



EX CORDE VITA.

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

ANNUAL REPORT AND FINANCIAL STATEMENTS

Period ended 31st August 2024

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

CONTENTS

REFERENCE AND ADMINISTRATIVE DETAILS	p.3
INTRODUCTION BY THE CHAIR OF COUNCIL	p.6
TRUSTEES' REPORT BY COUNCIL	p.7
1. OBJECTIVES, ETHOS, STRATEGIES AND ACTIVITIES	P.7
1.1 Aims and objectives of the King Alfred School Society	
1.2 Ethos	
1.3 Strategies for Achieving Objectives	
1.4 Public Benefit	
2. REVIEW OF ACHIEVEMENTS AND PERFORMANCE	p. 9
2.1 The King Alfred School	
2.2 Educational Research	
2.3 Broadening Impact and Dissemination	
3. FINANCIAL REVIEW AND RESULTS	p.12
3.1 Income and Expenditure	
3.2 The Trading Company	
3.3 The Balance Sheet	
3.4 Reserves Policy	
3.5 Investment Policy	
3.6 Going Concern	
4. PLANS FOR FUTURE PERIODS	p.14
4.1 Challenging the Educational Paradigms	
4.2 Further Strengthening the School and Community	
4.3 Continuing to Broaden our Impact via Partnership and Outreach	
4.4 Maintaining our Financial Results and Investing in the Future	
5. STRUCTURE, GOVERNANCE AND MANAGEMENT	p.15
5.1 Governance and Organisation	
5.2 Conflict of Interest	
5.3 Development and Fundraising	
5.4 Appointment, Induction and Review of Members of Council	
5.5 Remuneration of Key Management	
5.6 Risk Management	
STATEMENT OF TRUSTEES' RESPONSIBILITIES	p.18
INDEPENDENT AUDITOR'S REPORT	p.19
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES	P.22
CONSOLIDATED AND COMPANY BALANCE SHEETS	p.23
CONSOLIDATED CASH FLOW STATEMENT	p.24
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	p.25



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REFERENCE AND ADMINISTRATIVE DETAILS

PRESIDENT

Kara Conti

CHAIR

Sam Jukes-Adams

TREASURER

Nick Friedlos

HEAD

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

**DIRECTOR OF FINANCE &
OPERATIONS**

Caroline Korniczky
BA Hons, ACA

OTHER COUNCIL MEMBERS

Amy Chapman (resigned February 2024), Annabel Cody (resigned February 2024) Angela Dehadray, Robert Dye (resigned December 2023), Grace Edghill, David Gossen (resigned August 2024), Fiona Hackett, Nick Harper, Jo Lucas, Lara McCann, Sarah Phillips, Sophie Ricard, Johnny Rosen, Christian Schmidt (resigned February 2024), Sophia Senroy, Jo Tang, Philip Whale, Galia Shilo Sum (appointed February 2024), Rebekah Clark (appointed February 2024), Phoebe D'Arcy (appointed February 2024), Clare Jarmy (appointed October 2024).

REGISTERED ADDRESS

149 North End Road, London, NW11 7HY

AUDITORS

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



EX CORDE VITA.

REFERENCE AND ADMINISTRATIVE DETAILS

BANKERS

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

SOLICITORS

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



INTRODUCTION BY THE CHAIR OF COUNCIL

In 1897, the King Alfred School Society (the Society) was established to provide a new model of education and to influence the educational landscape. Reacting to the selective and exam-focused Victorian school system, and a desire to learn 'out doors', The King Alfred School's (the "School") 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.

As we look ahead to a new world order for independent schools with structural changes to the taxation on fees, the relevance of education set out in this way is even more important today. Holding onto our way of educating recognises the ability to choose a holistic approach that benefits the whole child in school and beyond. It challenges a very target driven, exam-based approach and develops the child's sense of self as a learner, an individual and a group member, with the emphasis on intrinsic rather than extrinsic motivation.

Council and the school have collaborated on two major governmental changes this year: the formal consultation on the increase in the employer's contribution to the TPS (Teachers' Pension Scheme) and the introduction of VAT on fees for independent schools. I want to formally thank the Teacher Reps, Staff, Head and DFO for their commitment and engagement in the process.

I also want to thank the Head and the DFO for aiding Council in its work to come to a determination on how to deal with the pressure of VAT on fees for our particular school setting. In this process, we have held to three key principles:

- To maintain and continue to develop the quality of our unique educational offering
- To ensure the long-term financial sustainability of the school
- To help protect our community, by taking measures to alleviate the financial burden of VAT on fees to household incomes as far as possible.

To that end, Council has been working hard to

devise a response to this pressure and also consider the opportunities it brings to strategic thinking and planning.

Despite external pressures, the school has done incredibly well in its GCSE, A level and UAL results, showing how it is possible for students to enjoy school, love learning and have academic success. It begs the question why more educational institutions are not also adopting the progressive way. The introduction of SDCs is an illustration of how curriculum change can renew enthusiasm for staff and enable them to teach in ways that better reflect the subjects and students that staff know so well. Long may this teacher-led influence continue.

The AGM signals our annual retirement from and election to Council - this year we said thank you and goodbye to David Gossen, Robert Dye, Christian Schmidt and Amy Chapman. Annabel Cody also stepped down but re-joined some committees as a co-opted governor. We welcomed to Council Rebekah Clark, Galia Shilo Sum and Phoebe D'Arcy who have joined with enthusiasm and commitment from the get-go. A huge thank you to all the Council members for their continued commitment and dedication to their governor roles and work. This year has been fulsome in its demands on council members times, and it does not go unappreciated. A special mention must go to the Treasurer, Nick Friedlos, for his extensive time on both the TPS and VAT, and also Angela Dehadray in her work as Safeguarding Governor this past year.

Lastly, to Robert Lobatto (Head) and Caroline Korniczky (DFO), the demands of Council on them this year has been significant, and we are truly grateful for their work and support for both Council and the school.

SAM JUKES-ADAMS

Chair of The King Alfred School Council

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31st August 2024

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

The principal concern of the Society is the operation of its schools, namely 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, illustrates many aspects of this approach.

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31st August 2024

1.3. Strategies for Achieving Objectives

1.3.1. Educational research and dissemination

The Society aims to inspire and influence others to create a more human-centred education. It runs conferences and 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 715 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 seek to 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 4 to 18 education that is holistic, rigorous and creative
- Increasing our impact on the world, both through empowering our students to be change-makers, and by partnering with others throughout the broader education system
- Developing a plan for investing in our campus and a long-term sustainable financial future.

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 only 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 Key Stage 4 and three in The Sixth Form.

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 a hub of local state schools, including The Archer Academy, Henrietta Barnett, Parliament Hill, Christ College and School 21. Our contribution includes outreach activities and sharing access to some of our facilities and counselling services. Partnership work with like-minded schools in both the state and independent sectors is growing, through various projects including our local hub, 'The Big 10', and the Schools Directed Courses Consortium (SDCC). All these partnerships encourage and support other schools to explore and embrace forward-thinking methods, and 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 PERIOD ENDED 31st August 2024

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 2023/2024, an average of 712 students (2022/2023, 691) were educated within The King Alfred School, of which 69 students (2022/23, 43) received education at subsidised rates or free of charge.

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

The Society considers the school's exam performance using a nationally recognised value-added method (ALIS and YELLIS), which evaluates whether or not the school has supported pupils to achieve outcomes above their predicted grades in public examinations. In addition, examination results are benchmarked against national and independent school averages.

At A level, 58% of all grades were A*-A, and 91% of the grades secured by students were A* – C. In addition to being double the national averages, they were also higher than the averages for independent schools. 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 fifth cohort successfully completed the UAL Diploma in Performing Arts this summer. This course is equivalent to three A levels. Almost all students achieved distinctions, which are equivalent to three A*s at A level.

On value-added measures, ALIS calculated that the school's A level results were in the in the top 7% of schools for progress between GCSEs and A levels. **A Level Results for the last three years**

	A*/A %	A*-B %	A*-C %	A*-E %
KAS 2024	58.0	80.4	92.0	98.9
National 2024	27.6	53.6	76.0	97.1
Independent 2024	49.4		89.8	
KAS 2023	52.0	74.1	88.9	98.9
National 2023	26.5	53.5	74.4	97.3
Independent 2023	47.4		89.0	
KAS 2022 *	55.4	85.2	95.0	99.2
National 2022 *	35.9	62.2	82.1	98.4
Independent 2022 *	58.0		92.1	

* all results nationally more generous to take account of the impact of Covid

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31st August 2024

At GCSE level, students' 2024 results were also significantly higher than both national and independent school averages. YELLIS value-added calculations show that on average, students achieved approximately one third of a grade higher than their expected grades, which is a very positive outcome.

GCSE Results for the last three years

	7/8/9 (A/A*/A**) %	4 and above (C and above) %
KAS 2024	55.4	94.2
National 2024	21.8	67.6
Independent 2024	48.4	90.9
KAS 2023	40.0	90.1
National 2023	21.6	67.8
Independent 2023	46.6	90.1
KAS 2022*	51.2	94.5
National 2022*	26.0	73.0
Independent 2022*	53.0	92.5

* all results nationally more generous to take account of the impact of Covid

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 evolved its environmental programme with new curriculum development and extra-curricular activities in both the Lower and Upper Schools.

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31st August 2024

Students continued to have a significant voice. Peer support initiatives, such as the Peer Listener's Programme (KPLs) and Peer Education mental health programme (PEP) are embedded in the timetable. Representatives from "School Six", the elected student representatives for the Upper School, take the lead in coordinating a Pupils' Council, which comprises representatives from each Upper School year group. 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 hub for school alumni (Old Alfredians or OAs). 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.

The new Sixth Form building, which was officially opened in September 2021, has boosted recruitment, with numbers increasing from 92 students in 2020/21 to 125 in 2023/24.

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.

Research has continued 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, and our colleagues in the 'Big 10' partnership.

Hannah Sheath, who has played a significant role in the development of the 6 to 8 curriculum, is researching for her PHD in the development of skills through enquiry-based learning. In addition, she has secured a grant from the Edge Foundation to consolidate and disseminate her findings.

Robert Lobatto, Julian Reed, Rachael Herman and Hannah Sheath have researched how skills are developed in different educational systems across the world and co-authored a guide with colleagues in the Big 10 network on this topic.

2.3 Broadening Impact and Dissemination

This year, the school developed its partnership strategy. This consists of three core strands – influencing young people directly; developing, codifying and sharing progressive practices; and influencing the wider system.

In the first strand - influencing young people directly - in 2023/24, 36 (2022/23: 33) bursaries were in operation with a value of £551,038 (2022/23: £573,743). In addition, fee remissions and hardship awards totalled £536,641 (2022/23 £409,872).

We continued sharing our counselling services with the The Archer Academy, and as mentioned above, have set up a local partnership hub with Henrietta Barnett, Christ College, Parliament Hill and The Archer Academy. In its early stages, this has already led to the other schools using our facilities, such as the Phoenix Theatre, and collaboration on a leadership development programme.

Students visited Namibia once again to work with our partner – the 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.

Meanwhile, the school works in partnership with Tudor Park Education Trust (TPET) where the Head, Robert Lobatto, is on the Board of Directors. In addition, Daniel Love is the Chair of the Academy Council at the Noel Park Primary School, which is part of the AET Multi Academy Trust.

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31st August 2024

In the second strand - developing, codifying and sharing progressive practices - the school remains a key player within the "Rethinking Assessment" group, which is exploring alternatives to GCSE and counts the school's Deputy Head, Al McConville, as a co-founder. Al's work around assessment has developed further with the formation of the School Directed Courses Consortium, which is an alliance of over 50 schools running or considering non-GCSE courses at Key Stage 4. Both organisations are involved in developing, codifying and sharing practices (such as digital learner profiles, templates for SDCs) as well as advocating for system change.

In a similar vein, the school has continued to be a key member of 'The Big 10', which consists of three separate cohorts of 10 forward-looking schools who are committed to sharing best practice and having a wider influence on the education system. KAS is one of only a few independent schools in the group and has particularly focussed its work on the development of learner profiles and the embedding of the skills of communication, collaboration and creative thinking into the curriculum. This has been captured in a published guide.

The Village Project went ahead in June 2023 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 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 we have made a new film as part of our 'Big 10' work, which is available on a wide range of websites.

In the third strand - influencing the system - we hosted visits this year from a large group of school leaders from Northern Ireland, and schools in Surrey, West London and Cardiff. In addition, we hosted and facilitated the inaugural meetings of a coalition of educationalists committed to shifting the system to a more holistic vision of education – The UK Education Collaborative. We welcomed PGCE students from Cambridge University and spoke with PGCE students at University of East London.

3. FINANCIAL REVIEW AND RESULTS

3.1. Income and Expenditure

The Society took the decision to change its financial year from 31 July to 31 August in order to align its financial years going forward with academic years. This being the year of change, these accounts represent an extended period of 13 months from 1 August 2023 to 31 August 2024.

As a result, the surplus for the 13-month period is much reduced compared with the prior year since the accounts include an additional month's costs (mostly payroll) for the month of August 2024 but no additional income since fee income is not received in August.

As in previous years, by far the largest single income generating activity of the Society was the school, with 96% of the Society's income representing educational activities for the school. The remaining 4% of income arose from activities of the trading company, including lettings, investment income and donations.

On the income side, the school increased 2023/24 fees by 8% (2022/23: 4%) to combat inflationary pay rises. Total income of the Society amounted to £16,512,443 for the period compared to £14,849,568 for 2022/2023, representing a rise of 11%. This was primarily driven by an increase in pupil numbers.

The income included £246,839 (2022/23: £240,460) 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 and have not yet been designated are unrestricted.

On the expenditure side, despite high levels of inflation, particularly in catering and energy costs, overall expenses of the Society were well controlled and increased by 17% (reflecting a 13-month period of

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31st August 2024

costs compared with the previous 12-month period) before adjustment for the pension provision to £16,431,833 in 2023/24 (2022/23: £14,040,452). Expenses, as in previous years, were mostly directly or indirectly costs of running the school (96%). The remaining 4% represented costs associated with depreciation. Of the staff costs associated with running the school, 73% were teaching costs and 27% were support staff costs, including finance, HR, ICT, marketing and admissions, development, catering and premises.

Non-staff costs of £4,245,715 included educational costs plus other costs, including insurance, maintenance and repairs.

Overall, the Society finished the year with a financial surplus of £114,580 (£952,428 in 2022/23) despite the 13-month period, which allocated an additional month of costs with no associated income.

3.2. The Trading Company

The King Alfred Trading Company Limited manages after-school, weekend and holiday lettings of the grounds and buildings 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.

3.3. The Balance Sheet

At 31 August 2024, net assets of the Society totalled £33,836,458 (31 July 2023: £33,721,878). The most significant asset of the Society is the land and buildings of the School which had a net book value of £34,636,239 at the end of the period (31 July 2023: £34,968,365). Other fixed assets totalled £1,668,472 (31 July 2023: £1,207,512) which included assets under construction (Phoenix Theatre). Unrestricted funds of the Society totalled £33,555,288 with £404,028 of these funds designated for specific purposes. Restricted funds totalled £281,170 including a bursary fund of £70,529.

Net current assets on 31 August 2024 were £5,300,293 (31 July 2023: £2,740,573). Debtors of £808,886 (31 July 2023: £649,784) are primarily outstanding school fees plus prepayments and accrued income. Cash, the other current asset, was £7,149,631 (31 July 2023: £3,886,787), bolstered by fees received in advance for future years.

Current liabilities, at £2,658,224 (31 July 2023: £1,795,999), include fees received in advance, fee deposits, tax, national insurance payments and trade creditors.

Long-term creditors, at £7,067,361 (31 July 2023: £4,459,418), mostly comprise fee deposits and advance fee payments. The long-term provision of £701,185 (31 July 2023: £735,154) represents the potential deficit on the Independent Schools' Pension Scheme.

3.4. Reserves Policy

On 31 August 2024, the Society's cash balances were £7,149,631 (31 July 2023: £3,886,788). Free reserves, defined as unrestricted funds plus long-term creditors minus fixed assets, were £5,019,123 compared to £2,514,221 on 31 July 2023.

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 providing an excellent education.

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 2023/24. There are no loans outstanding. 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.

3.5. Investment Policy

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31st August 2024

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

Following the period of uncertainty caused by the pandemic, Council worked hard to ensure the financial sustainability of the Society. School fees were increased by 8% in September 2023 after a few years of lower fee rises which had been put in place to try to avoid increasing the financial burden for families at a difficult time, however, the school's main cost is staff salaries and these have risen in line with the public sector.

The Society recorded a modest surplus in 2023/24 of £114,580 but this reflects a 13-month period which included 13 months of costs but only three terms of income.

To provide further liquidity and resilience, the Society renewed its £1m overdraft facility and has no outstanding loans.

VAT on school fees will add uncertainty to the future and Council has modelled various scenarios based on this. In addition, the incoming government has removed business rates relief which will come into effect in April 2025.

Overall, however, Council is confident that the Society has adequate resources to continue its activities for the foreseeable future. School numbers have risen to over 700 and Council hopes to maintain or increase these numbers to add to future income. In addition, the Society has some cash reserves in place.

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

The Society and the school are moving ahead with important strategic development goals. We are confident that these will both benefit our community and create a sustainable future.

During 2024/25, Council and the Senior Leadership Team will take forward the strategic plan by:

- Further strengthening the School and Community through our new five-year strategic plan, 'An ethos of ambition'.
- Managing our finances, especially with the challenge of VAT on fees, so that we can invest in our buildings and education.
- Enabling the Society's work to become more formally understood and benefit both schools and wider educational learning and training through commercial and non-commercial means.

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31st August 2024

4.1 Further Strengthening the School and Community

We continue to develop our ambitious vision for the school with our new five-year strategic plan.

- The continued development of the educational provision in the areas of a coherent and holistic 4 to 18 curriculum, high quality adaptive pedagogy throughout the school, the intelligent use of data and reporting, and a continued focus on well-being and safeguarding.
- The continued development of the often unseen areas that underpin a great school – skilled leadership, efficient and effective operations teams, and outward-looking partnerships and collaborations.
- The development of three whole school priorities which thread through all of the above – Sustainability, DEIB (Diversity, Equity, Inclusion and Belonging), and Digital Literacy.
- The KAS community remains the bedrock of the school and society, and we will continue to nurture our relationships with parents, as well as finding new ways to engage alumni and connect them with the current generation of students.

4.2 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 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. The school regularly monitors its cost base and reviews all expenditure plus potential income generation to ensure financial sustainability over the long-term.

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 school's senior leadership team, who are responsible for execution of policy and management of the day-to-day operation of the school. On 31 August 2024, there were 18 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

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31st August 2024

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 seven 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 2023/24, the Council Committee structure continued to go from strength to strength. The Education, Governance, Finance, Community and Grounds & Buildings Committees provided 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.

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.

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

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31st August 2024

The King Alfred School Risk Register 2023/24

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31st August 2024

The Council members who are Charity Trustees (and directors of 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 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
149 North End Road
London NW11 7HY

BY ORDER OF THE COUNCIL



Treasurer: Nick Friedlos
Date: 15 January 2025

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE KING ALFRED SCHOOL SOCIETY

Opinion

We have audited the financial statements of The King Alfred School Society for the period ended 31 August 2024 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 Statement of Cash Flows 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 August 2024 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the period 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 AUDITORS REPORT TO THE MEMBERS OF THE KING ALFRED SCHOOL SOCIETY

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 regulations related to independent school regulations, 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

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE KING ALFRED SCHOOL SOCIETY

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. 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 HaysMac LLP (Statutory Auditors)

10 Queen Street Place
London
EC4R 1AG

Date: **23 January 2025**

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

INCLUDING THE INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31ST AUGUST 2024

	Note	Unrestricted funds £	Designated funds £	Restricted funds £	Total For the period ended 31 August 2024 £	Total For the year ended 31 July 2023 £
INCOME FROM:						
Charitable Activities	1					
School fees		15,831,865	20,712	-	15,852,577	14,336,347
KASS membership		-	16,312	-	16,312	9,945
Trading activities						
Trading income		38,630	-	-	38,630	34,061
Investments	1					
Investment income		287,462	-	-	287,462	153,182
Rents and lettings		70,623	-	-	70,623	75,073
Donations and legacies	1					
Grants and donations		-	114,156	132,683	246,839	240,460
Profit on sale of fixed assets		-	-	-	-	500
Total income		<u>16,228,580</u>	<u>151,180</u>	<u>132,683</u>	<u>16,512,443</u>	<u>14,849,568</u>
EXPENDITURE ON:						
Charitable activities	2					
Education		16,299,727	27,971	11,942	16,339,640	13,838,294
Raising funds	2					
Letting expenses		15,682	-	-	15,682	20,672
Trading expenses		42,541	-	-	42,541	38,174
Total expenditure		<u>16,357,950</u>	<u>27,971</u>	<u>11,942</u>	<u>16,397,863</u>	<u>13,897,140</u>
Net income/(expenditure)		<u>(129,370)</u>	<u>123,209</u>	<u>120,741</u>	<u>114,580</u>	<u>952,428</u>
Transfer between funds		326,553	(260,630)	(65,923)	-	-
Net movement in funds		<u>197,183</u>	<u>(137,421)</u>	<u>54,818</u>	<u>114,580</u>	<u>952,428</u>
Fund balances brought forward at 1 August 2023		32,954,077	541,449	226,352	33,721,878	32,769,540
Fund balances carried forward at 31 August 2024	11,12	33,151,260	404,028	281,170	33,836,458	33,721,878

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 page 25 to 48 form part of these financial statements. Details of comparative figures by fund are given in Note 16.

CONSOLIDATED AND COMPANY BALANCE SHEETS

AS AT 31st August 2024

	Note	The Group		The Company	
		As at 31 August 2024 £	As at 31 July 2023 £	As at 31 August 2024 £	As at 31 July 2023 £
TANGIBLE FIXED ASSETS					
School land, buildings and equipment	4	36,304,711	36,175,877	36,304,711	36,175,877
Investments	5	-	-	2	2
		<u>36,304,711</u>	<u>36,175,877</u>	<u>36,304,713</u>	<u>36,175,879</u>
CURRENT ASSETS					
Debtors	6	808,886	649,784	900,861	719,690
Cash	10	7,149,631	3,886,788	7,009,491	3,770,801
		<u>7,958,517</u>	<u>4,536,572</u>	<u>7,910,352</u>	<u>4,490,491</u>
CREDITORS: amounts falling due within one year	7	(2,658,224)	(1,795,999)	(2,652,753)	(1,792,492)
NET CURRENT ASSETS		<u>5,300,293</u>	<u>2,740,573</u>	<u>5,257,599</u>	<u>2,697,999</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>41,605,004</u>	<u>38,916,450</u>	<u>41,562,312</u>	<u>38,873,878</u>
CREDITORS: due after more than one year	8	(7,067,361)	(4,459,418)	(7,067,361)	(4,459,418)
PROVISIONS: for liabilities and charges	9	(701,185)	(735,154)	(701,185)	(735,154)
NET ASSETS		<u>33,836,458</u>	<u>33,721,878</u>	<u>33,793,766</u>	<u>33,679,306</u>
FUNDS					
Unrestricted - General	11&12	10,352,160	10,154,977	10,309,468	10,112,405
Unrestricted - Revaluation Reserve	11&12	22,799,100	22,799,100	22,799,100	22,799,100
Unrestricted - Designated	11&12	404,028	541,449	404,028	541,449
Restricted	11&12	281,170	226,352	281,170	226,352
TOTAL FUNDS	17	<u>33,836,458</u>	<u>33,721,878</u>	<u>33,793,766</u>	<u>33,679,306</u>

The Company's net movement in funds for the year was £114,460 (2022/23: £971,150)

Approved and authorised for issue by Council on 15th January 2025 and signed on their behalf by:



Chair: Sam Jukes-Adams



Treasurer: Nick Friedlos

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31st AUGUST 2024

	Note	Period ended 31 August 2024 £	Year ended 31 July 2023 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	10	240,698	1,107,606
CASH FLOWS FROM INVESTING ACTIVITIES			
Bank interest received		287,462	153,182
Interest payable		-	(58,232)
Proceeds from disposal of fixed assets		-	500
Payments to acquire fixed assets		(800,058)	(733,744)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		<u>(512,596)</u>	<u>(638,294)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from new deposits and deposit increases less deposits refunded		922,666	152,839
Net increase from new advance fees less advance utilised		2,612,075	(13,245)
Repayment of long-term loan		-	(976,191)
NET CASH INFLOW FROM FINANCING ACTIVITIES		<u>3,534,741</u>	<u>(836,597)</u>
INCREASE/(DECREASE) IN CASH		3,262,843	(367,285)
CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD		3,886,788	4,254,073
CASH AND CASH EQUIVALENTS AT THE END OF REPORTING PERIOD		<u><u>7,149,631</u></u>	<u><u>3,886,788</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st AUGUST 2024

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

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

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

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.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

1 INCOME

1.1 FEE INCOME

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

Income comprised:

	For the period ended 31 August 2024 £	For the year ended 31 July 2023 £
School fees		
Gross fees	15,708,663	14,195,912
Less: Total bursaries, grants and allowances	(1,070,277)	(983,615)
	<u>14,638,386</u>	<u>13,212,297</u>
Other educational income		
School trips and camps	458,518	410,203
Textbooks and other extras	11,038	19,762
Fee deposits forfeited	36,460	93,343
Other educational income	242,139	220,975
Parent staff	20,712	-
	<u>768,867</u>	<u>744,283</u>
Other		
Other ancillary income	<u>445,324</u>	<u>379,767</u>
	<u>15,852,577</u>	<u>14,336,347</u>

1.2 INVESTMENT INCOME

	For the period ended 31 August 2024 £	For the year ended 31 July 2023 £
Interest receivable	287,462	153,182
Rent and lettings	70,623	75,073
	<u>358,085</u>	<u>228,255</u>

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

1.3 GRANTS AND DONATIONS

	Unrestricted funds For period ended 31 August 2024 £	Designated funds For period ended 31 August 2024 £	Restricted funds For period ended 31 August 2024 £	Total funds For period ended 31 August 2024 £
Donations and gifts	-	114,156	132,683	246,839
	<u>-</u>	<u>114,156</u>	<u>132,683</u>	<u>246,839</u>
	<u><u>-</u></u>	<u><u>114,156</u></u>	<u><u>132,683</u></u>	<u><u>246,839</u></u>
	Unrestricted funds For year ended 31 July 2023 £	Designated funds For year ended 31 July 2023 £	Restricted funds For year ended 31 July 2023 £	Total funds For year ended 31 July 2023 £
Donations and gifts	269	161,524	78,667	240,460
	<u>269</u>	<u>161,524</u>	<u>78,667</u>	<u>240,460</u>
	<u><u>269</u></u>	<u><u>161,524</u></u>	<u><u>78,667</u></u>	<u><u>240,460</u></u>

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

2 EXPENDITURE

Period ended 31st August 2024	Staff costs £	Other £	Depreciation £	Total £
Charitable activities				
Teaching	8,356,214	1,083,555	305,633	9,745,402
Catering	217,036	346,527	-	563,563
Premises	264,651	1,783,711	358,110	2,406,472
Support costs of schooling	2,676,992	956,716	7,481	3,641,189
	11,514,893	4,170,509	671,224	16,356,626
KASS Expenses	-	16,984	-	16,984
Pension provision movement (note 1.5)	(33,970)	-	-	(33,970)
Total Education	11,480,923	4,187,493	671,224	16,339,640
Raising funds				
Letting expenses	-	15,682	-	15,682
Trading expenses	-	42,541	-	42,541
Total Raising Funds	-	58,223	-	58,223
Total Expenditure	11,480,923	4,245,716	671,224	16,397,863

Governance costs of £39,923 (2023: £32,177) include auditors remuneration of £24,805 (2023: £30,920) and are included within support costs of schooling.

Year ended 31st July 2023	Staff costs £	Other £	Depreciation £	Total £
Charitable activities				
Teaching	7,398,201	995,939	305,634	8,699,774
Catering	210,777	292,334	-	503,111
Premises	302,898	1,133,570	257,465	1,693,933
Support costs of schooling	2,180,547	885,686	5,015	3,071,248
	10,092,423	3,307,529	568,114	13,968,066
KASS Expenses	-	13,540	-	13,540
Pension provision movement (note 1.5)	(143,312)	-	-	(143,312)
Total Education	9,949,111	3,321,069	568,114	13,838,294
Raising funds				
Letting expenses	3,181	17,491	-	20,672
Trading expenses	12,384	25,790	-	38,174
Total Raising Funds	15,565	43,281	-	58,846
Total Expenditure	9,964,676	3,364,350	568,114	13,897,140

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

3 STAFF COSTS

	For the period ended 31 August 2024	For the year ended 31 July 2023
	£	£
Wages and salaries	8,613,255	7,714,354
Social security contributions	968,663	840,696
Pensions	1,932,975	1,537,373
Pension provision movement	(33,970)	(143,312)
	<u>11,480,923</u>	<u>9,949,111</u>

The school has paid termination payments during the year of £56,223 (2023: £20,922)

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

	For the period ended 31 August 2024	For the year ended 31 July 2023
	£	£
Teaching staff	161	113
Non-teaching staff	74	81
	<u>235</u>	<u>194</u>

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

	For the period ended 31 August 2024	For the year ended 31 July 2023
	No.	No.
£60,001-£70,000	13	17
£70,001-£80,000	15	9
£80,001-£90,000	8	1
£90,001-£100,000	1	1
£110,001-£120,000	1	2
£160,001-£170,000	1	1
	<u>39</u>	<u>30</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 £702,544 (2023: £607,764).

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

4 TANGIBLE FIXED ASSETS – GROUP AND COMPANY

	Freehold Land £	School Buildings £	Assets under construction £	Furniture & Equipment £	Motor Vehicles £	Total £
Cost						
1 August 2023	25,000,000	15,281,711	47,176	2,548,872	95,419	42,973,178
Additions	-	-	799,950	108	-	800,058
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 August 2024	25,000,000	15,281,711	847,126	2,548,980	95,419	43,773,236
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation						
1 August 2023	-	5,313,346	-	1,423,640	60,315	6,797,301
Charge for the year	-	332,126	-	329,591	9,507	671,224
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 August 2024	-	5,645,472	-	1,753,231	69,822	7,468,525
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value						
31 August 2024	25,000,000	9,636,239	847,126	795,749	25,597	36,304,711
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
31 July 2023	25,000,000	9,968,365	47,176	1,125,232	35,104	36,175,877
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

1. The opening cost of assets under the course of construction are transferred to the relevant asset heading on completion.
2. 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
3. The carrying amount of freehold land that would have been recognised under the historic cost model is £2,200,900.
4. There were no assets disposed of in the year.
5. The bank overdraft facility is secured over the freehold property and is the amount currently drawn down on a standing facility of £1million repayable on demand. The facility was not utilized in the year. The balance of the five-year term loan of £1million, drawn down in March 2021, was repaid on 22 May 2023.

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, 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 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:

	Period ended 31 August 2024 £	Year ended 31 July 2023 £
Turnover	109,253	109,134
Cost of sales	<u>(54,883)</u>	<u>(56,058)</u>
Gross profit	54,371	53,076
Administrative expenses	<u>(7,462)</u>	<u>(7,920)</u>
Operating profit	<u>46,909</u>	<u>45,156</u>
Profit before taxation	46,909	45,156
Taxation	<u>(1,633)</u>	<u>(2,584)</u>
Profit for the financial period	<u>45,276</u>	<u>42,572</u>
Total comprehensive income for the period	<u>45,276</u>	<u>42,572</u>

The aggregate of the assets, liabilities and funds was:

	As at 31 August 2024 £	As at 31 July 2023 £
Assets	152,283	123,318
Liabilities	(109,589)	(80,744)
	<u>42,694</u>	<u>42,574</u>

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

	As at 31 August 2024	As at 31 July 2023
Funds	£	£
Representing share capital (2 ordinary shares of £1 each)	2	2
Profit and loss account	42,692	42,572
	<u>42,694</u>	<u>42,574</u>

6 DEBTORS

	The Group		The Company	
	31 August 2024	31 July 2023	31 August 2024	31 July 2023
	£	£	£	£
Fees and extras	423,565	309,298	406,122	302,843
Other debtors	20,786	28,977	20,786	28,977
Prepayments and accrued income	364,535	311,509	364,535	310,633
Amount due from group undertaking	-	-	109,418	77,237
	<u>808,886</u>	<u>649,784</u>	<u>900,861</u>	<u>719,690</u>

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group		The Company	
	31 August 2024	31 July 2023	31 August 2024	31 July 2023
	£	£	£	£
Advance fees	784,690	405,007	784,690	405,007
Trade creditors	151,852	110,189	151,852	110,189
Taxation and social security costs	200,808	211,023	200,808	211,023
Other creditors	174,741	190,922	173,670	190,922
Accruals	447,237	527,077	442,837	523,570
Fee deposits	898,896	351,781	898,896	351,781
	<u>2,658,224</u>	<u>1,795,999</u>	<u>2,652,753</u>	<u>1,792,492</u>

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

Deferred income (including advance fees):

	The Group		The Company	
	31 August 2024	31 July 2023	31 August 2024	31 July 2023
	£	£	£	£
Deferred income brought forward	405,007	314,069	405,007	314,069
Received in year	3,313,819	368,977	3,313,819	368,977
Released in year	(448,174)	(278,039)	(448,174)	(278,039)
Deferred income carried forward	<u>3,270,652</u>	<u>405,007</u>	<u>3,270,652</u>	<u>405,007</u>

8 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	The Group		The Company	
	31 August 2024	31 July 2023	31 August 2024	31 July 2023
	£	£	£	£
Advance fees	2,485,962	253,570	2,485,962	253,570
Fee deposits	4,581,399	4,205,848	4,581,399	4,205,848
	<u>7,067,361</u>	<u>4,459,418</u>	<u>7,067,361</u>	<u>4,459,418</u>

8.1 Advance Fees

	The Group		The Company	
	31 August 2024	31 July 2023	31 August 2024	31 July 2023
	£	£	£	£
Due within one year	784,690	405,007	784,690	405,007
Due within one and two years	603,310	137,581	603,310	137,581
Due within two to five years	1,821,508	115,989	1,821,508	115,989
Due after five years	61,144	-	61,144	-
	<u>3,270,652</u>	<u>658,577</u>	<u>3,270,652</u>	<u>658,577</u>

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

8.2 Fee Deposits

	The Group		The Company	
	31 August 2024	31 July 2023	31 August 2024	31 July 2023
	£	£	£	£
Due within one year	898,896	351,781	898,896	351,781
Due within one and two years	326,908	482,137	326,908	482,137
Due within two to five years	1,135,706	1,024,969	1,135,706	1,024,969
Due after five years	3,118,785	2,698,742	3,118,785	2,698,742
	<u>5,480,295</u>	<u>4,557,629</u>	<u>5,480,295</u>	<u>4,557,629</u>

9. PROVISIONS FOR LIABILITIES AND CHARGES

Pension Provision

	The Group		The Company	
	31 August 2024	31 July 2023	31 August 2024	31 July 2023
	£	£	£	£
Brought forward	735,154	878,466	735,154	878,466
Incurred/(utilised) in the year	(33,969)	(143,312)	(33,969)	(143,312)
Carried forward	<u>701,185</u>	<u>735,154</u>	<u>701,185</u>	<u>735,154</u>

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

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

10. NOTES TO THE CASHFLOW STATEMENT

Reconciliation of operating result to net cash inflow from operating activities

	31 August 2024	31 July 2023
	£	£
Net movement in funds	114,580	952,428
Depreciation	671,224	568,114
Profit on sale of fixed assets	-	(500)
Bank interest received	(287,462)	(153,182)
Interest payable	-	58,232
(Increase)/Decrease in debtors	(159,102)	(104,833)
(Decrease)/Increase in creditors and provisions	(98,542)	(212,653)
	240,698	1,107,606

Analysis of Changes in Net Debt

	At 1 August 2023	Cash Flows	At 31 August 2024
	£	£	£
Cash at bank and in hand	3,886,788	3,262,843	7,149,631

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

11. RECONCILIATION OF FUNDS

Period ending 31st August 2024 - The Group

	Balance 1 August 2023 £	Income £	Expenditure £	Transfers £	Balance 31 August 2024 £
UNRESTRICTED GENERAL FUNDS					
General reserve	10,154,977	16,228,580	(16,357,950)	326,553	10,352,160
Revaluation reserve	22,799,100	-	-	-	22,799,100
	32,954,077	16,228,580	(16,357,950)	326,553	33,151,260
UNRESTRICTED DESIGNATED FUNDS					
Parent Staff	4,902	20,712	-	-	25,614
Lower School Camp Fund	3,787	-	-	-	3,787
KASS Subscriptions	21,464	16,312	(16,983)	-	20,793
Treehouse Fund	70,743	-	-	(2,369)	68,374
Voluntary Contributions Fund - Phoenix Theatre	144,106	114,156	(1)	(258,261)	-
Priorities Development Fund	296,447	-	(10,987)	-	285,460
	541,449	151,180	(27,971)	(260,630)	404,028
RESTRICTED FUNDS					
Bursary Fund	78,932	-	(8,403)	-	70,529
CNC Machine Fund	1,979	-	(1,979)	-	-
Upper School Building Fund	3,111	-	-	-	3,111
Sophie Coleman Music Fund	3,239	-	-	-	3,239
Phoenix Theatre Fund	65,923	-	-	(65,923)	-
Development Fund	11,620	-	-	-	11,620
KAS 125	61,548	132,683	(1,560)	-	192,671
	226,352	132,683	(11,942)	(65,923)	281,170
TOTAL FUNDS	33,721,878	16,512,443	(16,397,863)	-	33,836,458

Designated funds for the year 31 August 2024

- Parent Staff raises funds which are designated to various teaching requests made by teachers during the year.
- 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 plus any related remedial works. The first stage was completed in 2021.
- Voluntary Contributions raised during the year will be put towards the final phase of the Phoenix Theatre refurbishment.
- The Priorities Development fund was previously referred to as the COVID-19 fund and will be used for developing priorities which have been delayed through the pandemic.

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

11. RECONCILIATION OF FUNDS - CONTINUED

Period ending 31st August 2024 - Company

	Balance 1 August 2023	Income	Expenditure	Transfers	Balance 31 August 2024
	£	£	£	£	£
UNRESTRICTED GENERAL FUNDS					
General reserve	10,112,405	16,119,327	(16,248,817)	326,553	10,309,468
Revaluation reserve	22,799,100	-	-	-	22,799,100
	32,911,505	16,119,327	(16,248,817)	326,553	33,108,568
UNRESTRICTED DESIGNATED FUNDS					
Parent Staff	4,902	20,712	-	-	25,614
Lower School Camp Fund	3,787	-	-	-	3,787
KASS Subscriptions	21,464	16,312	(16,983)	-	20,793
Treehouse Fund	70,743	-	-	(2,369)	68,374
Voluntary Contributions Fund - Phoenix Theatre	144,106	114,156	(1)	(258,261)	-
Priorities Development Fund	296,447	-	(10,987)	-	285,460
	541,449	151,180	(27,971)	(260,630)	404,028
RESTRICTED FUNDS					
Bursary Fund	78,932	-	(8,403)	-	70,529
CNC Machine Fund	1,979	-	(1,979)	-	-
Upper School Building Fund	3,111	-	-	-	3,111
Sophie Coleman Music Fund	3,239	-	-	-	3,239
Phoenix Theatre Fund	65,923	-	-	(65,923)	-
Development Fund	11,620	-	-	-	11,620
KAS 125	61,548	132,683	(1,560)	-	192,671
	226,352	132,683	(11,942)	(65,923)	281,170
TOTAL FUNDS	33,679,306	16,403,190	(16,288,730)	-	33,793,766

Restricted funds for the year 31 August 2024

- The Bursary Fund is to provide financial support to pupils who would not otherwise be able to afford to attend the School.
- The remainder of the Upper School Building Fund will be utilized during 2024-25.
- 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. £65,923 was transferred to general reserves during the year in recognition of funds spent towards the redevelopment.
- The Development Fund raises funds for specific projects as chosen by Council.
- The KAS 125 Fund was established during the prior year in advance of the School's 125th anniversary to raise funds towards continuing the School's educational vision for the next 125 years.

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

11. RECONCILIATION OF FUNDS - CONTINUED

Year ended 31 July 2023 - The Group

	Balance 1 August 2022 £	Income £	Expenditure £	Transfers £	Balance 31 July 2023 £
UNRESTRICTED GENERAL FUNDS					
General reserve	9,177,927	14,599,432	(13,622,382)	-	10,154,977
Revaluation reserve	22,799,100	-	-	-	22,799,100
	31,977,027	14,599,432	(13,622,382)	-	32,954,077
UNRESTRICTED DESIGNATED FUNDS					
Parent Staff	14,573	54,465	(64,359)	-	4,679
History & Archives Fund	401	-	(401)	-	-
Lower School Camp Fund	3,787	-	-	-	3,787
KASS Subscriptions	25,059	9,945	(13,540)	-	21,464
Treehouse Fund	2,645	70,000	(1,902)	-	70,743
Voluntary Contributions Fund - Main Hall	142,780	-	(142,780)	-	-
Voluntary Contributions Fund - Phoenix Theatre	107,047	37,059	-	-	144,106
Priorities Development Fund	296,670	-	-	-	296,670
	592,962	171,469	(222,982)	-	541,449
RESTRICTED FUNDS					
Bursary Fund	98,414	-	(19,482)	-	78,932
CNC Machine Fund	-	6,000	(4,021)	-	1,979
Upper School Building Fund	8,319	-	(5,208)	-	3,111
Sophie Coleman Music Fund	4,545	-	(1,306)	-	3,239
Phoenix Theatre Fund	69,199	18,483	(21,759)	-	65,923
Development Fund	11,620	-	-	-	11,620
KAS 125	7,364	54,184	-	-	61,548
	199,461	78,667	(51,776)	-	226,352
TOTAL FUNDS	32,769,450	14,849,568	(13,897,141)	-	33,721,878

Designated funds for the year 31 August 2023

- 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

KING ALFRED SCHOOL SOCIETY

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

for developing properties which have been delayed through the pandemic.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

11. RECONCILIATION OF FUNDS - CONTINUED

Year ended 31st July 2023 - Company

	Balance 1 August 2022	Income	Expenditure	Transfers	Balance 31 July 2023
	£	£	£	£	£
UNRESTRICTED GENERAL FUNDS					
General reserve	9,116,633	14,551,592	(13,555,820)	-	10,112,405
Revaluation reserve	22,799,100	-	-	-	22,799,100
	31,915,733	14,551,592	(13,555,820)	-	32,911,505
UNRESTRICTED DESIGNATED FUNDS					
Parent Staff	14,573	54,465	(64,359)	-	4,679
History & Archives Fund	401	-	(401)	-	-
Lower School Camp Fund	3,787	-	-	-	3,787
KASS Subscriptions	25,059	9,945	(13,540)	-	21,464
Treehouse Fund	2,645	70,000	(1,902)	-	70,743
Voluntary Contributions Fund - Main Hall	142,780	-	(142,780)	-	-
Voluntary Contributions Fund - Phoenix Theatre	107,047	37,059	-	-	144,106
Priorities Development Fund	296,670	-	-	-	296,670
	592,962	171,469	(222,982)	-	541,449
RESTRICTED FUNDS					
Bursary Fund	98,414	-	(19,482)	-	78,932
CNC Machine Fund	-	6,000	(4,021)	-	1,979
Upper School Building Fund	8,319	-	(5,208)	-	3,111
Sophie Coleman Music Fund	4,545	-	(1,306)	-	3,239
Phoenix Theatre Fund	69,199	18,483	(21,759)	-	65,923
Development Fund	11,620	-	-	-	11,620
KAS 125	7,364	54,184	-	-	61,548
	199,461	78,667	(51,776)	-	226,352
TOTAL FUNDS	33,708,156	14,801,728	(13,830,578)	-	33,679,306

Restricted funds for the year 31 August 2023

- 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.

KING ALFRED SCHOOL SOCIETY

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

- 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31st July 2024

	Unrestricted Funds		Designated Funds		Restricted Funds		Total Funds	
	£		£		£		£	
	Group	Company	Group	Company	Group	Company	Group	Company
Tangible fixed assets	36,304,711	36,304,713	-	-	-	-	36,304,711	36,304,713
Current assets	7,273,319	7,121,036	404,028	404,028	281,170	281,170	7,958,517	7,806,234
Current liabilities	2,658,224	2,548,635	-	-	-	-	2,658,224	2,548,635
Long term liabilities	7,067,361	7,067,361	-	-	-	-	7,067,361	7,067,361
Provisions	701,185	701,185	-	-	-	-	701,185	701,185
Total Net Assets	33,151,260	33,108,568	404,028	404,028	281,170	281,170	33,836,458	33,793,766

As at 31st July 2023

	Unrestricted Funds		Designated Funds		Restricted Funds		Total Funds	
	£		£		£		£	
	Group	Company	Group	Company	Group	Company	Group	Company
Tangible fixed assets	36,175,877	36,175,879	-	-	-	-	36,175,877	36,175,879
Current assets	3,768,771	3,722,690	541,449	541,449	226,352	226,352	4,536,572	4,490,491
Current liabilities	-	-	-	-	-	-	1,795,999	-
Long term liabilities	1,795,999	1,792,492	-	-	-	-	-	1,792,492
Provisions	-	-	-	-	-	-	4,459,418	-
	4,459,418	4,459,418	-	-	-	-	-	4,459,418
	-	-	-	-	-	-	735,154	-
	735,154	735,154	-	-	-	-	-	735,154
Total Net Assets	32,954,077	32,911,505	541,449	541,449	226,352	226,352	33,721,878	33,679,306

12. RELATED PARTY TRANSACTIONS

During the year income of £100,095 (2023: £109,134) was received by the trading subsidiary, King Alfred School Trading Limited. Costs of £63,978 (2023: £66,562) were incurred on behalf of the subsidiary. A donation of £45,156 (2023: £61,294) was received from the subsidiary. The balance owed to the School from the subsidiary at the year end was £109,418 (2023: £77,237). Total donations made by Council members to the Society during the year amounted to £Nil (2023: £Nil).

14. CAPITAL COMMITMENTS

Total capital commitments for the period ended 31 August 2024 are £989,177 (2023: £86,860) relating to the Phoenix Theatre.

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

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 £1,532,501 (2023: £1,176,759) and at the year-end £173,347 (2023: £145,420) 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 2020 and the Valuation Report was published in October 2023.

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

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08%, giving a total employer contribution rate of 28.68%.

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.

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 2023. This actuarial valuation was published in December 2024 and showed assets of £99.2m, liabilities of £151.5m and a deficit of £52.3m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

From 1st September 2025 to 31 January 2034: £6,000,000 per annum payable monthly and increasing by 3% on each 1st September

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

15. PENSION SCHEMES - CONTINUED

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

From 1st September 2022 to 30 June 2032: £2,687,000 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 August 2024 £000's	31st July 2023 £000's	31st July 2022 £000's
Present value of provision	701	735	878

Reconciliation of opening and closing provisions

	Period Ended 31st August 2024 £000's	Period Ended 31st July 2023 £000's
Provision at start of period	735	878
Unwinding of the discount factor (interest expense)	39	27
Deficit contribution paid	(93)	(91)
Remeasurements - impact of any change in assumptions	20	(79)
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	701	735

Income and expenditure impact

	Period Ended 31st August 2024 £000's	Period Ended 31st July 2023 £000's
Interest expense	39	27
Remeasurements - impact of any change in assumptions	20	(79)
Remeasurements - amendments to the contribution schedule	-	-
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

15. PENSION SCHEMES - CONTINUED

Assumptions

	31st August 2024	31st July 2023	31st July 2022
	% per annum	% per annum	% per annum
Rate of discount	4.68	5.70	3.24

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

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

Year ending	31st August 2023	31st July 2023	31st July 2022	31st July 2021
	(£000s)	(£000s)	(£000s)	(£000s)
Year 1	97	93	91	96
Year 2	99	96	93	99
Year 3	102	99	96	102
Year 4	105	102	99	105
Year 5	109	105	102	108
Year 6	112	108	105	111
Year 7	115	112	108	115
Year 8	99	115	112	118
Year 9		109	115	91
Year 10		-	109	-
Year 11		-	-	-

KING ALFRED SCHOOL SOCIETY

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

15. PENSION SCHEMES - CONTINUED

Defined Contribution Schemes

The company participated in other defined contribution schemes for non-teaching staff. The schemes included The Pensions Trust, APTIS (Aviva), Octopus Wealth and Prudential.

	2024	2023
	£	£
Contributions payable by the company for the year:		
The Pensions Trust	163,727	238,669
APTIS	9,316	19,145
Octopus Wealth	831	9,933
	<u>173,874</u>	<u>267,747</u>
	<u><u>173,874</u></u>	<u><u>267,747</u></u>

Additionally, contributions towards The Pensions Trust past service deficit amounted to £101,279 (2023: £91,835).

KING ALFRED SCHOOL SOCIETY

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST AUGUST 2024, CONTINUED

16. PRIOR YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £
INCOME FROM:				
Charitable Activities				
School fees	14,336,347	-	-	14,336,347
KASS membership	-	9,945	-	9,945
Trading activities				
Trading income	34,061	-	-	34,061
Investments				
Investment income	153,182	-	-	153,182
Rents and lettings	75,073	-	-	75,073
Donations and legacies				
Grants and donations	269	161,524	78,667	240,460
Profit on sale of fixed assets	500	-	-	500
Total income	14,599,432	171,469	78,667	14,849,568
EXPENDITURE ON:				
Charitable activities				
Education	13,563,536	222,982	51,776	13,838,294
Raising funds				
Letting expenses	20,672	-	-	20,672
Trading expenses	38,174	-	-	38,174
Total expenditure	13,622,382	222,982	51,776	13,897,140
Net income/(expenditure)	977,050	(51,513)	26,891	952,428
Transfer between funds	-	-	-	-
Net movement in funds	977,050	(51,513)	26,891	952,428
Fund balances brought forward at 1 August 2022	31,977,027	592,962	199,461	32,769,450
Fund balances carried forward at 31 July 2023	32,954,077	541,449	226,352	33,721,878