar and social space as well as extra classroom space for performing arts. The first stage was completed on 9 November 2018.
- The Development Fund raise funds from the parent staff and the community; in 2020/21 the funds were used towards the Lower Court.
- The COVID-19 General Hardship Fund was set up to provide support to parents experiencing financial difficulties as a result of COVID-19.

KING ALFRED SCHOOL SOCIETY  
(A company having no share capital and limited by guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31st July 2022

	Unrestricted Funds		Designated Funds		Restricted Funds		Total Funds	
	£		£		£		£	
	Group	Company	Group	Company	Group	Company	Group	Company
Tangible fixed assets	36,010,247	36,010,249	-	-	-	-	36,010,247	36,010,249
Current assets	4,006,601	3,941,963	592,962	592,962	199,461	199,461	4,799,024	4,734,386
Current liabilities	(2,145,217)	(2,141,875)	-	-	-	-	(2,145,217)	(2,141,875)
Long term liabilities	(5,016,138)	(5,016,138)	-	-	-	-	(5,016,138)	(5,016,138)
Provisions	(878,466)	(878,466)	-	-	-	-	(878,466)	(878,466)
<b>Total Net Assets</b>	<b>31,977,027</b>	<b>31,915,733</b>	<b>592,962</b>	<b>592,962</b>	<b>199,461</b>	<b>199,461</b>	<b>32,769,450</b>	<b>32,708,156</b>

As at 31st July 2021

	Unrestricted Funds		Designated Funds		Restricted Funds		Total Funds	
	£		£		£		£	
	Group	Company	Group	Company	Group	Company	Group	Company
Tangible fixed assets	36,173,613	36,173,615	-	-	-	-	36,173,613	36,173,615
Current assets	3,504,377	3,502,284	826,036	826,036	258,791	258,791	4,589,204	4,587,111
Current liabilities	(2,211,247)	(2,204,747)	-	-	-	-	(2,211,247)	(2,204,747)
Long term liabilities	(5,132,664)	(5,132,664)	-	-	-	-	(5,132,664)	(5,132,664)
Provisions	(901,329)	(901,329)	-	-	-	-	(901,329)	(901,329)
<b>Total Net Assets</b>	<b>31,432,750</b>	<b>31,437,159</b>	<b>826,036</b>	<b>826,036</b>	<b>258,791</b>	<b>258,791</b>	<b>32,517,577</b>	<b>32,521,986</b>

### 13. RELATED PARTY TRANSACTIONS

During the year income of £119,778 (2021: £7,602) was received from the trading subsidiary, King Alfred School Trading Limited. Costs of £48,710 (2021: £17,376) were incurred on behalf of the subsidiary. The balance owed to the School from the subsidiary at the year end was £48,277 (2021: £31,370). Total donations made by Council members to the Society during the year amounted to £9,920 (2021: £22,036).

### 14. CAPITAL COMMITMENTS

Total capital commitments for the year ended 31 July 2022 are £304,130 (2021: £163,812).

**KING ALFRED SCHOOL SOCIETY**

(A company having no share capital and limited by guarantee)

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED**

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### **15. PENSION SCHEMES**

#### **Teachers' Pension Scheme**

The company participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,488,536 (2021: £1,123,697) and at the year-end £131,117 (2021: £168,015) was accrued in respect of contributions to this scheme.

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

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

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

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

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

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

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

#### **TPT Retirement Solutions - Independent Schools' Pension Scheme**

The company participates in the scheme, a multi-employer scheme which provides benefits to some 61 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 15. PENSION SCHEMES - CONTINUED

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

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

*From 1st September 2022 to 30 April 2032: £2,687,000 per annum payable monthly and increasing by 3% on each 1st September*

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

*From 1st September 2019 to 30 April 2030: £2,387,357 per annum payable monthly and increasing by 3% on each 1st September*

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities. Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

#### Present value of provision

	31st July 2022	31st July 2021	31st July 2020
	£000's	£000's	£000's
Present value of provision	878	901	994

#### Reconciliation of opening and closing provisions

	Period Ended 31st July 2022	Period Ended 31st July 2021
	£000's	£000's
Provision at start of period	901	994
Unwinding of the discount factor (interest expense)	9	8
Deficit contribution paid	(96)	(93)
Remeasurements - impact of any change in assumptions	(100)	(8)
Remeasurements - amendments to the contribution schedule	164	-
<b>Provision at end of period</b>	<b>878</b>	<b>901</b>

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 15. PENSION SCHEMES - CONTINUED

#### Income and expenditure impact

	Period Ended 31st July 2022 £'000's	Period Ended 31st July 2021 £'000's
Interest expense	8	8
Remeasurements - impact of any change in assumptions	(8)	(8)
Remeasurements - amendments to the contribution schedule	-	-
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

\*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

#### Assumptions

	31st July 2022 % per annum	31st July 2021 % per annum	31st July 2020 % per annum
Rate of discount	3.24	1.04	0.84

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

The following schedule details the deficit contributions agreed between the School and the scheme at each year end period:

Year ending	31st July 2022 (£000s)	31st July 2021 (£000s)	31st July 2020 (£000s)	31st July 2019 (£000s)
Year 1	91	96	93	91
Year 2	93	99	96	93
Year 3	96	102	99	96
Year 4	99	105	102	99
Year 5	102	108	105	102
Year 6	105	111	108	105
Year 7	108	115	111	108
Year 8	112	118	115	111
Year 9	115	91	118	115
Year 10	109	-	91	118
Year 11	-	-	-	91

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises. It is these contributions that have been used to derive the School's balance sheet

KING ALFRED SCHOOL SOCIETY  
(A company having no share capital and limited by guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022, CONTINUED

### 16. PRIOR YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
<b>INCOME FROM:</b>				
<b>Charitable Activities</b>				
School fees	12,324,445	-	-	12,324,445
KASS membership	-	11,550	-	11,550
<b>Trading activities</b>				
Trading income	1,863	-	-	1,863
<b>Investments</b>				
Investment income	2,982	-	-	2,982
Rents and lettings	5,629	-	-	5,629
<b>Donations and legacies</b>				
Grants and donations	172,821	104,652	91,398	368,871
<b>Total income</b>	<b>12,507,740</b>	<b>116,202</b>	<b>91,398</b>	<b>12,715,340</b>
<b>EXPENDITURE ON:</b>				
<b>Charitable activities</b>				
Education	11,799,720	56,472	31,399	11,887,591
<b>Raising funds</b>				
Letting expenses	6,603	-	-	6,603
Trading expenses	2,454	-	-	2,454
<b>Total expenditure</b>	<b>11,808,777</b>	<b>56,472</b>	<b>31,399</b>	<b>11,896,648</b>
<b>Net income/(expenditure)</b>	<b>698,963</b>	<b>59,730</b>	<b>59,999</b>	<b>818,692</b>
Transfer between funds	185,802	(185,802)	-	-
Net Movement in Funds	884,765	(126,072)	59,999	818,692
Fund balances brought forward at 1 August 2020	30,547,985	952,108	198,792	31,698,885
Fund balances carried forward at 31 July 2021	<b>31,432,750</b>	<b>826,036</b>	<b>258,791</b>	<b>32,517,577</b>



EX CORDE VITA.



EX CORDE VITA.

**King Alfred School Society**  
**A company having no share capital and limited**  
**by guarantee**

THE KING ALFRED SCHOOL SOCIETY ANNUAL REPORT AND FINANCIAL STATEMENTS 2021/22