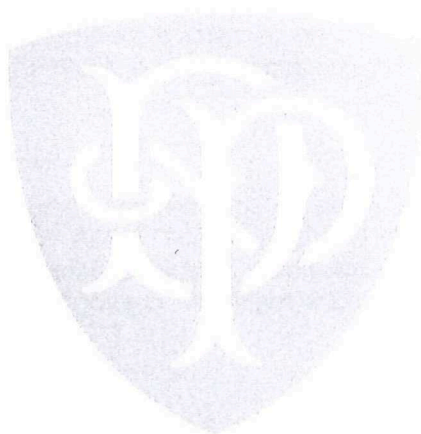


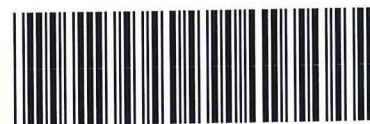
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Registered in England
Charity No. 1174356



DULWICH PREP LONDON

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS
YEAR ENDED 31 AUGUST 2022

The Governors present their annual report together with the audited financial statements of Dulwich Prep London ("the School") for the year ended 31 August 2022.

The Governors confirm that the annual report and financial statements of the School comply with the current statutory requirements, the requirements of the School's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (Charities SORP FRS102).

Status and administration

The School is a company limited by guarantee (Company Number 10814894) and is registered with the Charity Commission under Charity Number 1174356. The School, together with Dulwich Prep Cranbrook, is a subsidiary of Dulwich Preparatory Schools Trust ("the Trust"), which is also a company limited by guarantee and a registered charity, from which the School leases its property.

Governors' responsibilities

The Governors (who are also directors of the School for the purposes of company law) are responsible for preparing the Governors' report (including the strategic report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the School and of the incoming resources and application of resources, including the income and expenditure, of the School for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the School's transactions and disclose with reasonable accuracy at any time the financial position of the School 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 School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the persons who is a Governor at the time when this Governors' report is approved has confirmed that:

- so far as each Governor is aware, there is no relevant audit information of which the School's auditor is unaware; and
- each Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the School's auditor is aware of that information.

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

The School was created as an independent charity governed by its Articles of Association with effect from 1st September 2017. The Articles reflect the Companies Act 2006 and the Charities Act 2011 and were approved by the Charity Commission and passed by written resolution on 16th June 2017. Prior to that date the School was part of the Trust. At the School's inception, the Trust donated to the School under a Transfer of Undertakings Agreement dated 1st September 2017 the assets and undertakings necessary to fulfil its objects. The School is supported in the provision of education by the Trust from which the School leases its facilities. The Trust, Dulwich Prep London and Dulwich Prep Cranbrook make up the Group ("the Group").

Governing Body

The Governors are the trustees of the School under charity law and the directors of the School under company law. All Governors are "members" of the Trust and the School's Chairman and one other Governor also serve as Trustees of the Trust.

The members of the Governing Body who served in office as Governors during the year and subsequently are detailed below:

E K Kelleher	T	Chairman
L P H Carling		
A F Crow	P	Appointed to pension scheme in October 2022
L M Davidson		
Dr H C A Deasy		
J R Elzinga		Retired 16 March 2022
H Humphreys		
Dr A Lall		Retired 5 October 2022
W M A Land		Appointed 6 June 2022
M S Shale	P F	Vice Chairman, retired from pension scheme in October 2022
J D H Steel	T	

T	Trustee of the Trust
P	Trustee of the Trust Pension Scheme
F	Member of the Trust Finance Committee

Key Management Personnel

Head Master:	L A Davidson, BA (Hons), PGCE
Bursar & Clerk to the Governors:	C A Skillings, LLB (Hons), ACA

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Professional Advisers

Bankers: NatWest Bank plc, 120-122 Fenchurch Street, London EC3M 5BA

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

Stone King, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

Auditors: Crowe U.K. LLP, 55 Ludgate Hill, London EC4M 7JW

Management Structure

The Governing Body meets at least twice every term. Sub-committees for specific purposes are established as and when needed. The Head Master and Bursar/Clerk to the Governors attend the Governing Body meetings and any sub-committees as required. The day-to-day management of the School is delegated to the Head Master and Bursar/Clerk to the Governors who collectively comprise the key management personnel and are supported by the School's Senior Leadership Team. The Head Master has overall responsibility for the appointment and supervision of all staff, but delegates this function to the Bursar and HR Director for non-academic staff.

Remuneration is set by the Governing Body with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools, to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere. Following an external review of pay and benefits for all staff, and a staff consultation, the Governors approved a new Pay Policy which will come into effect on 1 September 2022. The School aims to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the School's charitable vision and purpose is primarily dependent on the senior leadership. Staff costs are the largest single element of the charitable expenditure.

Governing Body Recruitment & Training

New Governors are identified by the existing Governing Body, supported by the Head Master and Clerk to the Governors, and appointed by the Governing Body following agreement by the Trust. Governors serve for an initial term of four years, but may offer themselves for re-election for a second term of four years and then a final term of two years, making ten years in total, which may only be exceeded in exceptional circumstances.

New members of the Governing Body are elected on the basis of the candidates' professional qualities, experience, personal competence and the specific needs of the School. New Governors are inducted into the management and ethos of the School via a programme organised by the Head Master and Clerk to the Governors. The Clerk to the Governors also notifies members of the Governing Body of relevant internal and external trustee training and information courses and seminars designed to keep them informed and updated on current issues in the sector and regulatory requirements.

Charity Code of Governance

The School's Governing Body takes its governance responsibilities seriously and aims to have a governance framework that is fit for purpose, compliant and efficient. The Governing Body has established a solid foundation in governance in which all of its Governors are clear about

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

their roles and legal responsibilities, are committed to supporting the School in delivering its objects most effectively for the benefit of its beneficiaries and to contributing to the School's continued improvement.

The Charity Governance Code has seven principles: Organisational Purpose, Leadership, Integrity, Decision Making, Risk and Control, Board Effectiveness, Diversity and Openness and Accountability. Complying with the Code is not a legal or regulatory requirement and the Code describes its aims as 'deliberately aspirational'. The Governing Body meets a very significant proportion of the recommended and best practice for governance contained within the Charity Governance Code across the seven areas.

Employment policy

The School is an equal opportunities employer. Full and fair consideration is given to job applications from persons with any of the seven protected characteristics and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the School.

Employees are also aware of the public benefit necessarily provided by the School as a charity and of their part in supporting the School's contribution to the local community.

Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to make staff aware of current issues.

STRATEGIC REPORT

The remainder of the report of the Governors also constitutes the strategic report for the purposes of the Companies Act 2006.

Principal activity and objects of the School

The objects of the charitable company are the advancement of education of children in the United Kingdom and elsewhere for the public benefit principally through the operation of Dulwich Prep London and support of the Trust.

The Governing Body is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Governing Body has monitored closely the guidance on public benefit produced by the Charity Commission, together with its supplemental guidance on advancing education and on fee-charging.

Aim

The Governors' aim is that pupils should have every opportunity to fulfil their potential - academic, artistic, dramatic, musical, sporting, social and moral - by providing a rich and dynamic curriculum, inspirational teaching, opportunities to build their self-confidence and support for their emotional, physical and intellectual needs. The School inculcates a desire to contribute to the wider community and provides the pupils with a launch pad for the opportunities, responsibilities and experience of later life. The School supports this by using its values as a basis around which the curriculum and pastoral care are developed.

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Primary objectives

The School seeks to achieve its aim through the following primary objectives:

- To welcome pupils and staff from all backgrounds: economic status, ethnicity, race, religion or disability, amongst other things, do not form part of the selection process.
- To be committed to safeguarding and promoting the welfare of the pupils and to expect all staff and volunteers to share this commitment. The School places great importance on pastoral care, fostering a sense of community and good citizenship.
- To provide pupils with the opportunity to gain new experiences and take advantage of a variety of co- and extra-curricular activities to develop all aspects of their character.
- To set the fees at a level to ensure the financial viability of the School and at a level that is consistent with the aim of providing a first class education to boys and girls.
- To provide financial support to enable children whose parents would not otherwise be able to afford the fees to benefit from an education at the School.
- To maintain a clear and effective management structure and the necessary support framework to meet the needs of staff and pupils alike.

Strategies to achieve the primary objectives

The School's Strategic Development Plan (the "Plan") is updated and reviewed annually with input from the Governing Body.

The Plan defines investment initiatives and major projects in pursuit of the primary objectives. During 2022 the main premises developments were:

- (i) finalisation of the Pre-Prep playground, including the installation of a new climbing frame;
- (ii) installation of a new heating system in the concert hall;
- (iii) repairs and updates to the swimming pool;
- (iv) installation of fencing around the Gallery Road playing field;
- (v) resurfacing of the service yard and Lower School playground;
- (vi) repairs to the external stage;
- (vii) conversion of the Early Years library into a staff room;
- (viii) renovations of the Nursery classrooms;
- (ix) renovations to the @38 space and establishment of a flexi-boarding facility; and
- (x) replacement of a canopy above the dining hall.

The other main developments were:

- (i) the introduction of a new employee healthcare cash plan provided by Medicash; and
- (ii) following a tender process, the appointment of Holroyd Howe as the new caterer on a five year contract.

The School has a Diversity and Inclusion Committee which meets at least termly.

Public benefit

The School remains committed to the aim of providing public benefit in accordance with its founding principles.

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

The School actively supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards. We co-operate with local schools and educational bodies in ongoing endeavours to widen public access to the schooling provided, to optimise the use of the cultural and sporting facilities and to awaken in the pupils an awareness of the social context of the all-round education they receive at the School.

Bursaries

This year the School awarded means-tested bursaries totalling £298,547 to 22 pupils (2021: £286,856 to 21 pupils), including 15 for 70% or more of full fees. The School continues to refine means-testing through a rigorous and detailed process which includes a home visit. During the year the School awarded hardship bursaries of £nil (2021: £65,990) in total to families who were affected by COVID-19.

Sharing our facilities and resources

The School has engaged in a range of partnerships with local maintained schools, making facilities available to those schools and including them in teaching and educational events. Our regular French and Italian language and cultural schools on Saturdays returned in the academic year 2021/22.

The School is currently involved in several initiatives, including support of a primary school, Paxton Green School, part of the Gypsy Hill Federation, with the involvement of senior management, the recruitment and training of teachers and the provision of a music outreach programme. Local schools and sports clubs also use the playing fields, swimming pool (and swimming teacher) and sports hall on a regular basis.

Charitable fundraising

Pupil fundraising for charitable causes is encouraged and is strongly underlined by the School's values. Highlights from 2021/22 include:

- (i) the Big Bike Back – a group of alumni and staff cycled from Betws (Wales) to the Betws Building (at the School) and pupils took part in a range of cycling related activities over a week;
- (ii) Big Night Out - a group of Year 8 boys slept outside to raise money for homeless charities;
- (iii) a regular Park Run raising money for a variety of different charities; and
- (iv) a Poetry for Peace week to support those affected by the events in Ukraine.

The Friends organised the Winter Wonderland and the Summer Ball and also raised funds through two second hand uniform sales. The Friends donated funds to the School for the bursary fund and different areas of the School. The School is very grateful to the Friends for all that they do.

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

The School does not engage with any external third party fundraisers. There have been no complaints in the period regarding inappropriate or intrusive contact in relation to fundraising activities.

Pensions

The School withdrew from the Teachers' Pension Scheme with effect from 1 September 2021 and joined the Aviva Pension Trust for Independent Schools. Teaching staff also became part of a salary sacrifice scheme, which means that all pension contributions were by the employer in the year for the teachers.

Changes to facilities

In February 2021, the Trust signed agreements with the Dulwich Estate for 50 year lease extensions until 2081 for the school sites at 38-42 Alleyn Park, Grange Lane and the Early Years. In January 2022, the School entered into new lease agreements with the Trust for these properties and certain other properties owned by the Trust and used by the School. The leases between the School and the Trust are on substantially similar terms (as to rent, rent review and duration) to the leases between the Trust and the Dulwich Estate.

Safeguarding

The School has its own designated Safeguarding Governor and there is regular communication and meetings between this Governor and the School's Designated Safeguarding Lead ("DSL"). The DSL reports to the Governing Body once a term, there is an annual safeguarding audit and the single Central Record is inspected by the Safeguarding Governor on a termly basis. All Governors receive full safeguarding training when they join the Governing Body. All are required to scrutinise and approve the School's Safeguarding (Child Protection) Policy annually.

Whilst the Governors are respectful of the boundary between governance and management, they normally exercise appropriate oversight of safeguarding and are deliberately more visible to staff and parents, by attending many school events and getting to know not just the Head Master and Senior Leadership Team, but staff in all areas of the School.

As well as modelling a culture of greater openness, Governors have in recent years prioritised changes to make the School not only compliant but, on broader practical and cultural levels, a safer place for the pupils.

Emotional well-being and mental health

The School places great importance on the quality of its pastoral support and now has a full-time counsellor on site. The Counsellor provides child mental health awareness to parents and staff. The School has developed a well-being suite to provide a calm and relaxing space for the children to visit. The Counsellor runs 1:1 sessions with a few pupils as the need is identified. The School has trained a number of staff as mental health first aiders to support both the pupils and their colleagues. There is wide reaching pastoral support, which was led by the Senior Deputy Head, Sarah Brownsdon.

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE

In 2022, 76 Year 8 boys went on to 22 different senior schools (2021: 81 and 25): all destinations can be seen on the School website. A further 22 boys left at the end of Year 6 going to 11 different schools. The Year 5 to 8 leavers of 2022 received a total offer of 47 (2021: 75) scholarships and awards. The School has always considered the importance of a broad education alongside academic achievement and over half of the awards offered by these senior schools were for art, design and technology, music or sport.

The Independent Schools Inspectorate ("ISI") visited in September 2022 to conduct a Compliance inspection. The School met all the standards. In October 2018 the ISI visited the School to conduct a Focused Compliance and Educational Quality Inspection on the School. All eight standards required under the compliance section were met; in respect of the educational quality element of the Inspection, the School achieved the highest grade: 'Excellent'.

The School opened in September 2021 with a detailed risk assessment for COVID-19. The School experienced a peak in infection rates in January 2022 and was required to cancel various events and activities. The School reintroduced various infection-control measures and it remained open throughout.

The School competed in a number of competitive sports fixtures. In the Summer Term, the School won the U11 London Schools Swimming Association Championship and competed in the Athletics Finals at Battersea Park.

There was a range of drama performances including Lord of the Flies and the Year 8 drama projects.

Music remains very strong at the School. Throughout the year, the School held regular Pupil Concerts and seasonal events in the School Concert Hall. The School also had a Christmas Service at Southwark Cathedral, a Spring Choral Concert at The Longton Hall, Sydenham High School and a Summer Serenade on the School grounds. Three sessions of face to face ABRSM and Trinity College music exams took place with a near 100% pass rate and a high percentage of merit and distinction passes.

The School ran a variety of different single day and residential trips, including:

- a Year 1 trip to Crystal Palace Park;
- a Year 2 trip to the Tower of London;
- a Year 4 trip to see the Lion King;
- a Year 6 residential to York;
- a ski-trip; and
- a Year 7 and 8 trip to Iceland.

FINANCIAL REVIEW

The income for the year was £15,963,001 (2021: £14,358,019) and expenditure of £16,091,644 (2021: £13,864,041). The net book value of fixed assets amounted to £1,521,744 (2021: £976,816).

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

In addition to the income it receives in respect of school fees the School seeks to enhance its income through letting its facilities and through rents received for residential property. Besides casual lettings of sports facilities, classrooms and halls, the School also operates a holiday activity club, AVP, which provides a wide variety of holiday activities for children between the ages of 4 and 11.

In the year the School made a donation to its parent Trust, Dulwich Preparatory Schools Trust, of £1.1 million, thus leading to a small overall deficit instead of a surplus for the year of £971,357. This cost is included within the expenditure for the year. This donation was made in relation to surpluses relating to 2019-20 and 2020-21. The Trust supports the School with development of the School's assets.

Reserves

The Governors aim to maintain a positive level of overall reserves and for the unrestricted reserves, excluding the pension reserve, to be maintained at the approximate level of at least one month's expenditure to meet the day to day running costs of the School and the costs associated with the maintenance of the fabric of its buildings. This will allow the School to ensure sufficient liquidity for normal operations.

Free reserves held at the year-end totalled £3,254,285 (2021: £3,419,019) excluding pension liabilities and £3,254,285 (2021: £3,294,719) including pension liabilities. The year end funds were sufficient to cover two months' expenditure of the day to day running costs of the School.

Following the end of the academic year the School operates an ongoing policy of donating any excess surplus to the Trust to permit capital expenditure in support of the Trust's schools. In evaluating the amount of any donation, the School's Governing Body will need to balance its objectives of supporting the Trust with those of maintaining the viability of the School and delivering its other charitable objectives for education.

It is clear that the transfer of surpluses is ultimately at the discretion of the Governing Body so as not to prejudice the Governors' obligations to the School as directors. Therefore the School has a free reserves policy which is formally assessed at least annually as part of the preparation of the financial results. This also provides comfort that any donation being made is covered by distributable profits in accordance with Company Law requirements.

Going concern

Having assessed the School's financial position, its plans for the foreseeable future, the risks to which it is exposed and the support available from the parent Trust, the Governors are satisfied that it is appropriate to prepare the statements on a going concern basis.

Post balance sheet events

There were no post balance sheet events.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors consider (i) the current economic and political turbulence, especially that arising from the cost of living crisis, (ii) the affordability of fees for parents and (iii) senior school entrance procedures across the independent sector to be the principal risks faced by the School. Pupil numbers were marginally higher in 2021/22 than in 2020/21 but there is no room for

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

complacency. In order to continue to deliver an excellent standard of education the Governors increased fees in September 2022 by 5.0%.

Health and Safety is always a significant area for risk management. The risks range from pandemic, fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions). The level and breadth of activity at the School is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment.

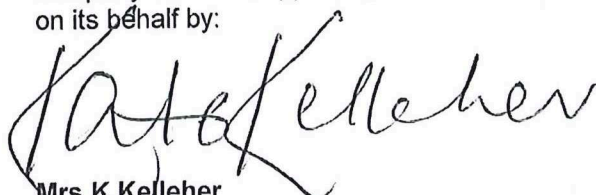
Detailed consideration of risk is undertaken for the School by the Governors, in conjunction with the Head Master, Bursar and Senior Leadership Team. A risk register is maintained, reviewed termly by the Governors and updated as necessary. The risk management process and the resulting register identify risks, assess their impact and likelihood and, where necessary, recommend controls to mitigate and monitor those risks which are assessed as high.

The generic controls used by the School to minimise risk include:

- detailed terms of reference together with formal agendas for Governing Body activity;
- strategic development planning, reviewed annually by the Governing Body;
- comprehensive budgeting and management accounting;
- established organisational structures and lines of reporting;
- formal written policies including clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for the School.

Approved by the Governing Body of Dulwich Prep London, including, in their capacity as company directors, approving the Directors' and Strategic Report contained therein, and signed on its behalf by:



Mrs K Kelleher
Chairman

Date: 30th March 2023

DULWICH PREP LONDON
INDEPENDENT AUDITORS REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

Independent Auditor's Report to the Members of Dulwich Prep London

Opinion

We have audited the financial statements of Dulwich Prep London, the 'charitable company' for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other

DULWICH PREP LONDON
INDEPENDENT AUDITORS REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; or
- the 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

As explained more fully in the trustees' responsibilities statement set out on page 4, 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 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 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

DULWICH PREP LONDON
INDEPENDENT AUDITORS REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, the General Data Protection Regulation (GDPR), Health and safety legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing any regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited

DULWICH PREP LONDON
INDEPENDENT AUDITORS REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in 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.



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date 5 April 2023

DULWICH PREP LONDON
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022
(Incorporating an income and expenditure account)

	Notes	Unrestricted funds 2022	Restricted funds 2022	Total 2022	Total 2021
Income from:					
Charitable activities:				£	£
School fees receivable	2	15,013,923	-	15,013,923	13,601,078
Other educational income	3	673,758	-	673,758	323,597
Ancillary income	4	198,832	-	198,832	72,894
Other trading activities					
Non-ancillary trading income	5	67,810	2,500	70,310	85,851
Investments					
Bank and other interest		2,087	-	2,087	301
Voluntary sources					
Donations and legacies		500	3,591	4,091	19,582
Job retention scheme grant		-	-	-	254,716
Total income		15,956,910	6,091	15,963,001	14,358,019
Expenditure on:					
Raising funds					
Financing costs	6	(20,552)	-	(20,552)	(91,306)
Total costs of raising funds		(20,552)	-	(20,552)	(91,306)
Charitable activities					
Education	6	(16,068,592)	(2,500)	(16,071,092)	(13,772,735)
Total expenditure		(16,089,144)	(2,500)	(16,091,644)	(13,864,041)
Net income		(132,234)	3,591	(128,643)	493,978
Pension scheme actuarial gain/(loss)	15	91,800	-	91,800	46,000
Net movement in funds for the year		(40,434)	3,591	(36,843)	539,978
Fund balances brought forward at 1 September 2021		3,294,719	-	3,294,719	2,754,741
Fund balances carried forward at 31 August 2022		3,254,285	3,591	3,257,876	3,294,719


The notes on pages 19 to 30 form part of these financial statements

**DULWICH PREP LONDON
BALANCE SHEET
AS AT 31 AUGUST 2022**

	Notes	2022	2021
		£	£
FIXED ASSETS			
Tangible assets	9	1,521,744	976,816
CURRENT ASSETS			
Debtors	10	3,847,984	3,722,674
Cash at bank and in hand		<u>1,605,469</u>	<u>2,344,870</u>
		5,453,453	6,067,544
CREDITORS: Amounts falling due within one year	11	<u>(3,717,321)</u>	<u>(3,606,681)</u>
NET CURRENT ASSETS		<u>1,736,132</u>	<u>2,460,863</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,257,876	3,437,679
CREDITORS: amounts falling due after more than 1 year	12	<u>-</u>	<u>(18,660)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY		3,257,876	3,419,019
Defined benefit pension scheme liability	15	<u>-</u>	<u>(124,300)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY		<u>3,257,876</u>	<u>3,294,719</u>
CHARITY FUNDS			
Unrestricted funds excluding pension reserve	14	3,254,285	3,419,019
Pension reserve	15	-	(124,300)
Restricted funds		<u>3,591</u>	<u>-</u>
TOTAL FUNDS		<u>3,257,876</u>	<u>3,294,719</u>

The financial statements were approved by the Governors on 30 March 2023 and signed on their behalf, by:


Mrs K Kelleher
Chairman of Board


Mrs M S Shale
Vice Chairman of Board

The notes on pages 19 to 30 form part of these financial statements

Company Number: 10814894

DULWICH PREP LONDON
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Net cash inflow from operations			
Net cash provided by operating activities	(i)	(16,211)	1,240,730
Cash flows from investing activities:			
Additions to fixed assets		(725,277)	(312,581)
Investment income and bank interest received		<u>2,087</u>	<u>301</u>
Net cash (used in) investing activities		<u>(723,190)</u>	<u>(312,280)</u>
Change in cash and cash equivalents in the reporting period		(739,401)	928,450
Cash and cash equivalents at the beginning of period		<u>2,344,870</u>	<u>1,416,420</u>
Cash and cash equivalents at the end of the reporting period	(ii)	<u>1,605,469</u>	<u>2,344,870</u>

The notes on pages 19 to 30 form part of these financial statements

DULWICH PREP LONDON
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 AUGUST 2022

	2022	2021
£	£	£
(i) Reconciliation of net income to net cash flow from operating activities		
Net incoming resources	(128,643)	493,978
Elimination of non-operating cash flows:		
Depreciation and amortisation charges	180,349	122,141
Investment income and bank interest received	(2,087)	(301)
(Increase)/Decrease in debtors	(125,310)	244,989
Increase in creditors (excluding fees in advance scheme and deposit)	21,653	139,646
Increase in fees in advance scheme creditors	44,227	72,877
Increase in parents' deposits	26,100	118,200
Difference between pension contributions paid and charges made	(32,500)	49,200
	<u>112,432</u>	<u>746,752</u>
Net cash (outflow)/inflow from operations	<u>(16,211)</u>	<u>1,240,730</u>
	2022	2021
	£	£
(ii) Analysis of cash and cash equivalents		
Cash at bank and in hand	<u>1,605,469</u>	<u>2,344,870</u>

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1 ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The accounts are drawn up on the historical cost basis of accounting.

The School is a Public Benefit Entity registered as a charity in England and Wales (charity number: 1174356 and a company limited by guarantee, (company number: 10814894). Its registered office is 42 Alleyn Park, Dulwich, London SE21 7AA. The charitable company started trading on 1 September 2017.

The ultimate parent company and controlling party of Dulwich Prep London is Dulwich Preparatory Schools Trust ("the Trust"), a charitable company incorporated in the United Kingdom (company number: 00579923). The accounts of the School have been consolidated into the ultimate parent entity's financial statements. Copies of these financial statements can be obtained from the registered office, 42 Alleyn Park, Dulwich, London SE21 7AA. Control is exercised by the parent company by virtue of board representation.

The principal activity of the Trust is the operation of preparatory schools at Dulwich London and at Cranbrook Kent. The objects of the Trust are the advancement of education primarily by the provision and conduct of schools in Dulwich and Cranbrook for boys and girls and by ancillary or incidental educational activities and other associated activities for the benefit of the communities.

1.2 Going Concern

Having reviewed the cash position of the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Schools's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

1 ACCOUNTING POLICIES (CONTINUED)

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

The School's liability for the Non-Teaching Staff defined benefit pension scheme involves number of assumptions as disclosed in note 16.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements. In the view of the Governors, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

1.4 Income

All income is included in the statement of financial activities when the School has entitlement to the funds, receipt is probable and the amount can be measured with sufficient reliability. Fees consist of charges for the school year ending August, less bursaries and allowances. Fees received in advance are deferred and released to income in the period to which the fees relate. Grant income is recognised as and when entitlement arises, when it can be reliably quantified and benefit is probable.

1.5 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities, and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs include all costs relating to management, administration and running the functions of the School. Governance costs are those incurred in connection with administration of the charitable company and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets

Fixed assets costing more than £500 are capitalised. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases.

Leasehold improvements	-	2% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	10% straight line
Computer equipment	-	25-50% straight line

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

1 ACCOUNTING POLICIES (continued)

1.7 Fund accounting

General Funds are the accumulated surplus on the School's income and expenditure account which is available for use at the discretion of the Governors in furtherance of the general objectives of the charity including supporting the Trust.

Restricted Funds may only be spent on the charitable purpose specified by the donor.

1.8 Pension costs

Retirement benefits to employees of the School were provided in the year through two pension schemes, both defined contribution and the employer's pension costs are charged in the period in which the salaries they relate to are payable.

In addition the School has a legacy defined benefit scheme "the Dulwich Preparatory Schools Pension Scheme".

The schemes are as follows:

Aviva Pension Trust for Independent Schools ("APTIS"), which Dulwich Prep London joined for its teaching staff with effect from 1 September 2021. This is a defined contribution group personal pension plan with Aviva. Employer's pensions costs are charged in the period in which the salaries to which they relate are payable.

The Dulwich Preparatory Schools Trust Non Teaching Staff Group Personal Pension Plan - This is a defined contribution group personal pension plan with Aviva. Employer's pensions costs are charged in the period in which the salaries to which they relate are payable.

The Dulwich Preparatory Schools Pension Scheme - This is an occupational defined benefit scheme for non-teaching staff. The scheme is closed so there are no current service costs, other than administration expenses which are borne directly by the Schools. The expected return on the scheme assets less the scheme interest costs are credited within other interest. The scheme actuarial gains and losses are recognised immediately as other recognised gains and losses. The defined benefit scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

1 ACCOUNTING POLICIES (continued)

1.9 Operating leases

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

1.10 Financial instruments

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

1.11 Taxation

The School is a registered charity No. 1174356 and as such is not liable to United Kingdom income tax or corporation tax on charitable activities.

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

2 FEES RECEIVABLE	2022	2021
	£	£
Fees receivable consist of:		
School fees	15,440,731	14,070,524
Less: total awards and concessions	<u>(426,808)</u>	<u>(469,446)</u>
	<u>15,013,923</u>	<u>13,601,078</u>

Included within awards and concessions are means-tested bursaries totalling £298,547 which were paid to 22 pupils (2021: £286,856 for 21 pupils). During the year, Covid hardship bursaries totalling £0 were awarded to 0 pupils (2021: £65,990 for 11 pupils).

3 OTHER EDUCATIONAL INCOME	2022	2021
	£	£
Entrance and registration fees	40,275	42,500
Extra-Curricular activities	348,820	124,442
Courses and sub-lettings	177,759	48,045
AVP sports activities income	106,904	108,610
	<u>673,758</u>	<u>323,597</u>

4 ANCILLARY AND OTHER INCOME	2022	2021
	£	£
School trips, School shop, and Other income	<u>198,832</u>	<u>39,637</u>

A prior year adjustment has been made to move wrap around care into extra-curricular activities from ancillary income.

5 OTHER TRADING ACTIVITIES	2022	2021
	£	£
Rents receivable	<u>70,310</u>	<u>85,851</u>

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

6 ANALYSIS OF EXPENDITURE

	Staff costs (Note 7) £	Depreciation (Note 9) £	Other costs £	Total 2022 £	Total 2021 £
Raising funds					
Financing costs	1,800	-	18,752	20,552	91,306
Total costs of raising funds	1,800	-	18,752	20,552	91,306
Charitable expenditure					
Teaching	7,209,519	-	1,050,999	8,260,518	7,973,326
Welfare	70,668	-	1,169,284	1,239,952	1,069,426
Premises	515,890	180,349	2,767,595	3,463,834	2,906,637
Support costs	1,382,433	-	624,355	2,006,788	1,823,346
Donations to parent entity	-	-	1,100,000	1,100,000	-
Total charitable expenditure	9,178,510	180,349	6,712,233	16,071,092	13,772,735
Total expenditure	9,180,310	180,349	6,730,985	16,091,644	13,864,041

There were financing costs include a past service cost of £81,300 in 2021 in respect of pension equalisation which is not expected to recur, as detailed in note 15.

Governance included in support costs:	2022 £	2021 £
Governor costs	6,051	6,931
Legal & Consultancy fees	-	4,932
Remuneration paid to auditor for audit services	16,800	16,000

7 STAFF COSTS

	2022 £	2021 £
The aggregate payroll costs for the year were as follows:		
Wages and salaries	7,002,423	7,123,632
Social security costs	744,858	732,328
Other pension costs	1,433,029	1,362,989
	9,180,310	9,218,949

The total employment costs of key management personnel, who are considered to consist of the Headmaster and the Bursar was £268,393 (2021: £253,587) including pension contributions of £35,866 (2021: £30,672).

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

7 STAFF COSTS (CONTINUED)

	2022	2021
Number of higher paid employees in bands of:		
£60,001 to £70,000	8	11
£70,001 to £80,000	4	4
£80,001 to £90,000	2	
£120,001 to £130,000	1	1
The number with retirement benefits accruing		
- in Defined Contribution schemes was	15	2
of which the contributions amounted to	£255,895	£18,720
- in Defined Benefit schemes was	-	14

On 31 August 2021 the School withdrew from the Teachers' Pension Scheme. The School joined APTIS, which is a defined contribution scheme on 1 September 2021 and at the same time staff moved to a salary sacrifice scheme thus employer contributions increased significantly to reflect this.

The average number of the School's employees during the year, calculated on headcount, was:

	2022	2021
Teaching	110	110
Domestic and estates	15	16
Administrative	75	75
	<u>200</u>	<u>201</u>

During the year there were redundancy or termination payments which amounted to £28,932 (2021 £15,000) of which £nil was outstanding for payment at the year end.

8 TRUSTEE COSTS AND RELATED PARTY TRANSACTIONS

During the year, no Governors received any remuneration.

During the year one Governor received reimbursement of expenses for travel and subsistence totalling £53 (2021: one Governor received £78).

In the year there was £0 paid to any governors (£0 in 2021 to any governors).

In 2021/22 the School donated £1,100,000 (2021: £0) to the Trust. The School donated staff time to the Trust totalling £18,164 (2021: £21,145) which has been recognised in these accounts as other costs. The School paid rental income of £1,765,988 (2021: £1,164,733) for the use of its premises. Cash resources for the Group are managed centrally by the Trust and as a consequence at 31st August 2022 £3,477,053 (2021: £3,345,310) was owed by the Trust.

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

9 Tangible Fixed Assets

	Leasehold Improvement	Furniture Fixtures and Equipment	Computer Hardware	Vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2021	402,262	1,460,729	869,475	73,397	2,805,863
Additions	324,385	125,233	234,806	40,853	725,277
Disposal in the year	-	-	-	(45,567)	(45,567)
At 31 August 2022	<u>726,647</u>	<u>1,585,962</u>	<u>1,104,281</u>	<u>68,683</u>	<u>3,485,573</u>
Depreciation					
At 1 September 2021	9,080	1,093,802	656,280	69,885	1,829,047
Charged in year	9,720	50,659	106,927	13,043	180,349
Disposal in the year	-	-	-	(45,567)	(45,567)
At 31 August 2022	<u>18,800</u>	<u>1,144,461</u>	<u>763,207</u>	<u>37,361</u>	<u>1,963,829</u>
Net book values					
At 31 August 2021	393,182	366,927	213,195	3,512	976,816
At 31 August 2022	<u>707,847</u>	<u>441,501</u>	<u>341,074</u>	<u>31,322</u>	<u>1,521,744</u>

10 DEBTORS

	2022	2021
	£	£
Fee debtors	55,542	47,511
Sundry debtors	96,539	171,195
Prepayments and accrued income	218,850	158,658
Amounts due from parent undertaking	<u>3,477,053</u>	<u>3,345,310</u>
	<u>3,847,984</u>	<u>3,722,674</u>

11 CREDITORS: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	633,704	414,996
Social security and other taxation	199,105	188,265
Fees in advance	1,397,020	1,334,133
Other creditors	36,817	93,831
Fee deposits	1,430,515	1,404,415
Accruals and deferred income	<u>20,160</u>	<u>171,041</u>
	<u>3,717,321</u>	<u>3,606,681</u>

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

12 FEES IN ADVANCE	2022	2021
	£	£
Within one year	1,397,020	1,334,133
Within one to two years	-	18,660
<u>Movements in fees in advance</u>		
Opening fees in advance	1,352,793	1,279,916
Amount released to income during the year	(1,352,793)	(1,279,916)
Amount deferred during the year	1,397,020	1,352,793
	1,397,020	1,352,793

13 OPERATING LEASE COMMITMENTS

At 31 August 2022 the Company had future minimum lease payments under non- cancellable operating leases as follows:

	Land and Buildings	Other	Land and Buildings	Other
	2022	2022	2021	2021
	£	£		
Within 1 year	1,601,694	114,830	1,122,850	132,114
Between 2 and 5 years	7,843,124	11,686	4,451,400	145,819
After more than 5 years	109,015,740	-	31,644,350	-

The charge in the year was £1,842,311 (2021: £1,318,067).

14 SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	At 1 September 2021	Incoming resources	Resources expended	Gains	At 31 August 2022
Unrestricted Funds	3,294,719	15,956,910	(16,089,144)	91,800	3,254,285
Restricted Funds	-	6,091	(2,500)	-	3,591
	3,294,719	15,963,001	(16,091,644)	91,800	3,257,876

In the year the School had two new restricted funds:

- 1) Bursary fund - donations received are to be spent supporting bursary children at the School.
- 2) Enjoy benefits - money received for Early Years from parent's employers; for each child it is agreed how the monies should be spent.

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

15 SUMMARY OF NET ASSETS BY FUNDS

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
2022			
Tangible Assets	1,521,744	-	1,521,744
Net Current Assets	1,732,541	3,591	1,736,132
Long Term Creditors	-	-	-
	<u>3,254,285</u>	<u>3,591</u>	<u>3,257,876</u>
2021			
Tangible Assets	976,816	-	976,816
Net Current Assets	2,460,863	-	2,460,863
Long Term Creditors	(142,960)	-	(142,960)
	<u>3,294,719</u>	<u>-</u>	<u>3,294,719</u>

16 PENSION SCHEMES

Aviva Pension Trust for Independent Schools (APTIS)

Dulwich Prep London joined the Aviva Pension Trust for Independent Schools ("APTIS") for their teaching staff with effect from 1 September 2021. The pension charge for 2022 for the year including contributions payable to APTIS in respect of salary sacrifice was £1,148,900 and at the year-end £94,277 was accrued in respect of contributions to this scheme.

Teachers' Pension Scheme

Dulwich Prep London left the Teachers' Pension Scheme ("the TPS") for their teaching staff with effect from 1 September 2021. The pension charge for 2021 for the year including contributions payable to the TPS was £1,084,953 and at the year-end £0 was accrued in respect of contributions to this scheme.

Defined contribution scheme

The pension cost charge in the year in respect of the non-teaching staff defined contribution scheme was £190,869 (2021: £167,424).

Non-teaching defined benefit scheme

The parent Trust operated this Scheme (the Dulwich Preparatory Schools Pension Scheme), which was closed to new entrants from 1 January 2005, both in respect of new members and accrual for existing members.

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

16 PENSION SCHEMES (Continued)

On 1st September 2017 the Trust transferred the obligations to contribute to the Scheme to each of the Schools in proportions determined by the actuary based on the staff who participated in the scheme. The valuation in these accounts uses that proportion and has been derived by projecting the results of the last comprehensive actuarial valuation of the Scheme as at 1 January 2018 and has been prepared by an independent qualified actuary.

Following the latest actuarial valuation a revised Schedule of Contributions was agreed between the Trust, the Schools and the Scheme Trustees with the aim of eliminating the deficit over a period of 5 years from 1 January 2021. Under this Schedule of Contributions the School expects to contribute £41,220 to the Scheme in 2022/23 (£36,810 2021/22). The school has recognised a past service cost in respect of equalisation estimated at £81,300 (2020/21 £81,300).

The FRS102 calculation by the actuary calculated a scheme surplus of £47,000. However, in accordance with paragraph 28.22 of FRS102, an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. As such, it is not probable that any current surplus will lead to economic benefits being transferred to the entity as there are many variables which are likely to impact the value of the surplus in the period until the scheme is wound-up. The net pension asset has been restricted and therefore becomes £nil.

a) The amounts recognised in the balance sheet are as follows:

	2022	2021
	£	£
Present value of funded obligations	(630,200)	(725,300)
Fair value of scheme assets	677,200	601,000
Restriction on recoverable surplus	(47,000)	-
Net (Liability)	<u>-</u>	<u>(124,300)</u>

b) Changes in the present value of the defined benefit obligation

	2022	2021
	£	£
Opening defined benefit obligation	725,300	670,600
Interest cost	12,100	10,500
Past service cost	-	81,300
Actuarial (gains)/losses	(101,900)	(31,100)
Benefits paid	(5,300)	(6,000)
Closing defined benefit obligation	<u>630,200</u>	<u>725,300</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2021

16 PENSION SCHEMES (CONTINUED)

c) Changes in the fair value of the scheme assets	2022	2021
	£	£
Opening fair value of scheme assets	601,000	549,500
Interest income	10,300	8,900
Return greater/(lower) than the discount rate	36,900	14,900
Contributions by employer	34,300	33,700
Benefits paid	(5,300)	(6,000)
Closing fair value of scheme assets	<u>677,200</u>	<u>601,000</u>
 d) The amounts included within the Statement of Financial Activities	 2022	 2021
	£	£
Interest on obligation	12,100	10,500
Interest income	(10,300)	(8,900)
Past service cost	-	81,300
Total amount charged to the Statement of Financial Activities	<u>1,800</u>	<u>82,900</u>
 Restriction on recoverable surplus	 (47,000)	 -
Net actuarial gains/(losses) recognised in the year	<u>138,800</u>	<u>46,000</u>
Pension scheme actuarial gain/(loss)	<u>91,800</u>	<u>46,000</u>
 e) Principal actuarial assumptions at the balance sheet date	 2022	 2021
Financial Assumptions		
Discount rate	4.2%	1.7%
RPI inflation assumption	3.7%	3.4%
Rate of increase of pensions in payment	4.0%	3.7%
Rate of increase of pensions in deferment	3.5%	2.6%
 Assumed life expectancy in years at age 65:		
<i>Non Pensioners</i>		
Females	26.2	26.2
Males	23.8	23.7
<i>Pensioners</i>		
Females	24.5	24.4
Males	<u>22.1</u>	<u>22</u>

16 POST BALANCE SHEET EVENT

There were no post balance sheet events in the year.