

RSSKL Ltd

England & Wales · Charity number 311027

Details

Other names RUDOLF STEINER SCHOOL KING'S LANGLEY LIMITED

Status Registered

Legal form Charitable company

Company number [00395056](#)

Registered 1964-05-20

Register [View on the Charity Commission register](#)

Contact

Address Rsskl Ltd
Langley Hill
Kings Langley
Hertfordshire
WD4 9HG

Phone 01923262505

Email reception@rsskl.org

Website www.rsskl.org

Activities

Objects: TO ESTABLISH AND CARRY ON AT KING'S LANGLEY A SCHOOL WHERE PUPILS, SCHOLARS AND STUDENTS MAY OBTAIN ON MODERATE TERMS A SOUND GENERAL EDUCATION UPON THE PRINCIPALS INAUGURATED BY RUDOLF STEINER.

Activities: Education and Training.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** KING'S LANGLEY
- Barnet
- Buckinghamshire
- Camden
- Harrow
- Hertfordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£218,013	£372,812	-	-
2024-07-31	£601,807	£484,037	£1,452,055	1
2023-07-31	£397,518	£502,893	-	-
2022-07-31	£339,939	£439,768	-	-
2021-07-31	£130,077	£308,446	-	-
2020-07-31	£1,614,766	£836,237	£-894,699	1

Trustees

Name	Role	Appointed
Sophie Henderson	Chair	2020-07-27
Ann Marcuson		2020-07-27
Stefanie Cook		2018-06-16

Linked charities

- THE RUDOLF STEINER EDUCATION (KINGS LANGLEY) TRUST (311027-1)

RSSKL Ltd

England & Wales - Charity number 311027

Accounts

Charity Registration No. 311027

Company Registration No. 00395056 (England and Wales)

RSSKL LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025



One Bell Lane
Lewes
East Sussex
BN7 1JU

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RSSKL LTD

COMPANY INFORMATION

Council Members	S Cook S Henderson A Marcuson
Charity number	311027
Company number	00395056
Registered office	Langley Hill Kings Langley Hertfordshire WD4 9HG
Auditor	TC Group One Bell Lane Lewes East Sussex BN7 1JU

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2025

The Council Members present their annual report and financial statements for the year ended 31 July 2025.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (effective 1 January 2019).

Definition: "the Council of Trustees", "Council Members", "Trustees" or "trustees" when used in this report should be considered in the same context.

Objectives and activities

The charitable objectives of RSSKL as stated in its Memorandum of Association are:

To establish and carry on at Kings Langley a school where pupils, scholars and students may obtain on moderate terms a sound general education upon the principals inaugurated by Rudolf Steiner.

In pursuance of RSSKL's charitable objects, the Trustees remain committed to facilitating, in collaboration with Waldorf UK (formerly the Steiner Waldorf Schools Fellowship "SWSF") and the international Steiner Waldorf movement, the establishment at the earliest opportunity of a Steiner Waldorf school on the RSSKL site by a suitable operator.

The Trustees' vision and strategy for achieving this has been communicated to the RSSKL Association previously and is being implemented.

Charity Commission

The Trustees have been in regular dialogue with the Charity Commission to keep them updated on all aspects of the Charity's activities.

Changes in Management and Staffing

The following members of the Council of Trustees were active Council Members on 31 July 2025 and are still active today:

- S Cook
- S Henderson
- A Marcuson

Robert Monk is employed by RSSKL as site manager. He works full time and lives on site.

Legal advice to the Charity has been provided by Russell Cooke LLP since the beginning of 2021. The Charity also obtains occasional legal, property, strategic and financial advice from experienced volunteers with relevant backgrounds.

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2025

Achievements and performance

Financial stability

A detailed strategic and financial plan was developed by the Trustees with suitable financial input in early 2021, which concluded that RSSKL's historic liabilities can be settled if properties owned by the Charity which are not critical to realising its objectives, are sold off. This included the residential units that have been occupied by teaching staff in the past in the Grade II* listed Priory complex (including the Old Priory itself).

The Priory complex has now been sold, and the Charity has used the proceeds to cover most of its pension deficit under the Mercury Provident Pension Scheme (see below), while also increasing medium-term financial reserves.

In the recent past, the Charity has relied on short-term rental contracts with film production companies to generate income and this met some of the operating expenses of running the site and hence, achieve its charitable objectives. To be able to continue with these activities, the Trustees are required to obtain temporary change of use planning permission. The Charity is in the process of re-applying for such, after our original application was refused. If our appeal is unsuccessful, this could affect the extent of rental activity which the Charity is able to perform from the site.

With effect from April 2025, private schools in England with charitable status lost their eligibility for business rates, affecting the Charity's financial position in a material way.

Activities in pursuance of RSSKL's charitable objects

The Charity has continued to be in close dialogue with Waldorf UK to develop strategic plans for how the RSSKL site with its remaining assets, once the Charity's pension deficit has been satisfied (see below), can provide a basis for a new Steiner Waldorf school to be established by a suitable operator, in line with the Charity's objectives. Waldorf UK has set up a new Land Trust to hold and steward the Charity's land assets in future.

The Charity also continues to offer its properties for use by the Steiner community and for local community activities that could assist a new Steiner Waldorf school being successfully established in the future. The Kings Langley Biodynamic Allotments group (which utilises and popularises Rudolf Steiner's methodology of biodynamic agriculture) remains a very active voluntary setting on the site. In addition, there were numerous local groups and activities linked to, or supportive of, the Steiner community which continued to operate on the site, including:

- Anthroposophical study group
- Another Advent Fair for the RSSKL community organised by the St Albans Steiner Kindergarten
- Steiner/Waldorf Parent and Child group
- Seasonal apple picking with the community
- Bio-dynamic allotments with seasonal community activities
- Lumina Choir rehearsals
- Cricket practice sessions
- Football classes
- Boot camp sessions
- Kings Langley Community choir practice
- A local artist rents the art room
- Pilates and dance classes in the dance studio
- Children's Theatre Company storage facility
- An early years group rents the Kindergarten
- Storage space for the Local History Society
- Repair Shed initiative by Community Action Dacorum

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2025

Property Transactions

Completing the sale of the Priory complex has been a high priority for the Trustees in this financial year. The contracts for sale were finally exchanged in May 2025, while the sale itself completed in July 2025. The buyer is a reputable property developer with relevant expertise given the listed status of the building. The sale also included a long-term lease of a dedicated parking area.

Concurrent to the sale, the Trustees finalised contractual arrangements with the Christian Community regarding among others, the access road, the use of the parking area and the neighbouring parcel of land, without which the sale of the Priory complex would not have been possible.

The Trustees had to terminate the rental contracts of the tenants of the Priory complex, to achieve vacant possession as a precondition for the sale. The last tenant moved out in April 2025. As a result, RSSKL will no longer obtain rental income from the residential units in the Priory complex. At the same time, RSSKL is no longer liable for the upkeep of the Priory complex, which, given its listed status, has been considered a potentially significant long-term liability for the Charity. Relevant reports by advisers have confirmed to the Trustees that the terms of the sale, or specific aspects thereof, were the best achievable in the market at that time, and in the interest of the Charity to pursue.

The terms of the sale were originally agreed with the buyer and the Christian Community in October 2023. It took an unusually long time to completion, given the complexity of the contractual arrangements. The Trustees are grateful to all parties involved for their patience and understanding while all required aspects of these arrangements were put in place.

With the sale of the Priory complex, the only remaining residential accommodation on the RSSKL site is the site manager's bungalow. All remaining buildings owned by the Charity are now for educational or administrative use.

Mercury Provident Pension Fund

The RSSKL school's historic pension fund, like many other defined benefit schemes in the UK, was running at a deficit. The deficit was the result of a combination of factors, including contributions being underpaid in past years, the costs of running the fund being capitalised, the Charity being part of a group scheme (which means that if any company in the group defaults, other scheme employers have to pick up the deficit) and scheme participants living longer with investment returns not covering the forecast requirements.

The Charity entered into an agreement with the Pension Trustee in 2009 to make monthly catch-up payments towards eliminating this deficit, and has done so since. Monthly contributions to the scheme are currently payable at approximately £10,000. These catch-up payments are reviewed every two years and adjusted accordingly.

Since adopting its strategic and financial plan in 2021 the Trustees have worked towards a buy-out of the historic pension obligations, thereby offloading any potential future pension liabilities to a third party. The rationale for this has been that the pension obligations relate to the time that RSSKL operated the school on the site, which has since closed. The closure was motivated by, among other things, the commitment to fulfil the Charity's objects by making the site available to a new future Waldorf school initiative run by a suitable operator. The 2021 strategic plan was adopted on the premise that RSSKL can only facilitate such initiative if assets can be made available to it free of all financial liabilities including any historic or contingent pension obligations.

For the buy-out of pension obligations to be feasible, the funding deficit has to be fully covered. This approach has been based on an estimate of the deficit of RSSKL's section conducted for 31 March 2025 and released in May 2025. It amounted to £834k on a buy-out basis. The Trustees received a recommendation to cover approximately 90% of this deficit, which they followed upon the sale of the Priory complex, in July 2025. The latest advice provided by the actuaries indicate that the pension is now in a surplus position with the pension asset of £215k recognised in the balance sheet.

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2025

The Trustees have also agreed to change the investment strategy for the pension assets now that it is in surplus position, to minimise further exposure to volatile financial markets.

The Trustees are now working closely with the Trustees of the MPPS on progressing the actual buy-out of RSSKL's section.

Financial review

The proceeds of the sale of Coombe House have been applied by the Trustees to:

- i) Cover the current deficit of RSSKL's section of the MPPS by approximately 90% and create a reserve in the balance sheet for any potential remaining deficit;
- ii) Fund the Charity's activities in pursuance of its charitable objects, including to continue to evaluate options for the future of the site consistent with and in furtherance of the Charity's objects, carry out the buy-out of the Charity's pension obligations and in the meantime, develop alternative sources of income from the remaining site.

As the charity is no longer considered a going concern and intends to transfer its assets to another charity, the trustees consider that reserves are required only to meet the costs of managing the charity through its wind-down period and to settle all remaining obligations.

For the purposes of this policy, free reserves are defined as unrestricted funds excluding tangible fixed assets, the pension provision, designated funds, and any amounts not readily realisable. Restricted funds are not included in free reserves as their use is subject to external constraints.

At the year-end, the charity held £693,552 in free reserves (2024: £111,999). The trustees consider this level appropriate to meet remaining wind-down costs and to ensure the charity can settle all obligations in full.

The trustees review the reserves position regularly alongside the cash-flow forecast and risk assessment and will adjust designations or planned expenditure as necessary to maintain adequate but not excessive reserves during the remaining life of the charity.

Structure, governance and management

The Charity is constituted as a company limited by guarantee. It is governed by a Memorandum and Articles of Association.

The company's Articles of Association require that an AGM be held once a year. The Association's AGM for the period ended 31 July 2025 was a hybrid one, held in the Theatre at the former school and online on 9th July 2025. It was attended by 12 members. The association had 28 members as of 31 July 2025.

Council Members:

S Cook
S Henderson
A Marcuson

Auditor

In accordance with the company's articles, a resolution proposing that TC Group be reappointed as auditor of the company will be put at a General Meeting.

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2025

Disclosure of information to auditor

So far as the trustees are aware, there is no relevant audit information of which the charity's auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charity's auditors are aware of that information.

The Council Members' report was approved by the Board of Council Members.


.....
S Cook
Council Member


.....
S Henderson
Council Member


.....
A Marcuson
Council Member

Date: **13th May 2026**

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2025

The Council Members, who are also the directors of RSSKL Ltd for the purpose of company law, are responsible for preparing the Council Members' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Council Members to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Council Members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RSSKL LTD

Opinion

We have audited the financial statements of RSSKL Ltd (the 'charity') for the year ended 31 July 2025 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 July 2025 and of its incoming resources and application of resources, including 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Council Members are responsible for the other information contained within the 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. 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 course of 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 Council Members' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Council Members' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RSSKL LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Council Members' 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, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- the Council Members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Council Members' report and from the requirement to prepare a strategic report.

Responsibilities of Council Members

As explained more fully in the statement of Council Members' responsibilities, the Council Members, who are also the directors of the charity for the purpose 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 Council Members 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 Council Members are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council Members 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

We have been appointed as auditor under and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RSSKL LTD

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

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We identified the following areas as those most likely to have such an effect: General Data Protection Regulation (GDPR); fraud and bribery and corruption. 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 considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the company's operations, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

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 procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

RSSKL LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RSSKL LTD

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.

David Martin FCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor

Office: Lewes

Date:.....

RSSKL LTD

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	3	29	-	29	1,500	-	1,500
Investments	4	217,984	-	217,984	600,307	-	600,307
Total income		<u>218,013</u>	<u>-</u>	<u>218,013</u>	<u>601,807</u>	<u>-</u>	<u>601,807</u>
Expenditure on:							
Charitable activities	5	327,572	-	327,572	437,620	-	437,620
Other expenditure	10	45,240	-	45,240	46,417	-	46,417
Total expenditure		<u>372,812</u>	<u>-</u>	<u>372,812</u>	<u>484,037</u>	<u>-</u>	<u>484,037</u>
Net gains/(losses) on investments	11	<u>(50,667)</u>	<u>-</u>	<u>(50,667)</u>	<u>(39,043)</u>	<u>-</u>	<u>(39,043)</u>
Net income/(expenditure)		<u>(205,466)</u>	<u>-</u>	<u>(205,466)</u>	<u>78,727</u>	<u>-</u>	<u>78,727</u>
Other recognised gains and losses:							
Actuarial gains on defined benefit pension schemes		<u>563,476</u>	<u>-</u>	<u>563,476</u>	<u>32,536</u>	<u>-</u>	<u>32,536</u>
Net movement in funds	7	<u>358,010</u>	<u>-</u>	<u>358,010</u>	<u>111,263</u>	<u>-</u>	<u>111,263</u>
Reconciliation of funds:							
Fund balances at 1 August 2024		<u>1,353,785</u>	<u>98,270</u>	<u>1,452,055</u>	<u>1,242,522</u>	<u>98,270</u>	<u>1,340,792</u>
Fund balances at 31 July 2025		<u>1,711,795</u>	<u>98,270</u>	<u>1,810,065</u>	<u>1,353,785</u>	<u>98,270</u>	<u>1,452,055</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.


RSSKL LTD

BALANCE SHEET


AS AT 31 JULY 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	13		911,279		966,437
Investment property	14		-		1,530,000
Investments	15		3,964		3,619
			<u>915,243</u>		<u>2,500,056</u>
Current assets					
Debtors	16	72,738		9,479	
Cash at bank and in hand		715,387		156,291	
			<u>788,125</u>		<u>165,770</u>
13th May 2026 Creditors: amounts falling due within one year	17	108,303		53,771	
Net current assets			<u>679,822</u>		<u>111,999</u>
Total assets less current liabilities			<u>1,595,065</u>		<u>2,612,055</u>
Provisions for liabilities			-		(1,160,000)
Net assets excluding pension surplus			<u>1,595,065</u>		<u>1,452,055</u>
Defined benefit pension surplus	19	215,000			-
Net assets			<u><u>1,810,065</u></u>		<u><u>1,452,055</u></u>
The funds of the charity					
Restricted income funds	20	98,270		98,270	
Unrestricted funds		1,711,795		1,353,785	
			<u><u>1,810,065</u></u>		<u><u>1,452,055</u></u>


The financial statements were approved by the Council Members on **13th May 2026**



 S Cook
 Trustee



 S Henderson
 Trustee



 A Marcuson
 Trustee

Company registration number 00395056 (England and Wales)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2025

	Notes	2025		2024	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	24		(1,137,876)		(745,294)
Investing activities					
Purchase of tangible fixed assets		-		(525)	
Proceeds from disposal of investment property		1,478,988		468,992	
Investment income received		217,984		600,307	
Net cash generated from investing activities			1,696,972		1,068,774
Financing activities					
Repayment of borrowings		-		(233,634)	
Net cash used in financing activities			-		(233,634)
Net increase in cash and cash equivalents			559,096		89,846
Cash and cash equivalents at beginning of year			156,291		66,445
Cash and cash equivalents at end of year			715,387		156,291

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

1 Accounting policies

Charity information

RSSKL Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Langley Hill, Kings Langley, Hertfordshire, WD4 9HG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Council Members intend to strike off the charity. The Council Members do not therefore consider the charity to be a going concern as the tangible assets will be donated to an existing charity. These financial statements have therefore been prepared on a basis other than going concern. Assets have been reviewed for impairment and the fixed assets remain held within non-current assets due to the intention to transfer these after the balance sheet date with their fair value considered to be higher than their net book value at the balance sheet date.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Council Members in furtherance of their charitable objectives.

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

1 Accounting policies**(Continued)**

Fundraising income is shown gross with the associated costs included in costs of fundraising.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them, including allocated governance costs.

Governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on estimated usage as a proportion of directly attributable expenditure.

1.6 Tangible 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 of a capital nature with a useful economic life in excess of 12 months and costing over £500 are capitalised.

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

Freehold property	1% & 4% per annum on cost
Furniture & fittings	10% per annum on the reducing balance
Equipment & computer	10% & 25% per annum on the reducing balance
Motor vehicles	25% on the reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

1 Accounting policies**(Continued)****1.8 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 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.

1.10 Financial instruments

The charity 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include 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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including 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. Financial liabilities classified as payable within one year are not amortised.

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 operations from suppliers. Amounts payable 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.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

1 Accounting policies

(Continued)

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The charity belongs to the Mercury Provident Pension Scheme which is a defined benefit scheme. This is a collective scheme for a number of employers.

The pension costs charged in the financial statements represent the contributions payable by the charity during the year. The Mercury Provident Pension Scheme is now closed and with effect from 1 January 2009 existing members at that date were given the opportunity to transfer to a defined contribution scheme administered by The Pension Trust Company.

It is not possible to identify the charity's share of the net assets and liabilities of the defined benefit pension scheme. The provision of the liability is recognised on the basis of the estimate of the debt due at that time provided by the scheme's actuary, with the net movement on the provision recognised in income/ (expenditure) for the year.

1.13 Value added tax

VAT is not recoverable by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

2 Critical accounting estimates and judgements

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

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

Critical judgements

Depreciation

The charity exercises judgement to determine useful lives and residual values of intangibles, property, plant and equipment and investment property. The assets are depreciated down to their residual values over their estimated useful lives.

Bad debt provision

The charity reviews each individual debt at the year end and forms a judgement as to the likelihood of recovery at that date. Where, in the opinion of the charity, there is sufficient uncertainty as to recovery an appropriate provision is made against the debt.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

2 Critical accounting estimates and judgements**(Continued)****Pension deficit/surplus valuation**

The charity reviews at each reporting date the estimate of debt due on ceasing participation with the multi-employer defined benefit pension scheme. The scheme actuary provides to management an estimate of the Section 75 debt that would be payable on ceasing participation, without segregating. This estimate reflects the current membership of the scheme and the market conditions at the time of valuation.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	29	1,500
	<u> </u>	<u> </u>

4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Rental income	217,744	599,690
Interest receivable	240	617
	<u> </u>	<u> </u>
	<u>217,984</u>	<u>600,307</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

5 Charitable activities

	Education costs 2025 £	Property costs 2025 £	Administration costs 2025 £	Total 2025 £	Education costs 2024 £	Property costs 2024 £	Administration costs 2024 £	Total 2024 £
Staff costs	1,147	-	-	1,147	110,008	-	-	110,008
Depreciation and impairment	55,158	-	-	55,158	55,646	-	-	55,646
Classroom accounts, trips and plays	32,820	-	-	32,820	61,962	-	-	61,962
Rent and rates	-	51,285	-	51,285	-	84,031	-	84,031
Insurance	-	20,112	-	20,112	-	19,991	-	19,991
Light and heat	-	54,254	-	54,254	-	44,231	-	44,231
Cleaning	-	24,153	-	24,153	-	41,793	-	41,793
Printing, stationery and advertising	-	-	32	32	-	7,367	719	8,086
Subscriptions, telephone and computer	-	124	2,368	2,492	-	-	1,847	1,847
Sundry expenses	-	-	-	-	-	-	36	36
	89,125	149,928	2,400	241,453	227,616	197,413	2,602	427,631
Share of support costs (see note 6)	66,439	-	-	66,439	(7,601)	-	-	(7,601)
Share of governance costs (see note 6)	-	-	19,680	19,680	-	-	17,590	17,590
	155,564	149,928	22,080	327,572	220,015	197,413	20,192	437,620

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

6 Support costs allocated to activities

	2025	2024
	£	£
Staff costs	22,728	25,977
Bad debt provision	-	12,292
Bank charges and interest	(333)	(352)
Legal and professional	44,033	(45,535)
Loan interest	11	17
Governance costs	19,680	17,590
	<u>86,119</u>	<u>9,989</u>

Analysed between:

Support costs	66,439	(7,601)
Governance costs	19,680	17,590
	<u>86,119</u>	<u>9,989</u>

Governance costs comprise:

	2025	2024
	£	£
Audit fees	19,680	17,590
	<u>19,680</u>	<u>17,590</u>

7 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	19,680	17,590
Depreciation of owned tangible fixed assets	55,158	55,646
Loss on disposal of investment property	51,012	16,008
	<u>125,850</u>	<u>89,244</u>

8 Council Members

None of the Council Members (or any persons connected with them) received any remuneration or benefits from the charity during the year. No expenses were reimbursed to the Council Members during the year (2024 - None)

The key management personnel for the year were the Council Members and their remuneration was £nil.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

9 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Administration & Support	1	1

Employment costs	2025	2024
	£	£
Wages and salaries	22,279	24,617
Other pension costs	1,596	111,368
	<u>23,875</u>	<u>135,985</u>

There were no employees whose annual remuneration was more than £60,000.

10 Other

	Unrestricted	Unrestricted
	funds	funds
	general	general
	2025	2024
	£	£
Financing costs	45,240	46,417
	<u>45,240</u>	<u>46,417</u>

11 Net gains/(losses) on investments

	Unrestricted	Unrestricted
	funds	funds
	general	general
	2025	2024
	£	£
Net gain/(loss) on investments	345	(3,035)
Fair value movement of investment properties	-	(20,000)
Loss on disposal of investment property	(51,012)	(16,008)
	<u>(50,667)</u>	<u>(39,043)</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

11 Net gains/(losses) on investments **(Continued)****12 Taxation**

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Tangible fixed assets

	Freehold property £	Furniture & fittings £	Equipment & computer £	Motor vehicles £	Total £
Cost					
At 1 August 2024	1,395,302	335,926	144,233	15,099	1,890,560
At 31 July 2025	1,395,302	335,926	144,233	15,099	1,890,560
Depreciation and impairment					
At 1 August 2024	467,946	298,131	143,033	15,013	924,123
Depreciation charged in the year	51,112	3,781	244	21	55,158
At 31 July 2025	519,058	301,912	143,277	15,034	979,281
Carrying amount					
At 31 July 2025	876,244	34,014	956	65	911,279
At 31 July 2024	927,356	37,795	1,200	86	966,437

Fixed assets remain held within non-current assets due to the intention to transfer these after the balance sheet date with their fair value considered to be higher than their net book value at the balance sheet date.

14 Investment property

	2025 £
Fair value	
At 1 August 2024	1,530,000
Disposals	(1,530,000)
At 31 July 2025	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

15 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 August 2024	3,619
Valuation changes	345
	<hr/>
At 31 July 2025	3,964
	<hr/>
Carrying amount	
At 31 July 2025	3,964
	<hr/> <hr/>
At 31 July 2024	3,619
	<hr/> <hr/>

The investment represents 135 Depository Receipts of Triodos Bank BV. They had a market value of €34.00 at 31 July 2025 translated at a rate of 0.8637.

16 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Prepayments and accrued income	72,738	9,479
	<hr/>	<hr/>

17 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	200	200
Trade creditors	96,315	8,295
Other creditors	88	20,088
Accruals and deferred income	11,700	25,188
	<hr/>	<hr/>
	108,303	53,771
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

18 Provisions for liabilities	Notes	2025 £	2024 £
Retirement benefit obligations	19	-	1,160,000
		-	1,160,000

The provision made in the accounts represents the amount which will fall due at the point that the charity ceases participating in the scheme. Since 2021, the Trustees have worked towards a buy-out of the historic pension obligations. At the balance sheet date, the pension scheme is in a surplus position due largely to an additional one-off payment of £750,000 during the year.

19 Retirement benefit schemes

Defined contribution schemes

Rudolf Steiner School Kings Langley Limited makes contributions to a defined contribution stakeholder scheme. The charge to the Statement of Financial Activities in respect of defined contribution schemes was £449 (2024 - £1,360).

Defined benefit schemes

The charity and other employers participate in the Mercury Provident Pension Scheme, that provides benefits on the basis of final pensionable pay for participants. The assets of the scheme are held separately from those of the charity and invested by a pension fund management company.

Contributions continue to be made each month to ensure that the liability does not increase. Total contributions for the year were £856,764 (2024 - £110,973) in addition to the pension levy of £1,147 (2024 - £1,817).

	2025 £	2024 £
Defined benefit pension surplus/(deficit)	215,000	(1,160,000)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 August 2024	At 31 July 2025
	£	£
Bursary fund	63,250	63,250
Classroom funds	28,666	28,666
K L Concert fund	2,877	2,877
Hockey Club	1,352	1,352
Teacher wish list	500	500
Music department legacy	1,625	1,625
	<u>98,270</u>	<u>98,270</u>
	<u><u>98,270</u></u>	<u><u>98,270</u></u>

Previous year:

	At 1 August 2023	At 31 July 2024
	£	£
Bursary fund	63,250	63,250
Classroom funds	28,666	28,666
K L Concert fund	2,877	2,877
Hockey Club	1,352	1,352
Teacher wish list	500	500
Music department legacy	1,625	1,625
	<u>98,270</u>	<u>98,270</u>
	<u><u>98,270</u></u>	<u><u>98,270</u></u>

Restricted funds:

Bursary fund	- to assist with children's education in extraordinary circumstances
Classroom funds	- are donations made by parents for use by the class
K L Concert fund	- organisation of concerts
Hockey Club	- donations made by parents towards the club's activities
Teacher wish list	- donations towards teacher's wish list
Music department legacy	- donation made by an individual towards the department's activities

The Council Members have undertaken a review of restricted funds. Transfers from unrestricted to restricted funds have been processed to eliminate any shortfall in such funds. As the charity is currently not operational, the Council Members intend to transfer these funds to a new entity which will re-commence activities and therefore spend these funds on their intended purposes.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

21 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Fund balances at 31 July 2025 are represented by:						
Tangible assets	911,279	-	911,279	966,437	-	966,437
Investment properties	-	-	-	1,530,000	-	1,530,000
Investments	3,964	-	3,964	3,619	-	3,619
Current assets/(liabilities)	598,247	98,270	679,822	13,729	98,270	111,999
Provisions and pensions	215,000	-	215,000	(1,160,000)	-	(1,160,000)
	<u>1,728,490</u>	<u>98,270</u>	<u>1,810,065</u>	<u>1,353,785</u>	<u>98,270</u>	<u>1,452,055</u>

22 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

23 Analysis of changes in net funds

The charity had no material debt during the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

24 Cash generated from operations	2025	2024
	£	£
Surplus / (Deficit) for the year	(205,466)	78,727
Adjustments for:		
Investment income recognised in statement of financial activities	(217,984)	(600,307)
Loss on disposal of investment property	51,012	16,008
Fair value gains and losses on investment properties	-	20,000
Fair value gains and losses on investments	(345)	3,035
Defined benefit pension scheme costs	(811,524)	(64,464)
Depreciation and impairment of tangible fixed assets	55,158	55,646
Movements in working capital:		
(Increase)/decrease in debtors	(63,259)	21,780
Increase/(decrease) in creditors	54,532	(275,719)
Cash absorbed by operations	(1,137,876)	(745,294)

RSSKL Ltd

England & Wales - Charity number 311027

Accounts

Charity Registration No. 311027

Company Registration No. 00395056 (England and Wales)

RSSKL LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024



One Bell Lane
Lewes
East Sussex
BN7 1JU

RSSKL LTD

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RSSKL LTD

COMPANY INFORMATION

Council Members	S Cook S Henderson A Marcuson
Charity number	311027
Company number	00395056
Registered office	Langley Hill Kings Langley Hertfordshire WD4 9HG
Auditor	TC Group One Bell Lane Lewes East Sussex BN7 1JU

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2024

The Council Members present their annual report and financial statements for the year ended 31 July 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (effective 1 January 2019).

Definition: "the Council of Trustees", "Council Members", "Trustees" or "trustees" when used in this report should be considered in the same context.

Objectives and activities

The charitable objectives of RSSKL as stated in its Memorandum of Association are:

To establish and carry on at Kings Langley a school where pupils, scholars and students may obtain on moderate terms a sound general education upon the principals inaugurated by Rudolf Steiner.

In pursuance of RSSKL's charitable objects, the Trustees remain committed to facilitating, in collaboration with Waldorf UK (formerly the Steiner Waldorf Schools Fellowship "SWSF") and the international Steiner Waldorf movement, the establishment at the earliest opportunity of a Steiner Waldorf school on the RSSKL site by a suitable operator.

The Trustees' vision and strategy for achieving this has been communicated to the RSSKL Association previously and is being implemented.

Charity Commission

The Trustees have been in regular dialogue with the Charity Commission to keep them updated on all aspects of the Charity's activities.

Changes in Management and Staffing

The following members of the Council of Trustees were active Council Members on 31 July 2023 and are still active today:

- Stefanie Cook
- Sophie Henderson
- Annie Marcuson

Robert Monk is employed by RSSKL as site manager. He works full time and lives on site.

Legal advice to the Charity has been provided by Russell Cooke LLP since the beginning of 2021. The Charity also obtains occasional legal, property, strategic and financial advice from experienced volunteers with relevant backgrounds.

Achievements and performance

Financial stability

A detailed strategic and financial plan was developed by the Trustees with suitable financial input in early 2021, which concluded that RSSKL's historic liabilities can be settled if properties owned by the Charity which are not critical to realising its objects are sold off. This mainly refers to residential units that have been occupied by teaching staff in the past in the Grade II* listed Old Priory complex (including the Old Priory itself) and Coombe House (formerly known as The Cottage).

Upon the sale of Coombe House at auction in November 2023, the Charity was able to pay back the €360,000 bridging facility provided by the German Freunde der Erziehungskunst in January 2024, which was secured against one of the residential properties. The Charity has no other indebtedness at present, though there remains the Charity's long-term liability from its Mercury Provident Pension Scheme deficit (see page 5).

The Trustees have continued to generate alternative sources of income from the RSSKL site, mainly from short-term rental contracts with film production companies. This provides income to help cover some of the operating expenses of the site, while the sale of The Priory to a property developer is being finalised. The Trustees have applied for temporary change of use in connection with these activities. The application was refused, and the Charity is in the process of appealing the Council's decision. If the appeal is unsuccessful this could affect the extent of rental activity which the Charity is able to perform from the site.

With effect from April 2025, private schools in England with charitable status will lose their eligibility for business rates charitable relief, subject to legislation. This is likely to increase the Charity's exposure to business rates going forward.

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2024

Activities in pursuance of RSSKL's charitable objects

The Charity has continued to be in close dialogue with Waldorf UK to develop strategic plans for how the RSSKL site with its remaining assets, once the Charity's pension deficit has been satisfied (see page 5), can provide a basis for a new Steiner Waldorf school to be established by a suitable operator, in line with the Charity's objects. Waldorf UK has set up a new Land Trust to hold and steward the Charity's land assets in future, and is in the process of identifying suitable Trustees for it.

The Charity also continues to offer its properties for use by the Steiner community and for local community activities that could assist a new Steiner Waldorf school being successfully established in the future. The Kings Langley Biodynamic Allotments group (which utilises and popularises Rudolf Steiner's methodology of biodynamic agriculture) remains a very active voluntary setting on the site. In addition, there were numerous local groups and activities linked to, or supportive of, the Steiner community which continued to operate on the site, including:

- Anthroposophical study group
- A third Advent Fair for the RSSKL community organised by the St Albans Steiner Kindergarten
- Steiner/Waldorf Parent and Child group
- Seasonal apple picking with the community
- Pressing apples to make juice for the local community, raising funds for the Parent and Child group
- Biodynamic allotments with seasonal community activities
- Lumina Choir rehearsals
- Cricket practice sessions
- Football classes
- Boot camp sessions
- Kings Langley Community choir practice

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2024

Property Sales and Use of Funds

The Trustees have continued to work with local planners and Historic England regarding the proposed sale of ancillary properties. The relevant surveys and reports necessary before bringing the residential units to the market were all completed (including section 119 Charities Act reports by chartered surveyors Rumball Sedgwick).

The sale of The Priory and associated buildings within its curtilage (Priory complex) is progressing. The Trustees have continued working with a reputable property developer and his company, District and Circle Ltd, towards exchange of contracts, based on agreed Heads of Terms. In parallel, the Trustees have come to an agreement with the Christian Community regarding the access road and the neighbouring parcel of land. This is taking longer than expected given the complexity of the transaction, although the Trustees are confident to exchange contracts in the weeks to come and complete the sale by April 2025.

Coombe House was initially marketed by Proffitt & Holt and then by Castles from 28 December 2022 until September 2023, at which time an independent property expert was appointed to support RSSKL in going to auction. Coombe House was sold in November 2023 at auction for £489,000. Rumball Sedgwick provided an addendum report to confirm that progressing with the sale at this reduced sale price was in the interest of the Charity.

As a result of the sale of Coombe House, the Trustees were able to pay back the loan to the Freunde der Erziehungskunst and carry out the segregation of the Charity's pension liabilities from the Mercury Provident Pension Fund scheme in a first step towards paying off the entire pension deficit, once The Priory complex sale completes.

Mercury Provident Pension Fund

The RSSKL school's historic pension fund, like many other defined benefit schemes in the UK, is running at a deficit. The deficit is the result of a combination of factors, including contributions being underpaid in past years, the costs of running the fund being capitalised, the Charity being part of a group scheme (which means that if any company in the group defaults, other scheme employers have to pick up the deficit) and scheme participants living longer with investment returns not covering the forecast requirements.

The Charity entered into an agreement with the Pension Trustee in 2009 to make monthly catch-up payments towards eliminating this deficit, and has done so since. Monthly contributions to the scheme are currently payable at approximately £10,000. These catch-up payments are reviewed every two years and adjusted accordingly.

In December 2023, after the sale of Coombe House, the Trustees entered into an agreement with MPPS to segregate RSSKL from the Main Section of the MPPS. As a result, RSSKL is not any longer liable for pension obligations of other employers in case they go into administration.

In its initial valuation report, released in August 2024, the actuary of MPPS estimated the shortfall of the RSSKL section of the Scheme at around £1,160k for December 2023 on a statutory (SFO) basis. With a funding level of the RSSKL section at 51%, the current shortfall remains very sensitive to the discount rate and hence, to the development of UK gilts, among many other factors.

It is the intention of the Trustees to cover the deficit of the segregated section in full once the Priory Complex has been sold and sell the RSSKL section for run off to a third party as soon as practicable thereafter. The MPPS actuary estimated the shortfall on a buy-out solvency basis for December 2023 at around £927k. The Trustees are working closely with the Trustees of the MPPS on this matters.

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2024

Financial review

Statement of Financial Activities

The proceeds of the sale of Coombe House have been applied by the Trustees to:

- i) pay back the loan to the Freunde der Erziehungskunst in January 2024. The Trustees would like to thank in particular the Executive Director of Freunde der Erziehungskunst, Nana Goebel.
- ii) carry out the segregation of the Charity's pension liabilities from the Main Section of the MPPS in a first step towards paying off the entire pension deficit, once the sale of The Priory complex completes (see page 5).

Structure, governance and management

The Charity is constituted as a company limited by guarantee. It is governed by a Memorandum and Articles of Association.

The company's Articles of Association require that an AGM be held once a year. The Association's AGM for the period ended 31 July 2024 was a hybrid one, held in the Theatre at the former school and online on 8th July 2024. It was attended by 17 members. The association had 82 members as of 31 July 2024.

Council Members:

S Cook
S Henderson
A Marcuson

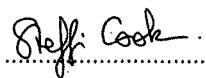
Auditor

In accordance with the company's articles, a resolution proposing that TC Group be reappointed as auditor of the company will be put at a General Meeting.

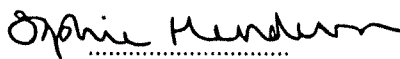
Disclosure of information to auditor

So far as the trustees are aware, there is no relevant audit information of which the charity's auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charity's auditors are aware of that information.

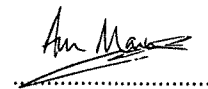
The Council Members' report was approved by the Board of Council Members.



S Cook
Council Member



S Henderson
Council Member



A Marcuson
Council Member

Date: **25th April 2025**

RSSKL LTD

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2024

The Council Members, who are also the directors of RSSKL Ltd for the purpose of company law, are responsible for preparing the Council Members' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Council Members to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Council Members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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.

RSSKL LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RSSKL LTD

Opinion

We have audited the financial statements of RSSKL Ltd (the 'charity') for the year ended 31 July 2024 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 July 2024 and of its incoming resources and application of resources, including 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements which describes the current uncertainty surrounding the issues facing the School in the current climate. As stated in note 1.2, these events indicate that a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

RSSKL LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RSSKL LTD

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Council Members are responsible for the other information contained within the 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. 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 course of 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 Council Members' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Council Members' report has 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Council Members' 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, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- the Council Members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Council Members' report and from the requirement to prepare a strategic report.

Responsibilities of Council Members

As explained more fully in the statement of Council Members' responsibilities, the Council Members, who are also the directors of the charity for the purpose 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 Council Members 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 Council Members are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council Members either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

RSSKL LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RSSKL LTD

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We identified the following areas as those most likely to have such an effect: General Data Protection Regulation (GDPR); fraud and bribery and corruption. 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 considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the company's operations, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

RSSKL LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RSSKL LTD

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

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 procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

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.

TC Group

David Martin FCA (Senior Statutory Auditor)

for and on behalf of TC Group

Statutory Auditor

Office: Lewes

Date: 25 April 2025

RSSKL LTD

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:							
Donations and legacies	3	1,500	-	1,500	2,703	-	2,703
Investments	4	600,307	-	600,307	394,815	-	394,815
Total income		<u>601,807</u>	<u>-</u>	<u>601,807</u>	<u>397,518</u>	<u>-</u>	<u>397,518</u>
Expenditure on:							
Charitable activities	5	437,620	-	437,620	499,153	-	499,153
Other expenditure	10	46,417	-	46,417	3,740	-	3,740
Total expenditure		<u>484,037</u>	<u>-</u>	<u>484,037</u>	<u>502,893</u>	<u>-</u>	<u>502,893</u>
Net gains/(losses) on investments	11	<u>(39,043)</u>	<u>-</u>	<u>(39,043)</u>	<u>(395,000)</u>	<u>-</u>	<u>(395,000)</u>
Net income/(expenditure)		<u>78,727</u>	<u>-</u>	<u>78,727</u>	<u>(500,375)</u>	<u>-</u>	<u>(500,375)</u>
Other recognised gains and losses:							
Actuarial gains on defined benefit pension schemes		<u>32,536</u>	<u>-</u>	<u>32,536</u>	<u>384,000</u>	<u>-</u>	<u>384,000</u>
Net movement in funds	7	<u>111,263</u>	<u>-</u>	<u>111,263</u>	<u>(116,375)</u>	<u>-</u>	<u>(116,375)</u>
Reconciliation of funds:							
Fund balances at 1 August 2023		<u>1,242,522</u>	<u>98,270</u>	<u>1,340,792</u>	<u>1,358,897</u>	<u>98,270</u>	<u>1,457,167</u>
Fund balances at 31 July 2024		<u>1,353,785</u>	<u>98,270</u>	<u>1,452,055</u>	<u>1,242,522</u>	<u>98,270</u>	<u>1,340,792</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

RSSKL LTD

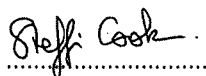
BALANCE SHEET

AS AT 31 JULY 2024

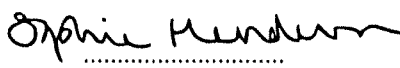
	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	13		966,437		1,021,558
Investment property	14		1,530,000		2,035,000
Investments	15		3,619		6,654
			<u>2,500,056</u>		<u>3,063,212</u>
Current assets					
Debtors	16	9,479		31,259	
Cash at bank and in hand		156,291		66,445	
			<u>165,770</u>	<u>97,704</u>	
Creditors: amounts falling due within one year	18				
			<u>53,771</u>	<u>563,124</u>	
Net current assets/(liabilities)			111,999		(465,420)
Total assets less current liabilities			<u>2,612,055</u>		<u>2,597,792</u>
Provisions for liabilities			(1,160,000)		(1,257,000)
Net assets			<u>1,452,055</u>		<u>1,340,792</u>
The funds of the charity					
Restricted income funds	21		98,270		98,270
Unrestricted funds			1,353,785		1,242,522
			<u>1,452,055</u>		<u>1,340,792</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Council Members on **25th April 2025**



S Cook
Trustee



S Henderson
Trustee



A Marcuson
Trustee

Company registration number 00395056 (England and Wales)

RSSKL LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2024

	Notes	2024		2023	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	26		(745,294)		(405,525)
Investing activities					
Purchase of tangible fixed assets		(525)		-	
Proceeds from disposal of investment property		468,992		-	
Investment income received		600,307		394,815	
Net cash generated from investing activities			1,068,774		394,815
Financing activities					
Repayment of borrowings		(233,634)		25,762	
Net cash (used in)/generated from financing activities			(233,634)		25,762
Net increase in cash and cash equivalents			89,846		15,052
Cash and cash equivalents at beginning of year			66,445		51,393
Cash and cash equivalents at end of year			156,291		66,445

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies

Charity information

RSSKL Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Langley Hill, Kings Langley, Hertfordshire, WD4 9HG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The Council Members have a reasonable expectation that the charity will continue in operational existence for the foreseeable future, however, the Council Members are aware of certain material uncertainties which may cast doubt on the charity's ability to continue as a going concern.

The Council Members' report discusses the pressures that the charity has been under over the past few years and states their strategy for the future. The members' are preparing for the sale of certain ancillary residential properties owned by the charity to gather sufficient funds to enable it to meet its current liabilities and achieve an orderly settlement of all outstanding liabilities, including, amounts due on exit from the pension scheme. On completion of the sale of those assets, the educational assets of the charity including any remaining funds, restricted for educational purposes, and any amounts owed to it, will be transferred to a successor charity in order to enable the school to operate as intended. Once the transfer is complete, the intention of the members' is to voluntarily wind up the charity on a solvent basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Council Members in furtherance of their charitable objectives.

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Fundraising income is shown gross with the associated costs included in costs of fundraising.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them, including allocated governance costs.

Governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on estimated usage as a proportion of directly attributable expenditure.

1.6 Tangible 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 of a capital nature with a useful economic life in excess of 12 months and costing over £500 are capitalised.

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

Freehold property	1% & 4% per annum on cost
Furniture & fittings	10% per annum on the reducing balance
Equipment & computer	10% & 25% per annum on the reducing balance
Motor vehicles	25% on the reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies **(Continued)**

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 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.

1.10 Financial instruments

The charity 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include 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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including 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. Financial liabilities classified as payable within one year are not amortised.

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 operations from suppliers. Amounts payable 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.

1 Accounting policies

(Continued)

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The charity belongs to the Mercury Provident Pension Scheme which is a defined benefit scheme. This is a collective scheme for a number of employers.

The pension costs charged in the financial statements represent the contributions payable by the charity during the year. The Mercury Provident Pension Scheme is now closed and with effect from 1 January 2009 existing members at that date were given the opportunity to transfer to a defined contribution scheme administered by The Pension Trust Company.

It is not possible to identify the charity's share of the net assets and liabilities of the defined benefit pension scheme. The provision of the liability is recognised on the basis of the estimate of the debt due at that time provided by the scheme's actuary, with the net movement on the provision recognised in income/ (expenditure) for the year.

1.13 Value added tax

VAT is not recoverable by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

2 Critical accounting estimates and judgements

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

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

Critical judgements

Depreciation

The charity exercises judgement to determine useful lives and residual values of intangibles, property, plant and equipment and investment property. The assets are depreciated down to their residual values over their estimated useful lives.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

2 Critical accounting estimates and judgements**(Continued)****Bad debt provision**

The charity reviews each individual debt at the year end and forms a judgement as to the likelihood of recovery at that date. Where, in the opinion of the charity, there is sufficient uncertainty as to recovery an appropriate provision is made against the debt.

Pension liability valuation

The charity reviews at each reporting date the estimate of debt due on ceasing participation with the multi-employer defined benefit pension scheme. The scheme actuary provides to management an estimate of the Section 75 debt that would be payable on ceasing participation, without segregating. This estimate reflects the current membership of the scheme and the market conditions at the time of valuation.

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	1,500	2,703

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	599,690	394,619
Interest receivable	617	196
	<u>600,307</u>	<u>394,815</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

5 Charitable activities	Education costs		Property Administration costs		Total		Education costs		Property Administration costs		Total	
	2024	£	2024	£	2024	£	2023	£	2023	£	2023	£
Staff costs	110,008		-		110,008		124,950		-		124,950	
Depreciation and impairment	55,646		-		55,646		29,387		-		29,387	
Classroom accounts, trips and plays	61,962		-		61,962		86,874		-		86,874	
Rent and rates	-		84,031		84,031		-		63,223		63,223	
Insurance	-		19,991		19,991		-		19,319		19,319	
Light and heat	-		44,231		44,231		-		41,783		41,783	
Cleaning	-		41,793		41,793		-		24,388		24,388	
Printing, stationery and advertising	-		7,367		8,086		-		19,644		16,645	
Subscriptions, telephone and computer	-		-		1,847		-		-		2,007	
Sundry expenses	-		-		36		-		-		9,733	
	227,616		197,413		427,631		241,211		168,357		418,309	
					2,602				8,741			
Share of support costs (see note 6)	(7,601)		-		(7,601)		65,452		-		65,452	
Share of governance costs (see note 6)	-		-		17,590		-		15,392		15,392	
	220,015		197,413		437,620		306,663		168,357		499,153	
					20,192				24,133			

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

6 Support costs allocated to activities	2024	2023
	£	£
Staff costs	25,977	19,406
Bad debt provision	12,292	-
Bank charges and interest	(352)	40
Legal and professional	(45,535)	46,006
Loan interest	17	-
Governance costs	17,590	15,392
	<u>9,989</u>	<u>80,844</u>
Analysed between:		
Support costs	(7,601)	65,452
Governance costs	17,590	15,392
	<u>9,989</u>	<u>80,844</u>
	2024	2023
Governance costs comprise:	£	£
Audit fees	17,590	15,392
	<u>17,590</u>	<u>15,392</u>
	<u>17,590</u>	<u>15,392</u>
7 Net movement in funds	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	17,590	15,392
Depreciation of owned tangible fixed assets	55,646	29,387
Loss on disposal of investment property	16,008	-
	<u>16,008</u>	<u>-</u>

8 Council Members

None of the Council Members (or any persons connected with them) received any remuneration or benefits from the charity during the year. No expenses were reimbursed to the trustees during the year (2023 - None)

The key management personnel for the year were the Trustees and their remuneration was £nil.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

9 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Administration & Support	1	1

Employment costs	2024	2023
	£	£
Wages and salaries	24,617	19,406
Other pension costs	111,368	124,950
	<u>135,985</u>	<u>144,356</u>

There were no employees whose annual remuneration was more than £60,000.

10 Other

	Unrestricted funds general 2024	Unrestricted funds general 2023
Financing costs	46,417	3,740
	<u>46,417</u>	<u>3,740</u>

11 Net gains/(losses) on investments

	Unrestricted funds general 2024	Unrestricted funds general 2023
	£	£
Net gain/(loss) on investments	(3,035)	-
Fair value movement of investment properties	(20,000)	(395,000)
Loss on disposal of investment property	(16,008)	-
	<u>(39,043)</u>	<u>(395,000)</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Tangible fixed assets

	Freehold property	Furniture & fittings	Equipment & computer	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 August 2023	1,395,005	626,542	149,113	21,243	2,191,903
Additions	297	-	228	-	525
Disposals	-	(290,616)	(5,108)	(6,144)	(301,868)
At 31 July 2024	1,395,302	335,926	144,233	15,099	1,890,560
Depreciation and impairment					
At 1 August 2023	416,856	584,544	147,816	21,129	1,170,345
Depreciation charged in the year	51,090	4,203	325	28	55,646
Eliminated in respect of disposals	-	(290,616)	(5,108)	(6,144)	(301,868)
At 31 July 2024	467,946	298,131	143,033	15,013	924,123
Carrying amount					
At 31 July 2024	927,356	37,795	1,200	86	966,437
At 31 July 2023	978,149	41,998	1,297	114	1,021,558

14 Investment property

	2024 £
Fair value	
At 1 August 2023	2,035,000
Disposals	(485,000)
Net gains or losses through fair value adjustments	(20,000)
At 31 July 2024	1,530,000

The fair value of the investment property has been arrived at on the basis of a valuation carried by the Trustees. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

14 Investment property **(Continued)**

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2024	2023
	£	£
Cost	81,808	87,429
Accumulated depreciation	40,904	43,795
	<u> </u>	<u> </u>
Carrying amount	<u>122,712</u>	<u>131,224</u>

15 Fixed asset investments

	Unlisted investments
	£
Cost or valuation	
At 1 August 2023	6,654
Valuation changes	(3,035)
	<u> </u>
At 31 July 2024	3,619
	<u> </u>
Carrying amount	
At 31 July 2024	3,619
	<u> </u>
At 31 July 2023	<u>6,654</u>

The investment represents 135 Depository Receipts of Triodos Bank BV. They had a market value of €31.80 at 31 July 2024 translated at a rate of 0.8430.

16 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	-	12,294
Other debtors	-	7,154
Prepayments and accrued income	9,479	11,811
	<u> </u>	<u> </u>
	<u>9,479</u>	<u>31,259</u>

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

17 Loans and overdrafts

	2024	2023
	£	£
Other loans	-	233,634
	<u> </u>	<u> </u>
Payable within one year	-	233,634
	<u> </u>	<u> </u>

18 Creditors: amounts falling due within one year

	2024	2023
	£	£
Borrowings	-	233,634
Other taxation and social security	200	(791)
Trade creditors	8,295	101,611
Other creditors	20,088	54,471
Accruals and deferred income	25,188	174,199
	<u> </u>	<u> </u>
	<u>53,771</u>	<u>563,124</u>

19 Provisions for liabilities

	Notes	2024	2023
		£	£
Retirement benefit obligations	20	1,160,000	1,257,000
		<u> </u>	<u> </u>
		<u>1,160,000</u>	<u>1,257,000</u>

The provision made in the accounts represents the amount which will fall due at the point that the charity ceases participating in the scheme.

20 Retirement benefit schemes

Defined contribution schemes

Rudolf Steiner School Kings Langley Limited makes contributions to a defined contribution stakeholder scheme. The charge to the Statement of Financial Activities in respect of defined contribution schemes was £1,360 (2023 - £781).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

20 Retirement benefit schemes**(Continued)****Defined benefit schemes**

The charity and other employers participate in the Mercury Provident Pension Scheme, that provides benefits on the basis of final pensionable pay for participants. The assets of the scheme are held separately from those of the charity and invested by a pension fund management company.

Contributions continue to be made each month to ensure that the liability does not increase. Total contributions for the year were £110,973 in addition to the pension levy of £1,817.

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 August 2023	At 31 July 2024
	£	£
Bursary fund	63,250	63,250
Classroom funds	28,666	28,666
K L Concert fund	2,877	2,877
Hockey Club	1,352	1,352
Teacher wish list	500	500
Music department legacy	1,625	1,625
	<u>98,270</u>	<u>98,270</u>

Previous year:

	At 1 August 2022	At 31 July 2023
	£	£
Bursary fund	63,250	63,250
Classroom funds	28,666	28,666
K L Concert fund	2,877	2,877
Hockey Club	1,352	1,352
Teacher wish list	500	500
Music department legacy	1,625	1,625
	<u>98,270</u>	<u>98,270</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

21 Restricted funds**(Continued)**

Restricted funds:

Bursary fund	- to assist with children's education in extraordinary circumstances
Classroom funds	- are donations made by parents for use by the class
K L Concert fund	- organisation of concerts
Hockey Club	- donations made by parents towards the club's activities
Teacher wish list	- donations towards teacher's wish list
Music department legacy-	donation made by an individual towards the department's activities

The Council Members have undertaken a review of restricted funds. Transfers from unrestricted to restricted funds have been processed to eliminate any shortfall in such funds. As the charity is currently not operational, the Council Members intend to transfer these funds to a new entity which will re-commence activities and therefore spend these funds on their intended purposes.

22 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 July 2024 are represented by:						
Tangible assets	966,437	-	966,437	1,021,558	-	1,021,558
Investment properties	1,530,000	-	1,530,000	2,035,000	-	2,035,000
Investments	3,619	-	3,619	6,654	-	6,654
Current assets/(liabilities)	13,729	98,270	111,999	(563,690)	98,270	(465,420)
Provisions and pensions	(1,160,000)	-	(1,160,000)	(1,257,000)	-	(1,257,000)
	<u>1,353,785</u>	<u>98,270</u>	<u>1,452,055</u>	<u>1,242,522</u>	<u>98,270</u>	<u>1,340,792</u>

23 Events after the reporting date

The trustees intend to sell the remaining investment property after the year end for an amount equal to its fair value at the balance sheet date.

24 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

25 Analysis of changes in net funds/(debt)

	At 1 August 2023	Cash flows	At 31 July 2024
	£	£	£
Cash at bank and in hand	66,445	89,846	156,291
Loans falling due within one year	(233,634)	233,634	-
	<u>(167,189)</u>	<u>323,480</u>	<u>156,291</u>
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

26 Cash generated from operations

	2024	2023
	£	£
Surplus/(deficit) for the year	78,727	(500,375)
Adjustments for:		
Investment income recognised in statement of financial activities	(600,307)	(394,815)
Loss on disposal of investment property	16,008	-
Fair value gains and losses on investment properties	20,000	395,000
Fair value gains and losses on investments	3,035	-
Defined benefit pension scheme costs	(64,464)	-
Depreciation and impairment of tangible fixed assets	55,646	29,387
Movements in working capital:		
Decrease in debtors	21,780	13,337
(Decrease)/increase in creditors	(275,719)	51,941
Cash absorbed by operations	<u><u>(745,294)</u></u>	<u><u>(405,525)</u></u>

RSSKL Ltd

England & Wales - Charity number 311027

Accounts

Charity registration number 311027

Company registration number 395056 (England and Wales)

RSSKL LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

RSSKL LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Council Members	S Cook S Henderson A Marcuson
Charity number	311027
Company number	395056
Registered office	Langley Hill Kings Langley Hertfordshire WD4 9HG
Auditor	Knill James LLP One Bell Lane Lewes East Sussex BN7 1JU

RSSKL LTD

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RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

The Council Members present their annual report and financial statements for the year ended 31 July 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (effective 1 January 2019).

Definition: "the Council of Trustees", "Council Members", "Trustees" or "trustees" when used in this report should be considered in the same context.

Objectives and activities

The charitable objectives of RSSKL as stated in its Memorandum of Association are:

To establish and carry on at Kings Langley a school where pupils, scholars and students may obtain on moderate terms a sound general education upon the principals inaugurated by Rudolf Steiner.

In pursuance of RSSKL's charitable objects, the Trustees remain committed to facilitating, in collaboration with Waldorf UK (formerly the Steiner Waldorf Schools Fellowship ("SWSF") and the international Steiner Waldorf movement, the establishment at the earliest opportunity of a Steiner Waldorf school on the RSSKL site by a suitable operator.

The Trustees' vision and strategy for achieving this has been communicated to the RSSKL Association previously and is being implemented.

Charity Commission

The Trustees have been in regular dialogue with the Charity Commission to keep them updated on all aspects of the Charity's activities.

Changes in Management and Staffing

The following members of the Council of Trustees were active Council Members on 31 July 2023 and are still active today:

- Stefanie Cook
- Sophie Henderson
- Annie Marcuson

Robert Monk is employed by RSSKL as site manager. He works full time and lives on site.

Legal advice to the Charity has been provided by Russell Cooke LLP since the beginning of 2021. The Charity also obtains occasional legal, property, strategic and financial advice from experienced volunteers with relevant backgrounds.

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

Achievements and performance

Significant Events in the Financial Year 2022/23 and Plans Going Forward

Financial stability

A detailed strategic and financial plan was developed by the Trustees with suitable financial input in early 2021, which concluded that RSSKL's historic liabilities can be settled if properties owned by the Charity which are not critical to realising its objects are sold off. This mainly refers to residential units that have been occupied by teaching staff in the past in the Grade II* listed Old Priory complex (including the Old Priory itself) and Coombe House (formerly known as The Cottage).

On the strength of the strategic and financial plan, the Charity was able to secure and continued to benefit from a three-year, €360,000 bridging facility (provided in tranches) from the German Freunde der Erziehungskunst, which was secured against one of the residential properties. The interest rate payable on this loan remained significantly below market rate, especially in the current, higher interest rate environment and given the limited visibility on alternative income opportunities for the Charity. Having taken suitable financial advice, it was the Trustees' view that the lower interest rate more than offset the additional currency risk taken as a result of the Euro-denomination of the loan.

In the meantime, the Trustees have continued to generate alternative sources of income from the RSSKL site, mainly from short-term rental contracts with film production companies. This provides income to help cover some of the operating expenses of the site, while the residential units are being marketed and until sufficient funds are generated through property sales to pay-off the Charity's pension liability (see below) and certain lesser historic liabilities.

Activities in pursuance of RSSKL's charitable objects

The Charity has continued to be in close dialogue with Waldorf UK to develop strategic plans for how the RSSKL site with its remaining assets, once unencumbered, can provide a basis for a new Steiner Waldorf school to be established by a suitable operator, in line with the Charity's objects. To this end, Waldorf UK has set up Land Trust and has appointed Trustees.

The Charity also continues to offer its properties for use by the Steiner community and for local community activities that could assist a new Steiner Waldorf school successfully establishing in the future. The Kings Langley Biodynamic Allotments group (which utilises and popularises Rudolf Steiner's methodology of biodynamic agriculture) remains a very active voluntary setting on the site. In addition, there were numerous local groups and activities linked to or supportive of the Steiner community which continued to operate on the site, including:

- Anthroposophical study group
- A third Advent Fair for the RSSKL community organised by the St Albans Steiner Kindergarten
- Steiner/Waldorf Parent and Child group
- Seasonal apple picking with the community
- Pressing apples to make juice for the local community, raising funds for the Parent and Child group
- Bio-dynamic allotments with seasonal community activities
- Lumina Choir rehearsals
- Cricket practice sessions
- Football classes
- Boot camp sessions
- Kings Langley Community choir practice

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

Property Sales and Use of Funds

The Trustees have continued to work with local planners and Historic England regarding the proposed sale of ancillary properties. The relevant surveys and reports necessary before bringing the residential units to the market were all completed (including section 119 Charities Act reports by chartered surveyors Rumball Sedgwick).

The Priory and associated buildings within its curtilage (Priory complex) has been actively marketed by Savills until the Summer 2023, when an offer was confirmed on the property. The prospective buyer is a reputable developer and his company, District and Circle Ltd, has much experience in the sensitive renovation of historic buildings and in working with Historic England and Conservation. The Trustees are working with this prospective buyer towards exchange of contracts, based on agreed Heads of Terms. In parallel the Trustees are working on an agreement with the Christian Community regarding the access road and the neighbouring parcel of land to agree matters related to this sale. This is taking longer than expected given the complexity of the transaction, though the Trustees are confident to exchange contracts in the weeks to come.

Coombe House was initially marketed by Proffitt & Holt and then by Castles from 28 December 2022 until September 2023, at which time an independent property expert was appointed to support RSSKL in going to auction. Coombe House was sold in November 2023 at auction for £489,000. Rumball Sedgwick wrote an addendum report to confirm that progressing with the sale at this reduced sale price was in the interest of the charity.

As a result of the sale of Coombe House, the Trustees were then able to pay back the loan to the Freunde der Erziehungskunst and carry out the segregation of the Charity's pension liabilities from the Mercury Provident Pension Fund scheme in a first step towards paying off the entire pension liability, once The Priory complex sale completes.

Claimed right of way Tribunal proceedings

The Charity's objection to a claimed right of way over part of the RSSKL land proceeded to determination by the Land Tribunal on referral by the Land Registry. The Tribunal struck out the claim against RSSKL on the basis of it having no reasonable prospect of succeeding. A settlement was reached on costs, which the Trustees are satisfied is in the best interests of the Charity.

The costs of the Tribunal proceedings comprised £2,400 in respect of Counsel's fees, and in excess of 150 hours of volunteer legal advice and similar of trustee time, all chargeable, in the course of the Tribunal proceedings and pre-action. This is in addition to the numerous hours spent in discussions, and managing the disputed claim and actions in connection with it, over the four-year period since it was first intimated in September 2019.

Consequently, first registration of the unregistered land on the west side of the cricket field has been achieved.

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

Mercury Provident Pension Fund

The RSSKL school's historic pension fund, unlike many other defined benefit schemes in the UK, is running at a deficit. According to the most recent valuation by the Pension Trustee (per 15 December 2023), this deficit was approx. £947,000 consisting of £798,000 share of the shortfall of the Main Section, plus £149k share of the orphan debt.

The deficit is the result of a combination of factors, including contributions being underpaid in past years, the costs of running the fund being capitalised, the Charity being part of a group scheme (which means that if any company in the group defaults, other scheme employers have to pick up the deficit) and scheme participants living longer with investment returns not covering the forecast requirements.

The Charity entered into an agreement with the Pension Trustee to make monthly catch-up payments in 2009 and has done so since. Monthly contributions to the scheme are currently payable at approximately £9,500. These catch-up payments are reviewed every two years and adjusted accordingly.

In November 2023, after the sale of Coombe House, Trustees agreed to segregate RSSKL from the Main Section of the multi-employer fund. As part of this process, RSSKL was obliged to pay off the orphan debt part of its deficit to the Main Section. As a result, RSSKL is no longer liable for the pension obligations of other employers of the Main Section in case of their insolvency.

It is the intention of the Trustees to cover the remaining deficit of RSSKL's, now segregated, section in full, once the Priory Complex has been sold and to sell the section to a third party, or as soon as practicable thereafter. The Trustees are working closely with the Trustees of the Mercury Provident Pension Fund on this matter.

Financial review

Statement of Financial Activities

From the proceeds of the sale of Coombe House, Trustees have been able to:

i) pay back the loan to the Freunde der Erziehungskunst for which the Trustees. The support of the Freunde der Erziehungskunst in Germany, granting RSSKL Ltd a loan on very favourable terms, tided the charity over. In January 2024 we were able to pay back the loan. The Trustees would like to thank, in particular, the Executive Director of Freunde der Erziehungskunst, Nana Goebel.

ii) segregate the Charity's pension liabilities from the Main Section of Mercury Provident Pension Fund scheme in a first step towards paying off the entire pension liability, once The Priory complex sale completes (see above). At the most recent valuation by the Pension Trustee (per 15 December 2023), the deficit was approx. £947,000, consisting of £798,000 share of the shortfall of the Main Section, plus £149k share of the orphan debt. RSSKL Ltd. monthly contributions to the scheme are currently payable at approximately £9,500.

Structure, governance and management

The Charity is constituted as a company limited by guarantee. It is governed by a Memorandum and Articles of Association.

The company's Articles of Association require that an AGM be held once a year. The Association's AGM for the period ended 31 July 2023 was a hybrid one, held in the Theatre at the former school and online on 5th July 2023. It was attended by 20 members. The association had 82 members as of 31 July 2023.

Council Members:

S Cook
S Henderson
A Marcuson

Auditor

In accordance with the company's articles, a resolution proposing that Knill James LLP be reappointed as auditor of the company will be put at a General Meeting.

RSSKL LTD

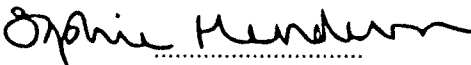
COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

Disclosure of information to auditor

So far as the directors are aware, there is no relevant audit information of which the charity's auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charity's auditors are aware of that information.

The Council Members' report was approved by the Board of Council Members.


.....
S Cook
Council Member


.....
S Henderson
Council Member


.....
A Marcuson
Council Member

Date: 30th April 2024
.....

RSSKL LTD

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2023

The Council Members, who are also the directors of RSSKL Ltd for the purpose of company law, are responsible for preparing the Council Members' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Council Members to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Council Members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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.

RSSKL LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RSSKL LTD

Opinion

We have audited the financial statements of RSSKL Ltd (the 'charity') for the year ended 31 July 2023 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 July 2023 and of its incoming resources and application of resources, including 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements which describes the current uncertainty surrounding the issues facing the School in the current climate. As stated in note 1.2, these events indicate that a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Council Members are responsible for the other information contained within the 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. 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 course of 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 Council Members' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Council Members' report has been prepared in accordance with applicable legal requirements.

RSSKL LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF RSSKL LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Council Members' 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, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- the Council Members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Council Members' report and from the requirement to prepare a strategic report.

Responsibilities of Council Members

As explained more fully in the statement of Council Members' responsibilities, the Council Members, who are also the directors of the charity for the purpose 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 Council Members 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 Council Members are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council Members 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 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

RSSKL LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF RSSKL LTD

In identifying and assessing the risk of material misstatement in respect of irregularities, including fraud, we:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the company operates in and how the company complies with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are The Charities SORP (FRS 102), Companies Act 2006 and the Charities Act 2011. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements, including the Directors' report, remaining alert to new or unusual transactions which may not be in accordance with the governing document.

The most significant laws and regulations that have an indirect impact on the financial statements are the compliance with relevant health and safety law and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

We identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included, but were not limited to, testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and 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 is available on the Financial Reporting Council's website at: <https://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.

Knill James LLP

David Martin FCA (Senior Statutory Auditor)
for and on behalf of Knill James LLP

3 May 2024

Chartered Accountants
Statutory Auditor

One Bell Lane
Lewes
East Sussex
BN7 1JU

RSSKL LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	2,703	-	2,703	315	-	315
Investments	4	394,815	-	394,815	339,624	-	339,624
Total income		<u>397,518</u>	<u>-</u>	<u>397,518</u>	<u>339,939</u>	<u>-</u>	<u>339,939</u>
Charitable activities	5	499,153	-	499,153	436,857	-	436,857
Other expenditure	9	3,740	-	3,740	2,911	-	2,911
Total expenditure		<u>502,893</u>	<u>-</u>	<u>502,893</u>	<u>439,768</u>	<u>-</u>	<u>439,768</u>
Net losses on investments	10	(395,000)	-	(395,000)	(123,554)	-	(123,554)
Net expenditure		<u>(500,375)</u>	<u>-</u>	<u>(500,375)</u>	<u>(223,383)</u>	<u>-</u>	<u>(223,383)</u>
Other recognised gains and losses:							
Actuarial gains on defined benefit pension schemes		384,000	-	384,000	186,000	-	186,000
Net movement in funds		<u>(116,375)</u>	<u>-</u>	<u>(116,375)</u>	<u>(37,383)</u>	<u>-</u>	<u>(37,383)</u>
Reconciliation of funds:							
Fund balances at 1 August 2022		<u>1,358,897</u>	<u>98,270</u>	<u>1,457,167</u>	<u>1,396,280</u>	<u>98,270</u>	<u>1,494,550</u>
Fund balances at 31 July 2023		<u><u>1,242,522</u></u>	<u><u>98,270</u></u>	<u><u>1,340,792</u></u>	<u><u>1,358,897</u></u>	<u><u>98,270</u></u>	<u><u>1,457,167</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.


RSSKL LTD

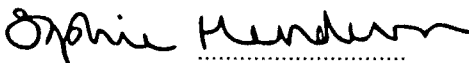
BALANCE SHEET


AS AT 31 JULY 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		1,021,558		1,050,945
Investment property	13		2,035,000		2,430,000
Investments	14		6,654		6,654
			<u>3,063,212</u>		<u>3,487,599</u>
Current assets					
Debtors	15	31,259		44,596	
Cash at bank and in hand		66,445		51,393	
		<u>97,704</u>		<u>95,989</u>	
Creditors: amounts falling due within one year	17	563,124		485,421	
Net current liabilities			<u>(465,420)</u>		<u>(389,432)</u>
Total assets less current liabilities			<u>2,597,792</u>		<u>3,098,167</u>
Provisions for liabilities			<u>(1,257,000)</u>		<u>(1,641,000)</u>
Net assets			<u>1,340,792</u>		<u>1,457,167</u>
The funds of the charity					
Restricted income funds	20		98,270		98,270
Unrestricted funds			1,242,522		1,358,897
			<u>1,340,792</u>		<u>1,457,167</u>

The financial statements were approved by the Council Members on 30th April 2024.


S Cook
Trustee


S Henderson
Trustee


A Marcuson
Trustee

Company registration number 395056 (England and Wales)

RSSKL LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	24		(405,525)		(345,382)
Investing activities					
Purchase of tangible fixed assets		-		(15,438)	
Investment income received		394,815		339,624	
Net cash generated from investing activities			394,815		324,186
Financing activities					
Repayment of borrowings		25,762		-	
Net cash generated from/(used in) financing activities			25,762		-
Net increase/(decrease) in cash and cash equivalents			15,052		(21,196)
Cash and cash equivalents at beginning of year			51,393		72,589
Cash and cash equivalents at end of year			66,445		51,393

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

Charity information

RSSKL Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Langley Hill, Kings Langley, Hertfordshire, WD4 9HG.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The Council Members have a reasonable expectation that the charity will continue in operational existence for the foreseeable future, however, the Council Members are aware of certain material uncertainties which may cast doubt on the charity's ability to continue as a going concern.

The Council Members' report discusses the pressures that the charity has been under over the past few years and states their strategy for the future. The members' are preparing for the sale of certain ancillary residential properties owned by the charity to gather sufficient funds to enable it to meet its current liabilities and achieve an orderly settlement of all outstanding liabilities, including, amounts due on exit from the pension scheme. On completion of the sale of those assets, the educational assets of the charity including any remaining funds, restricted for educational purposes, and any amounts owed to it, will be transferred to a successor charity in order to enable the school to operate as intended. Once the transfer is complete, the intention of the members' is to voluntarily wind up the charity on a solvent basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Council Members in furtherance of their charitable objectives.

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Fundraising income is shown gross with the associated costs included in costs of fundraising.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them, including allocated governance costs.

Governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on estimated usage as a proportion of directly attributable expenditure.

1.6 Tangible 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 of a capital nature with a useful economic life in excess of 12 months and costing over £500 are capitalised.

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

Freehold property	1% & 4% per annum on cost
Furniture & fittings	10% per annum on the reducing balance
Equipment & computer	10% & 25% per annum on the reducing balance
Motor vehicles	25% on the reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 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.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include 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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including 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. Financial liabilities classified as payable within one year are not amortised.

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 operations from suppliers. Amounts payable 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.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The charity belongs to the Mercury Provident Pension Scheme which is a defined benefit scheme. This is a collective scheme for a number of employers.

The pension costs charged in the financial statements represent the contributions payable by the charity during the year. The Mercury Provident Pension Scheme is now closed and with effect from 1 January 2009 existing members at that date were given the opportunity to transfer to a defined contribution scheme administered by The Pension Trust Company.

It is not possible to identify the charity's share of the net assets and liabilities of the defined benefit pension scheme. The provision of the liability is recognised on the basis of the estimate of the debt due at that time provided by the scheme's actuary, with the net movement on the provision recognised in income/(expenditure) for the year.

1.13 Value added tax

VAT is not recoverable by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

(Continued)

1.14 Fund accounting

Unrestricted funds – the charity's unrestricted fund consists of funds which the charity will use to fulfil its general charitable objectives (at the discretion of the Trustees).

Designated funds - these are funds set aside by the Trustees for a particular purpose.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor.

2 Critical accounting estimates and judgements

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

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

Critical judgements

Depreciation

The charity exercises judgement to determine useful lives and residual values of intangibles, property, plant and equipment and investment property. The assets are depreciated down to their residual values over their estimated useful lives.

Bad debt provision

The charity reviews each individual debt at the year end and forms a judgement as to the likelihood of recovery at that date. Where, in the opinion of the charity, there is sufficient uncertainty as to recovery an appropriate provision is made against the debt.

Pension liability valuation

The charity reviews at each reporting date the estimate of debt due on ceasing participation with the multi-employer defined benefit pension scheme. The scheme actuary provides to management an estimate of the Section 75 debt that would be payable on ceasing participation, without segregating. This estimate reflects the current membership of the scheme and the market conditions at the time of valuation.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	2,703	315

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	394,619	339,616
Interest receivable	196	8
	<u>394,815</u>	<u>339,624</u>

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

5 Charitable activities	Education costs		Property Administration costs		Total		Education costs		Property Administration costs		Total	
	2023	£	2023	£	2023	£	2022	£	2022	£	2022	£
Staff costs	124,950		-		124,950		124,248		-		124,248	
Depreciation and impairment	29,387		-		29,387		29,939		-		29,939	
Classroom accounts, trips and plays	86,874		-		86,874		48,449		-		48,449	
Rent and rates	-		63,223		63,223		-		17,181		17,181	
Insurance	-		19,319		19,319		-		21,717		21,717	
Light and heat	-		41,783		41,783		-		50,933		50,933	
Cleaning	-		24,388		24,388		-		78,195		78,195	
Printing, stationery and advertising	-		19,644		16,645	(2,999)	-		-		58	
Subscriptions, telephone and computer	-		-		2,007		-		-		717	
Sundry expenses	-		-		9,733		-		-		9,600	
	241,211		168,357		418,309		202,636		168,026		381,037	
Share of support costs (see note 6)	65,452		-		65,452		43,010		-		43,010	
Share of governance costs (see note 6)	-		-		15,392	15,392	-		-		12,810	
	306,663		168,357		499,153		245,646		168,026		436,857	

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

6 Support costs allocated to activities

	2023 £	2022 £
Staff costs	19,406	19,444
Bank charges and interest	40	109
Legal and professional	46,006	23,457
Governance costs	15,392	12,810
	<u>80,844</u>	<u>55,820</u>
Analysed between:		
Support costs	65,452	43,010
Governance costs	15,392	12,810
	<u>80,844</u>	<u>55,820</u>
	2023	2022
	£	£
Governance costs comprise:		
Audit fees	15,392	12,810
	<u>15,392</u>	<u>12,810</u>

7 Council Members

None of the Council Members (or any persons connected with them) received any remuneration or benefits from the charity during the year. No expenses were reimbursed to the trustees during the year (2022 - None)

The key management personnel for the year were the Trustees and their remuneration was £nil.

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Administration & Support	<u>1</u>	<u>1</u>
Employment costs	2023	2022
	£	£
Wages and salaries	19,406	19,444
Other pension costs	124,950	124,248
	<u>144,356</u>	<u>143,692</u>

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

8 Employees (Continued)

There were no employees whose annual remuneration was more than £60,000.

9 Other

	Unrestricted funds general 2023	Unrestricted funds general 2022
Financing costs	3,740	2,911
	<u>3,740</u>	<u>2,911</u>

10 Net gains/(losses) on investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Net gain/(loss) on investments	-	(3,554)
Revaluation of investment properties	(395,000)	(120,000)
	<u>(395,000)</u>	<u>(123,554)</u>

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

12 Tangible fixed assets

	Freehold property £	Furniture & fittings £	Equipment & computer £	Motor vehicles £	Total £
Cost					
At 1 August 2022	1,395,005	626,542	149,113	21,243	2,191,903
At 31 July 2023	1,395,005	626,542	149,113	21,243	2,191,903
Depreciation and impairment					
At 1 August 2022	392,612	579,873	147,382	21,091	1,140,958
Depreciation charged in the year	24,244	4,671	434	38	29,387
At 31 July 2023	416,856	584,544	147,816	21,129	1,170,345
Carrying amount					
At 31 July 2023	978,149	41,998	1,297	114	1,021,558
At 31 July 2022	1,002,393	46,669	1,731	152	1,050,945

13 Investment property

	2023 £
Fair value	
At 1 August 2022	2,430,000
Net gains or losses through fair value adjustments	(395,000)
At 31 July 2023	2,035,000

The fair value of the investment property has been arrived at on the basis of a valuation carried by the Trustees. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2023 £	2022 £
Cost	87,429	87,429
Accumulated depreciation	43,795	(42,921)
Carrying amount	131,224	44,508

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

13 Investment property (Continued)

	2023 £	2022 £
Freehold	43,634	44,508

14 Fixed asset investments

	Unlisted investments £
Cost or valuation At 1 August 2022 & 31 July 2023	6,654
Carrying amount At 31 July 2023	6,654
At 31 July 2022	6,654

The investment represents 135 Depository Receipts of Triodos Bank BV. They had a market value of €59 at 31 July 2022 translated at a rate of 0.8354.

15 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	12,294	16,638
Other debtors	7,154	7,154
Prepayments and accrued income	11,811	20,804
	31,259	44,596

16 Loans and overdrafts

	2023 £	2022 £
Other loans	233,634	207,872
Payable within one year	233,634	207,872

The loan is secured by fixed charges over the land and buildings of the charity.

Interest is charged at 1.25% per annum on the drawn-down and not repaid amount. The capital is repayable in full in December 2023.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

17 Creditors: amounts falling due within one year

	2023	2022
	£	£
Borrowings	233,634	207,872
Other taxation and social security	(791)	(791)
Trade creditors	101,611	47,433
Other creditors	54,471	56,035
Accruals and deferred income	174,199	174,872
	<u>563,124</u>	<u>485,421</u>

18 Provisions for liabilities

	Notes	2023	2022
		£	£
Retirement benefit obligations	19	1,257,000	1,641,000
		<u>1,257,000</u>	<u>1,641,000</u>

The provision made in the accounts represents the amount which will fall due at the point that the charity ceases participating in the scheme.

19 Retirement benefit schemes

Rudolf Steiner School Kings Langley Limited makes contributions to a defined contribution stakeholder scheme. The charge to the profit and loss in respect of defined contribution schemes was £781 (2022 - £1,121).

Defined benefit schemes

The charity and other employers participate in the Mercury Provident Pension Scheme, that provides benefits on the basis of final pensionable pay for participants. The assets of the scheme are held separately from those of the charity and invested by a pension fund management company.

Readers of these financial statements should also be aware that the liability arising from the scheme is joint and several amongst participating institutions.

As it is impractical to attempt to extract that part of the total scheme attributable to RSSKL, and as the charity has the intention of exiting the scheme in the near term, the pension deficit has been included in the balance sheet of the charity calculated on the basis of the estimate of the debt due at that time. The scheme actuary has provided an estimate of the Section 75 debt that would be payable on ceasing participation, without segregating.

Contributions continue to be made each month to ensure that the liability does not increase. Total contributions for the year were £113,175 in addition to the pension levy of £9,332.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 August 2022 £	At 31 July 2023 £
Bursary fund	63,250	63,250
Classroom funds	28,666	28,666
K L Concert fund	2,877	2,877
Hockey Club	1,352	1,352
Teacher wish list	500	500
Music department legacy	1,625	1,625
	<u>98,270</u>	<u>98,270</u>

Previous year:	At 1 August 2021 £	At 31 July 2022 £
Bursary fund	63,250	63,250
Classroom funds	28,666	28,666
K L Concert fund	2,877	2,877
Hockey Club	1,352	1,352
Teacher wish list	500	500
Music department legacy	1,625	1,625
	<u>98,270</u>	<u>98,270</u>

Restricted funds:

Bursary fund	- to assist with children's education in extraordinary circumstances
Classroom funds	- are donations made by parents for use by the class
K L Concert fund	- organisation of concerts
Hockey Club	- donations made by parents towards the club's activities
Teacher wish list	- donations towards teacher's wish list
Music department legacy	- donation made by an individual towards the department's activities

The Council Members have undertaken a review of restricted funds. Transfers from unrestricted to restricted funds have been processed to eliminate any shortfall in such funds. As the charity is currently not operational, the Council Members intend to transfer these funds to a new entity which will re-commence activities and therefore spend these funds on their intended purposes.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

21 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 July 2023 are represented by:						
Tangible assets	1,021,558	-	1,021,558	1,050,945	-	1,050,945
Investment properties	2,035,000	-	2,035,000	2,430,000	-	2,430,000
Investments	6,654	-	6,654	6,654	-	6,654
Current assets/(liabilities)	(563,690)	98,270	(465,420)	(487,702)	98,270	(389,432)
Provisions and pensions	(1,257,000)	-	(1,257,000)	(1,641,000)	-	(1,641,000)
	<u>1,242,522</u>	<u>98,270</u>	<u>1,340,792</u>	<u>1,358,897</u>	<u>98,270</u>	<u>1,457,167</u>

22 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

23 Analysis of changes in net (debt)/funds

	At 1 August 2022 £	Cash flows £	At 31 July 2023 £
Cash at bank and in hand	51,393	15,052	66,445
Loans falling due within one year	(207,872)	(25,762)	(233,634)
	<u>(156,479)</u>	<u>(10,710)</u>	<u>(167,189)</u>

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

24 Cash generated from operations	2023 £	2022 £
Deficit for the year	(500,375)	(223,383)
Adjustments for:		
Investment income recognised in statement of financial activities	(394,815)	(339,624)
Fair value gains and losses on investment properties	395,000	120,000
Fair value gains and losses on investments	-	3,554
Depreciation and impairment of tangible fixed assets	29,387	29,939
Movements in working capital:		
Decrease/(increase) in debtors	13,337	(6,354)
Increase in creditors	51,941	70,486
Cash absorbed by operations	<u>(405,525)</u>	<u>(345,382)</u>
Difference	<u>384,000</u>	<u>186,000</u>
Per cash flow statement page	<u>(21,525)</u>	<u>(159,382)</u>

RSSKL Ltd

England & Wales - Charity number 311027

Accounts

Charity registration number 311027

Company registration number 395056 (England and Wales)

RSSKL LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

RSSKL LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Council Members	S Cook S Henderson A Marcuson
Charity number	311027
Company number	395056
Registered office	Langley Hill Kings Langley Hertfordshire WD4 9HG
Auditor	Knill James LLP One Bell Lane Lewes East Sussex BN7 1JU

RSSKL LTD

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RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2022

The Council Members present their annual report and financial statements for the year ended 31 July 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (effective 1 January 2019).

Definition: "the Council of Trustees", "Council Members", "Trustees" or "trustees" when used in this report should be considered in the same context.

Objectives and activities

The charitable objectives of RSSKL as stated in its Memorandum of Association are:

To establish and carry on at Kings Langley a school where pupils, scholars and students may obtain on moderate terms a sound general education upon the principals inaugurated by Rudolf Steiner.

The Trustees remain committed to facilitating the establishment of a Steiner Waldorf school on the RSSKL site at the earliest opportunity, in collaboration with the SWSF and the international Steiner Waldorf movement. The Trustees' vision and strategy for achieving this has been articulated, presented to the Association membership and is in the process of being executed by the Trustees.

The Trustees' vision and strategy for achieving this has been communicated to the RSSKL Association previously and is being implemented.

Charity Commission

The Trustees have been in regular dialogue with the Charity Commission to keep them updated on all aspects of the Charity's activities.

Changes in Management and Staffing

The following members of the Council of Trustees were active Council Members on 31 July 2022 and are still active today:

- Stefanie Cook
- Sophie Henderson
- Annie Marcuson

The following members of the Council of Trustees resigned on 4 August 2022:

- Erdmute Brownlee

Robert Monk is employed by RSSKL as site manager. He works full time and lives on site.

Legal advice to the Charity has been provided by Stone King until the end of 2020 and by Russell Cooke since the beginning of 2021. The Charity also obtains occasional legal, property, strategic and financial advice from experienced volunteers with relevant backgrounds.

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2022

Achievements and performance

Significant Events in the Financial Year 2021/22 and Plans Going Forward

Financial stability

A detailed strategic and financial plan was developed by the Trustees with suitable financial input in early 2021, which concluded that RSSKL's historic liabilities can be settled if properties owned by the Charity which are not critical to realising its objects are sold off. This mainly refers to residential units that have been occupied by teaching staff in the past in the Grade II* listed Old Priory complex (including the Old Priory itself) and Coombe House (formerly known as The Cottage).

On the strength of the strategic and financial plan, the Charity was able to secure and continues to benefit from a three-year, €360,000 bridging facility (provided in tranches) from the German Freunde der Erziehungskunst, which is secured against one of the residential properties. The interest rate payable on this loan remains significantly below market rate, especially in the current, higher interest rate environment and given the limited visibility on alternative income opportunities for the Charity. Having taken suitable financial advice, it is the Trustees' view that the lower interest rate more than offsets the additional currency risk taken as a result of the Euro-denomination of the loan.

A portion of the final tranche of the bridging loan from the Freunde der Erziehungskunst has not been drawn down and remains available, if needed. However, the Trustees have committed to repaying the loan from the proceeds of the Coombe House sale on completion.

In the meantime, the Trustees have continued to generate alternative sources of income from the RSSKL site, mainly from short-term rental contracts with film production companies. This provides income to help cover some of the operating expenses of the site, while the residential units are being marketed and until sufficient funds are generated through property sales to pay-off the Charity's pension liability (see below) and certain lesser historic liabilities.

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2022

Activities in pursuance of RSSKL's charitable objects

The Charity has continued to be in close dialogue with the SWSF to develop strategic plans for how the RSSKL site with its remaining assets, once unencumbered, can provide a basis for a new Steiner Waldorf school to be established by a suitable operator, in line with the Charity's objects. These discussions are ongoing.

The Charity also continues to offer its properties for use by the Steiner community and for local community activities that could assist a new Steiner Waldorf school successfully establishing in the future. The Kings Langley Biodynamic Allotments group (which utilise and popularise Steiner's methodology of biodynamic agriculture) remains a very active voluntary setting on the site. In addition, there were numerous local groups and activities linked to or supportive of the Steiner community which continued to operate on the site, including:

- Steiner Parent and Child group
- Anthroposophical study group
- A second Advent Fair for the RSSKL community organised by the St Albans Steiner Kindergarten
- Seasonal apple picking with the community
- Pressing apples to make juice for the local community, raising funds for the Parent and Child group
- Bio-dynamic allotments with seasonal community activities
- Sourdough bread making workshop
- Lumina Choir rehearsals
- Nia dance sessions
- Cricket practice sessions
- Football classes
- Boot camp sessions
- Kings Langley Community choir practice
- Watford symphony orchestra rehearsal
- Smash Arts - performing arts school
- Celtic Hearts Irish dancing competition
- Jayne Marie School of Dance performance
- Gobstoppers children's theatre rehearsal and performance
- The Village School of Dance performance

Intended property sales

The Trustees have continued to work with local planners and Historic England regarding the proposed sale of ancillary properties. The relevant surveys and reports necessary before bringing the residential units to the market have now all been completed (including section 119 Charities Act reports by chartered surveyors Rumball Sedgwick).

The Priory complex has been marketed by Savills, and Coombe House initially by Proffitt & Holt and then by Castles from 28 December 2022, in each case in line with the section 119 report recommendations by Rumball Sedgwick.

Once a buyer for Coombe house has been found, the loan to the Freunde der Erziehungskunst will be repaid and the segregation of the Charity's pension liabilities from the Mercury Provident Pension Fund scheme will take place, in a first step towards paying off the entire pension liability, once The Priory complex sale completes. Regarding The Priory complex, the Trustees are in the process of agreeing Heads of Terms with a reputable developer who has had much experience with Historic England and the Dacorum Planning department. The sales process is expected to take between 18 months and 3 years, due to the regulatory complexities associated with the site (e.g. listed buildings, ancient monument requirements, etc.) and its integrated nature, in terms of overlapping spaces and joint areas and infrastructure.

The Trustees have been in discussions over a claimed right of way over part of the RSSKL land, which claim is now likely to proceed to determination by the Land Tribunal on referral by the Land Registry.

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2022

Financial review

Statement of Financial Activities

As stated earlier, bridging finance from the Freunde der Erziehungskunst in Germany has been obtained on favourable terms to tide the charity over. So far, RSSKL has received in the region of £237,000. The Trustees have worked closely with the Executive Director Freunde der Erziehungskunst, Nana Goebel, and are grateful for her support and guidance.

Mercury Provident Pension Fund

The RSSKL school's historic pension fund, unlike many other defined benefit schemes in the UK, is running at a deficit, in this case of circa £1.65M. The deficit is the result of a combination of factors, including contributions being underpaid in past years, the costs of running the fund being capitalised, the Charity being part of a group scheme (which means that if any company in the group defaults, other scheme employers have to pick up the deficit) and scheme participants living longer with investment returns not covering the forecast requirements.

The Charity entered into an agreement with the Pension Trustee to make monthly catch-up payments in 2009 and has done so since. Monthly contributions to the scheme are currently payable at approximately £8,000. These catch-up payments are reviewed every two years and adjusted accordingly.

As stated in last year's financial report, confident in the strategy being adopted by the Trustees and the greater financial stability of RSSKL, the Pension Trustee has decided that RSSKL do not now need to place a charge over any building as security for the pension deficit liability. This has saved a considerable amount of time and legal fees for the Charity.

Structure, governance and management

The Charity is constituted as a company limited by guarantee. It is governed by a Memorandum and Articles of Association.

The company's Articles of Association require that an AGM be held once a year. The Association's AGM for the year ended 31 July 2022 was a hybrid one, held in the Theatre at the former school and online on 4 July 2022. It was attended by 20 members. The Association had 91 members as of 31 July 2022.

Council Members:

S Cook

S Henderson

A Marcuson

E Brownlee

(Resigned 4 July 2022)

Auditor

In accordance with the company's articles, a resolution proposing that Knill James LLP be reappointed as auditor of the company will be put at a General Meeting.

RSSKL LTD


COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2022

Disclosure of information to auditor

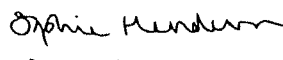
So far as the directors are aware, there is no relevant audit information of which the charity's auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charity's auditors are aware of that information.

The Council Members' report was approved by the Board of Council Members.



S Cook
Council Member


A Marasson
Council Member


S Henderson
Council member

Date: 27th April 2023

RSSKL LTD

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2022

The Council Members, who are also the directors of RSSKL Ltd for the purpose of company law, are responsible for preparing the Council Members' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Council Members to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Council Members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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.

RSSKL LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RSSKL LTD

Opinion

We have audited the financial statements of RSSKL Ltd (the 'charity') for the year ended 31 July 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 July 2022 and of its incoming resources and application of resources, including 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements which describes the current uncertainty surrounding the issues facing the School in the current climate. As stated in note 1.2, these events indicate that a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Council Members are responsible for the other information contained within the 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. 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 course of 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 Council Members' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Council Members' report has been prepared in accordance with applicable legal requirements.

RSSKL LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RSSKL LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Council Members' 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, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- the Council Members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Council Members' report and from the requirement to prepare a strategic report.

Responsibilities of Council Members

As explained more fully in the statement of Council Members' responsibilities, the Council Members, who are also the directors of the charity for the purpose 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 Council Members 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 Council Members are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council Members 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 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

RSSKL LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF RSSKL LTD

In identifying and assessing the risk of material misstatement in respect of irregularities, including fraud, we:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the company operates in and how the company complies with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are The Charities SORP (FRS 102), Companies Act 2006 and the Charities Act 2011. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements, including the Directors' report, remaining alert to new or unusual transactions which may not be in accordance with the governing document.

The most significant laws and regulations that have an indirect impact on the financial statements are the compliance with relevant health and safety law and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

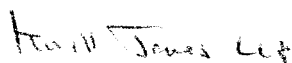
We identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included, but were not limited to, testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and 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 is available on the Financial Reporting Council's website at: <https://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.



David Martin FCA (Senior Statutory Auditor)
for and on behalf of Knill James LLP

28 April 2023

Chartered Accountants
Statutory Auditor

One Bell Lane
Lewes
East Sussex
BN7 1JU

RSSKL LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<u>Income and endowments from:</u>					
Donations and fundraising	3	315	-	315	-
Rental income & investments	4	339,624	-	339,624	129,598
Other income	5	-	-	-	479
Total income		339,939	-	339,939	130,077
<u>Expenditure on:</u>					
Charitable activities	6	436,857	-	436,857	311,184
Other	10	2,911	-	2,911	(2,738)
Total expenditure		439,768	-	439,768	308,446
Net gains/(losses) on investments	11	(123,554)	-	(123,554)	2,504,618
Net (outgoing)/incoming resources		(223,383)	-	(223,383)	2,326,249
Other recognised gains and losses					
Actuarial gain on defined benefit pension schemes		186,000	-	186,000	63,000
Net movement in funds		(37,383)	-	(37,383)	2,389,249
Fund balances at 1 August 2021		1,396,280	98,270	1,494,550	(894,699)
Fund balances at 31 July 2022		1,358,897	98,270	1,457,167	1,494,550

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

RSSKL LTD

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

Prior financial year				
		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes			
<u>Income and endowments from:</u>				
Rental income & investments	4	129,598	-	129,598
Other income	5	479	-	479
Total income		130,077	-	130,077
<u>Expenditure on:</u>				
Charitable activities	6	311,184	-	311,184
Other	10	(2,738)	-	(2,738)
Total expenditure		308,446	-	308,446
Net gains/(losses) on investments	11	2,504,618	-	2,504,618
Net (outgoing)/incoming resources		2,326,249	-	2,326,249
Other recognised gains and losses				
Actuarial gain on defined benefit pension schemes		63,000	-	63,000
Net movement in funds		2,389,249	-	2,389,249
Fund balances at 1 August 2020		(992,969)	98,270	(894,699)
Fund balances at 31 July 2021		1,396,280	98,270	1,494,550

RSSKL LTD

BALANCE SHEET


AS AT 31 JULY 2022

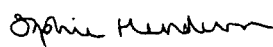
	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	12		1,050,945		1,065,446
Investment properties	13		2,430,000		2,550,000
Investments	14		6,654		10,208
			<u>3,487,599</u>		<u>3,625,654</u>
Current assets					
Debtors	15	44,596		38,242	
Cash at bank and in hand		51,393		72,589	
		<u>95,989</u>		<u>110,831</u>	
Creditors: amounts falling due within one year	17	(485,421)		(414,935)	
Net current liabilities			<u>(389,432)</u>		<u>(304,104)</u>
Total assets less current liabilities			3,098,167		3,321,550
Provisions for liabilities	18		(1,641,000)		(1,827,000)
Net assets			<u>1,457,167</u>		<u>1,494,550</u>
Income funds					
Restricted funds	20		98,270		98,270
Unrestricted funds - general			1,358,897		1,396,280
			<u>1,457,167</u>		<u>1,494,550</u>

The financial statements were approved by the Council Members on 27 April 2023



S Cook
Trustee


A Morcison
Trustee


S Henderson
Trustee

Company registration number 395056

RSSKL LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2022

		2022		2021	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	23		(345,382)		(352,952)
Investing activities					
Purchase of tangible fixed assets		(15,438)		-	
Investment income received		339,624		129,598	
Net cash generated from investing activities			324,186		129,598
Financing activities					
Repayment of borrowings		-		207,872	
Net cash (used in)/generated from financing activities			-		207,872
Net decrease in cash and cash equivalents			(21,196)		(15,482)
Cash and cash equivalents at beginning of year			72,589		88,071
Cash and cash equivalents at end of year			51,393		72,589

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

Charity information

RSSKL Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Langley Hill, Kings Langley, Hertfordshire, WD4 9HG.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The Council Members have a reasonable expectation that the charity will continue in operational existence for the foreseeable future, however, the Council Members are aware of certain material uncertainties which may cast doubt on the charity's ability to continue as a going concern.

The Council Members' report discusses the pressures that the charity has been under over the past few years and states their strategy for the future. The members' are preparing for the sale of certain ancillary residential properties owned by the charity to gather sufficient funds to enable it to meet its current liabilities and achieve an orderly settlement of all outstanding liabilities, including, amounts due on exit from the pension scheme. On completion of the sale of those assets, the educational assets of the charity including any remaining funds, restricted for educational purposes, and any amounts owed to it, will be transferred to a successor charity in order to enable the school to operate as intended. Once the transfer is complete, the intention of the members' is to voluntarily wind up the charity on a solvent basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Council Members in furtherance of their charitable objectives.

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Fundraising income is shown gross with the associated costs included in costs of fundraising.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them, including allocated governance costs.

Governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on estimated usage as a proportion of directly attributable expenditure.

1.6 Tangible 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 of a capital nature with a useful economic life in excess of 12 months and costing over £500 are capitalised.

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

Freehold property	1% & 4% per annum on cost
Furniture & fittings	10% per annum on the reducing balance
Equipment & computer	10% & 25% per annum on the reducing balance
Motor vehicles	25% on the reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 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.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include 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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including 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. Financial liabilities classified as payable within one year are not amortised.

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 operations from suppliers. Amounts payable 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.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The charity belongs to the Mercury Provident Pension Scheme which is a defined benefit scheme. This is a collective scheme for a number of employers.

The pension costs charged in the financial statements represent the contributions payable by the charity during the year. The Mercury Provident Pension Scheme is now closed and with effect from 1 January 2009 existing members at that date were given the opportunity to transfer to a defined contribution scheme administered by The Pension Trust Company.

It is not possible to identify the charity's share of the net assets and liabilities of the defined benefit pension scheme. The provision of the liability is recognised on the basis of the estimate of the debt due at that time provided by the scheme's actuary, with the net movement on the provision recognised in income/(expenditure) for the year.

1.13 Value added tax

VAT is not recoverable by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

1.14 Fund accounting

Unrestricted funds – the charity's unrestricted fund consists of funds which the charity will use to fulfil its general charitable objectives (at the discretion of the Trustees).

Designated funds - these are funds set aside by the Trustees for a particular purpose.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor.

2 Critical accounting estimates and judgements

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

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

Critical judgements

Depreciation

The charity exercises judgement to determine useful lives and residual values of intangibles, property, plant and equipment and investment property. The assets are depreciated down to their residual values over their estimated useful lives.

Bad debt provision

The charity reviews each individual debt at the year end and forms a judgement as to the likelihood of recovery at that date. Where, in the opinion of the charity, there is sufficient uncertainty as to recovery an appropriate provision is made against the debt.

Pension liability valuation

The charity reviews at each reporting date the estimate of debt due on ceasing participation with the multi-employer defined benefit pension scheme. The scheme actuary provides to management an estimate of the Section 75 debt that would be payable on ceasing participation, without segregating. This estimate reflects the current membership of the scheme and the market conditions at the time of valuation.

3 Donations and fundraising

	Unrestricted funds general 2022 £	Total 2021 £
Donations and gifts	315	-

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

4 Rental income & investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Rental income	339,616	129,094
Interest receivable	8	504
	<u>339,624</u>	<u>129,598</u>

5 Other income

	Total 2022 £	Unrestricted funds general 2021 £
Other income	-	479
	<u>-</u>	<u>479</u>

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

6 Charitable activities

	Education costs		Property Administration costs		Total 2022		Education costs		Property Administration costs		Total 2021	
	2022	£	2022	£	£	£	2021	£	2021	£	2021	£
Staff costs	124,248		-		124,248		109,093		-		109,093	
Depreciation and impairment	29,939		-		29,939		30,652		-		30,652	
Classroom accounts, trips and plays	48,449		-		48,449		12,367		-		12,367	
Rent and rates	-		17,181		17,181		-		3,719		3,719	
Insurance	-		21,717		21,717		-		12,988		12,988	
Light and heat	-		50,933		50,933		-		21,064		21,064	
Cleaning	-		78,195		78,195		-		30,921		30,921	
Printing, stationery and advertising	-		-		58		-		-		2,997	
Subscriptions, telephone and computer	-		-		717		-		-		23,902	
Sundry expenses	-		-		9,600		-		-		1,711	
	202,636		168,026		381,037		152,112		68,692		249,414	
Share of support costs (see note 7)	43,010		-		43,010		51,011		-		51,011	
Share of governance costs (see note 7)	-		-		12,810		-		-		10,759	
	245,646		168,026		436,857		203,123		68,692		311,184	

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	19,444	-	19,444	8,866	-	8,866
Bank charges and interest	109	-	109	303	-	303
Legal and professional	23,457	-	23,457	41,842	-	41,842
Audit fees	-	12,810	12,810	-	10,759	10,759
	<u>43,010</u>	<u>12,810</u>	<u>55,820</u>	<u>51,011</u>	<u>10,759</u>	<u>61,770</u>
Analysed between Charitable activities	<u>43,010</u>	<u>12,810</u>	<u>55,820</u>	<u>51,011</u>	<u>10,759</u>	<u>61,770</u>

8 Council Members

None of the Council Members (or any persons connected with them) received any remuneration or benefits from the charity during the year. No expenses were reimbursed to the trustees during the year (2021 - None)

The key management personnel for the year were the Trustees and their remuneration was £nil.

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administration & Support	<u>1</u>	<u>1</u>
Employment costs	2022	2021
	£	£
Wages and salaries	19,444	7,655
Other pension costs	124,248	110,304
	<u>143,692</u>	<u>117,959</u>

There were no employees whose annual remuneration was more than £60,000.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

10 Other

	Unrestricted funds general 2022	Unrestricted funds general 2021
Financing costs	2,911	(2,738)
	<u>2,911</u>	<u>(2,738)</u>

11 Net gains/(losses) on investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Net gain/(loss) on investments	(3,554)	-
Revaluation of investment properties	(120,000)	2,504,618
	<u>(123,554)</u>	<u>2,504,618</u>

12 Tangible fixed assets

	Freehold property £	Furniture & fittings £	Equipment & Motor computer vehicles £	£	Total £
Cost					
At 1 August 2021	1,380,005	626,542	148,675	21,243	2,176,465
Additions	15,000	-	438	-	15,438
At 31 July 2022	<u>1,395,005</u>	<u>626,542</u>	<u>149,113</u>	<u>21,243</u>	<u>2,191,903</u>
Depreciation and impairment					
At 1 August 2021	368,368	574,659	146,951	21,041	1,111,019
Depreciation charged in the year	24,244	5,214	431	50	29,939
At 31 July 2022	<u>392,612</u>	<u>579,873</u>	<u>147,382</u>	<u>21,091</u>	<u>1,140,958</u>
Carrying amount					
At 31 July 2022	<u>1,002,393</u>	<u>46,669</u>	<u>1,731</u>	<u>152</u>	<u>1,050,945</u>
At 31 July 2021	<u>1,011,637</u>	<u>51,883</u>	<u>1,724</u>	<u>202</u>	<u>1,065,446</u>

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

13 Investment property

	2022 £
Fair value	
At 1 August 2021	2,550,000
Net gains or losses through fair value adjustments	(120,000)
At 31 July 2022	<u>2,430,000</u>

The fair value of the investment property has been arrived at on the basis of a valuation carried by the Trustees. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2022 £	2021 £
Cost	87,429	87,429
Accumulated depreciation	(42,921)	(42,047)
Carrying amount	<u>44,508</u>	<u>45,382</u>

	2022 £	2021 £
Freehold	<u>44,508</u>	<u>45,382</u>

14 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 August 2021	10,208
Valuation changes	(3,554)
At 31 July 2022	<u>6,654</u>
Carrying amount	
At 31 July 2022	<u>6,654</u>
At 31 July 2021	<u>10,208</u>

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

14 Fixed asset investments

(Continued)

The investment represents 135 Depository Receipts of Triodos Bank BV. They had a market value of €59 at 31 July 2022 translated at a rate of 0.8354.

15 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	16,638	20,445
Other debtors	7,154	7,784
Prepayments and accrued income	20,804	10,013
	<u>44,596</u>	<u>38,242</u>

16 Loans and overdrafts

	2022	2021
	£	£
Other loans	<u>207,872</u>	<u>207,872</u>
Payable within one year	<u>207,872</u>	<u>207,872</u>

The loan is secured by fixed charges over the land and buildings of the charity.

Interest is charged at 1.25% per annum on the drawn-down and not repaid amount. The capital is repayable in full in June 2023.

17 Creditors: amounts falling due within one year

	2022	2021
	£	£
Borrowings	207,872	207,872
Other taxation and social security	(791)	(791)
Trade creditors	47,433	10,141
Other creditors	56,035	57,229
Accruals and deferred income	174,872	140,484
	<u>485,421</u>	<u>414,935</u>

18 Provisions for liabilities

	Notes	2022	2021
		£	£
Retirement benefit obligations	19	<u>1,641,000</u>	<u>1,827,000</u>
		<u>1,641,000</u>	<u>1,827,000</u>

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

19 Retirement benefit schemes

Defined contribution schemes

Rudolf Steiner School Kings Langley Limited makes contributions to a defined contribution stakeholder scheme. The charge to the profit and loss in respect of defined contribution schemes was £1,121 (2021 - £2,848).

Defined benefit schemes

The charity and other employers participate in the Mercury Provident Pension Scheme, that provides benefits on the basis of final pensionable pay for participants. The assets of the scheme are held separately from those of the charity and invested by a pension fund management company.

Readers of these financial statements should also be aware that the liability arising from the scheme is joint and several amongst participating institutions.

As it is impractical to attempt to extract that part of the total scheme attributable to RSSKL, and as the charity has the intention of exiting the scheme in the near term, the pension deficit has been included in the balance sheet of the charity calculated on the basis of the estimate of the debt due at that time. The scheme actuary has provided an estimate of the Section 75 debt that would be payable on ceasing participation, without segregating.

Contributions continue to be made each month to ensure that the liability does not increase. Total contributions for the year were £98,342 in addition to the pension levy of £9,886.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		Balance at 31 July 2022 £
	Balance at 1 August 2020 £	Income £	Balance at 1 August 2021 £	Income £	
Bursary fund	63,250	-	63,250	-	63,250
Classroom funds	28,666	-	28,666	-	28,666
K L Concert fund	2,877	-	2,877	-	2,877
Hockey Club	1,352	-	1,352	-	1,352
Teacher wish list	500	-	500	-	500
Music department legacy	1,625	-	1,625	-	1,625
	<u>98,270</u>	<u>-</u>	<u>98,270</u>	<u>-</u>	<u>98,270</u>

Restricted funds:

Bursary fund	- to assist with children's education in extraordinary circumstances
Classroom funds	- are donations made by parents for use by the class
K L Concert fund	- organisation of concerts
Hockey Club	- donations made by parents towards the club's activities
Teacher wish list	- donations towards teacher's wish list
Music department legacy	- donation made by an individual towards the department's activities

The Council Members have undertaken a review of restricted funds. Transfers from unrestricted to restricted funds have been processed to eliminate any shortfall in such funds. As the charity is currently not operational, the Council Members intend to transfer these funds to a new entity which will re-commence activities and therefore spend these funds on their intended purposes.

21 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 July 2022 are represented by:						
Tangible assets	1,050,945	-	1,050,945	1,065,446	-	1,065,446
Investment properties	2,430,000	-	2,430,000	2,550,000	-	2,550,000
Investments	6,654	-	6,654	10,208	-	10,208
Current assets/(liabilities)	(389,432)	-	(389,432)	(402,374)	98,270	(304,104)
Provisions and pensions	(1,641,000)	-	(1,641,000)	(1,827,000)	-	(1,827,000)
	<u>1,457,167</u>	<u>-</u>	<u>1,457,167</u>	<u>1,396,280</u>	<u>98,270</u>	<u>1,494,550</u>

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

22 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

23 Cash generated from operations	2022 £	2021 £
(Deficit)/surplus for the year	(223,383)	2,326,249
Adjustments for:		
Investment income recognised in statement of financial activities	(339,624)	(129,598)
Fair value gains and losses on investment properties	120,000	(2,504,618)
Fair value gains and losses on investments	3,554	-
Depreciation and impairment of tangible fixed assets	29,939	30,652
Movements in working capital:		
(Increase)/decrease in debtors	(6,354)	8,869
Increase/(decrease) in creditors	70,486	(84,506)
Cash absorbed by operations	<u>(345,382)</u>	<u>(352,952)</u>

24 Analysis of changes in net (debt)/funds

	At 1 August 2021 £	Cash flows £	At 31 July 2022 £
Cash at bank and in hand	72,589	(21,196)	51,393
Loans falling due within one year	(207,872)	-	(207,872)
	<u>(135,283)</u>	<u>(21,196)</u>	<u>(156,479)</u>

RSSKL Ltd

England & Wales - Charity number 311027

Accounts

Charity Registration No. 311027

Company Registration No. 395056 (England and Wales)

RSSKL LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

RSSKL LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Council Members	S Cook S Henderson A Marcuson E Brownlee	(Appointed 27 July 2020) (Appointed 27 July 2020) (Appointed 27 July 2020)
Charity number	311027	
Company number	395056	
Registered office	Langley Hill Kings Langley Hertfordshire WD4 9HG	
Auditor	Knill James LLP One Bell Lane Lewes East Sussex BN7 1JU	
Solicitors	Stone King 13 Queen Square Bath England BA1 2HJ	

RSSKL LTD

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RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2020

The Council Members present their report and financial statements for the year ended 31 July 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (effective 1 January 2019).

Definition: "the Council of Trustees", "Council Members", "Trustees" or "trustees" when used in this report should be considered in the same context.

Objectives and activities

The objective of the Rudolf Steiner School Kings Langley Ltd (RSSKL) was to provide high quality Steiner Waldorf education from the age 3 to 19, while at the same time giving students the opportunity to be successful in public examinations in secondary school.

Impact of Covid 19

Following the final closure of the Rudolf Steiner School Kings Langley on 29 March 2019, the Trustees' priority in the year ended 31 July 2020 was to facilitate the establishment of a new Steiner Waldorf school, Langley Hill Independent School (LHIS), by educational charity Avanti Foundation Limited and its related entities (together the "Avanti Group") from the Kings Langley site, under an arm's length lease in the first instance, with a view to the school site being later transferred to the Avanti Group as detailed later in this report.

The impact of Covid 19 was therefore mainly felt by the Charity through the inability of LHIS to instigate a third pre-registration Ofsted inspection during the pandemic period, from March 2020, which caused significant delay in LHIS's intended opening of the new school, originally planned for Autumn 2019, and RSSKL's realisation that this would not be achieved.

Substantial financial costs were incurred by both LHIS and the Charity in the interim, in preparation for the school opening in the case of LHIS and preparing for the implementation of the land transfer arrangements with the Avanti Group in the case of RSSKL.

In the absence of the granting of a licence to operate a school on the site and therefore being able to cause revenue from fee-paying students, LHIS was unable to meet any of the rental payments due under the lease with the Charity, which accrued at the rate of £50,000 per quarter from the rent commencement date of 1 January 2020.

LHIS was eventually re-inspected by Ofsted on 26-27 August 2020. Its third consecutive failure to secure a positive Ofsted inspection led the Trustees to suspend any planned land transfers to, and eventually caused the coming to an end of the collaboration with the Avanti Group in November 2020. The lease with LHIS was terminated with effect from 9 January 2021, at which point rental payments of £202,000 remained outstanding.

LHIS entered creditors' voluntary liquidation on 22 March 2021. Having regard to the financial position of LHIS (in liquidation), no distribution is anticipated to be available to unsecured creditors, including the Charity. A considerable amount of the irrecoverable debt due from LHIS amounting to c. £116k was written off in the 2020 accounts, leaving approx. £86k to be reflected in the Charity's financial statement for the period ended 31 July 2021.

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

History & Background

Following the closure of the Rudolf Steiner School Kings Langley, the Charity's registration as a school with the Department for Education ("DfE") was discontinued on 29 March 2019 and all teaching operations ceased from that date. Having entertained, unsuccessfully, negotiations with school management company Alpha Holdings Limited for the establishment of a new Waldorf Steiner school on the RSSKL site in Summer 2018, the Trustees were encouraged in Autumn 2018 by the opportunity to start a dialogue with and later close collaboration with the Avanti Group, with a view to it establishing a Waldorf Steiner school on the Kings Langley site.

This led to the Trustees granting a lease of the school site, on arm's length terms, to LHis in September 2019 and following the second Ofsted pre-registration inspection of LHis on 18-19 September 2019, proposals for the transfer of the RSSKL site to the Avanti Group in a two-stage process, subject to a number of safeguards and conditions precedent.

Avanti Group Arrangements

The intended structural and legal framework for RSSKL's collaboration with the Avanti Group and proposed land transfer involved the following legal entities:

1. Avanti Foundation Ltd (AFL), a registered charity;
2. Langley Hill Independent School Ltd (LHis), an unregistered charity, having AFL as its sole member; and
3. Avanti Schools Foundation Ltd (ASF), an unregistered charity, having AFL as its sole member and a sister company of LHis.

The objective was to enable LHis to establish and operate a Waldorf Steiner school from the RSSKL site in Kings Langley, in furtherance of the Charity's charitable objects, which were mirrored by those of LHis. Initially, this was proposed to be on the basis of an 80-year lease at market rent, between LHis and RSSKL. Subsequently, this was changed to a 3-year term starting on 27 July 2020, with rents payable from 1 January 2020.

Following the second failed Ofsted inspection of LHis on 18-19 September 2019, Avanti requested that the Trustees consider the transfer of the RSSKL land to an entity in the Avanti Group to enable LHis to meet DfE requirements. The Trustees were willing to consider this, provided various structural and legal safeguards were put in place.

In particular, it was agreed that any land transferred to the Avanti Group would be held by ASF (rather than LHis), whose membership would be reinforced by the introduction of an additional Waldorf member, with majority voting rights on certain issues to ensure the provision of Waldorf education from the site and protection of the Charity's assets for that purpose for the long-term. Further, ASF would have a 'hung' board, with two Waldorf appointees and two Avanti appointees.

Transfer of the RSSKL land to ASF would take place in two phases. Phase 1 would involve the transfer of two buildings, the SMT building and the Gatehouse, for consideration of £149,999, to enable ASF to obtain a loan, secured on those assets, for the purpose of providing LHis with working capital. As part of Phase 2, the remainder of the RSSKL site would be transferred to ASF at an amount sufficient to discharge RSSKL's current and significant contingent liabilities, mainly to the trustees of the Mercury Provident Pension Fund (the "Pension Trustee"). Phase 2 would be conditional on LHis passing an Ofsted pre-registration inspection successfully and obtaining a DfE licence as a school, amongst other conditions.

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

Following the third failed Ofsted inspection of LHis on 26-27 August 2020 (see below), the Trustees were left unable to be satisfied of LHis's capacity to establish and run a viable Steiner Waldorf school on the site and on 13 November 2020 resolved not to proceed with the Phase 1 land transfer to ASF. This precipitated the coming to an end of the collaboration with the Avanti Group and LHis subsequently entering administration.

The Trustees remain committed to facilitating the establishment of a Steiner Waldorf school on the RSSKL site at the earliest opportunity, in collaboration with the Steiner Waldorf Schools Fellowship (SWSF) and international Steiner Waldorf movement. The Trustees' vision and strategy for achieving this has been articulated, presented to the Association membership and is in the process of being executed by the Trustees.

Charity Commission

The Trustees have been in continuous dialogue with the Charity Commission throughout to keep them updated on all aspects of the Charity's activities.

Between January and May 2020, the Trustees received correspondence from the Charity Commission, following a considerable number of complaints from Association members and the wider Steiner community concerning aspects of the Trustees' decision-making relating to the proposed transfer of the Charity's assets to a non-registered charity with no track record of running Steiner schools.

The Trustees provided extensive information and detailed responses to the Commission's queries, including in a meeting with the Charity Commission held in Spring of 2020. The conclusion of the inquiry carried out by the Charity Commission was contained in correspondence to the Charity dated 19 May 2020 in the following terms:

"We are satisfied that we have received cooperation from the Trustees who have provided explanations and a satisfactory response to the allegations put to them which we have verified for assurance purposes. Whilst we have found no regulatory concerns at the charity and no evidence of mismanagement and/or misconduct by the Trustees, we will engage with the Trustees and monitor developments at the charity as appropriate. Based upon the explanations and assurances we have obtained from the Trustees we do not consider any regulatory action is required but we signpost the Trustees to our advice and guidance."

Following the coming to an end of the working partnership with the Avanti Group, the Trustees have been in regular and transparent contact with the Charity Commission to update them about the discontinuance of the Avanti Group proposals, LHis's subsequent liquidation, the Charity's financial position and strategic vision for the future, and the handling of certain complaints.

Changes in Management & Staffing

In July 2019 there were 6 Trustees. Between 1 August 2019 and 31 July 2020 there were 2 resignations and one appointment (see detail below).

In September 2019, the Trustees signed a lease agreement with LHis as part of their objective of establishing a new Steiner Waldorf school on the site. At this time the remaining "skeleton" staff of RSSKL was transferred under TUPE arrangements to LHis. Stacey Hunter's temporary role as Administrator had been terminated in Summer 2019, although she continued to provide ad hoc administrative support to the Charity on a consultancy basis until January 2020.

Brian Phipps continued to provide financial advice to the Charity on a consultancy basis throughout the year ended 31 July 2020. This engagement came to an end in December 2020.

Between 1 September 2019 and 9 January 2021, the personnel as well as site maintenance and running costs of the Charity reduced significantly, as LHis became responsible for all operating costs associated with the Kings Langley site. The majority of the Charity's expenditure in the year ended 31 July 2020 was therefore in connection with legal and professional fees incurred in developing and progressing the Avanti Group deal and servicing the pension deficit instalment payments as they fell due.

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

Significant Events Post 31 July 2020

On 26-27 August 2020 LHis was inspected by Ofsted for the third time. At the date of that inspection, the proposed Phase 1 land transfer to ASF remained to take place. The Ofsted report was published on 8 October 2020. The majority of the RSSKL Board became aware of the publication of the report from public sources on 15 October 2020.

The Ofsted report highlighted continuing failings, with several of the Independent School Standards not met, on account of the following:

1. The lease arrangements providing for "unfettered access" by the landlord to the school site remaining unchanged from the second Ofsted inspection, which contradicted LHis's risk assessment for access to the site and was found to compromise the safeguarding of the site;
2. The older years curriculum needing to be better developed;
3. The statutory learning and development requirements applicable to the younger age groups not being met in the absence of Early Years Foundation Stage (EYFS) exemptions; and
4. Concerns about the longevity of the leadership of LHis, and weakness in leadership and management of the proprietorial body.

Despite the confidence of leaders of the Avanti Group that the failings identified by Ofsted could be addressed with the DfE and in a timely fashion, the Trustees' legal advice in light of the third failed Ofsted inspection was that the Charity should not proceed with the Phase 1 land transfer "unless and until reasonably satisfied, on reasonable grounds" that a DfE licence would be forthcoming and that LHis would be able to satisfy the necessary requirements to open a school.

Having conducted a process of thorough due diligence and verification of the likelihood and timeframe for LHis meeting the DfE's requirements, the Board convened on 13 November 2020 to decide on whether or not the Phase 1 transfer of land to ASF should go ahead. After careful consideration of all relevant factors, the Board was not satisfied that proceeding with the land transfer to ASF at that stage would be in the Charity's interests and voted not to proceed with it. RSSKL's lawyers attended and minuted the board meeting.

Between 16 and 19 November 2020, seven of the then Trustees resigned.

RSSKL remained open to further discussions with Avanti over the following two weeks, whilst Avanti looked for alternative sources of funding, awaited written confirmation from the DfE of its position and to enable further discussions between Avanti and the SWSF to take place. However, with LHis unable to secure registration as a school and welcome fee-paying students, and in the absence of the Phase 1 land transfer on which external borrowing was intended to be secured, the Avanti "deal" was ultimately abandoned due to lack of resources. The Charity took possession of the RSSKL site on 9 January 2021, following exercise of its break option under the lease with LHis.

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

Plans going forward

The developments over the past three years have shown that no new Waldorf school initiative is financially viable while RSSKL's historic liabilities – principally the deficit related to the Mercury Provident Pension Fund – have not been fully paid off. The trustees have made that their short-term strategic target while considering medium-term opportunities to establish a Steiner-Waldorf school on the site.

A detailed financial plan has been developed in 2021 that suggests that historic liabilities can be settled if properties owned by the charity which are not critical to realising the charity's objects, are sold off. This mainly refers to residential units that have been occupied by teaching staff in the past in the Old Priory complex (incl. the Old Priory itself) and the SMT/Cottage building.

The Charity is in close dialogue with the Steiner Waldorf School Fellowship (SWSF) to develop plans how these assets, once unencumbered, can provide a basis for a new Steiner Waldorf school on the site. These discussions remain ongoing.

The Charity expects the process to complete the sale of all units to take 12 to 18 months, given the regulatory complexities associated with it (e.g. listed buildings, ancient monument requirements) and their integrated nature (e.g. overlapping spaces and joint areas and infrastructure). Advisers have been appointed, relevant surveys have been provided, and bids have been received on the first units that have been marketed.

Bridging finance from the Freunde der Erziehungskunst, a German charity that supports Waldorf schools around the world, has been obtained at favourable terms to cover trade creditors and operational expenses until the sale of some of the units have completed.

Financial review

The financial results for the trading year ending 31 July 2020 reflect a credit of £773,651.

The lease with LHis commenced, and LHis formally took occupation of the Kings Langley site, on 1 September 2019. Thereafter, it took both responsibility for the maintenance and running costs associated with the site, and the benefit of rental agreements with tenants at the SMT Building and Gatehouse. As a result, during this period, the Charity had minimal sources of income apart from certain rentals of the Priory complex and debt collection.

In 2018 the Charity had secured a bridging loan from Reparo Finance Limited ("Reparo") in the sum of £750,000. As the proceeds of prior land disposals had been exhausted by Summer 2019, a further loan in the sum of £200,000 was arranged and granted by Reparo on 22 July 2019, to provide working capital to the Charity until the proposed sale of Friars Wood had completed.

The main source of funding for the Charity in the period ended 31 July 2020 therefore came from the proceeds of sale of the Friars Wood property for a consideration of £1.5 million less the incidental costs of sale. This allowed the Charity to discharge the Reparo borrowing, including accrued interest and costs, and satisfy obligations to its creditors.

For the rest of the financial year the Charity was able to continue operating without further recourse to expensive third-party borrowing, albeit with a number of the Charity's creditors currently awaiting payment from the anticipated proceeds of sale of RSSKL's non-core property assets (see the Trustees' strategy above).

Costs continued to be incurred throughout the year mainly relating to professional and legal costs incurred in developing and supporting the Avanti Group proposals, servicing the deficit on the Mercury Provident Pension Fund, debt collection, as well as dealing with the Charity Commission enquiry and various complaints and claims.

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

Mercury Provident Pension Fund catch-up payments: Levies paid to the Pension Protection Fund (this is an insurance policy we have to have and related to the risk we pose as members of the scheme) of £10k and £16k for the last 2 years. Monthly payments of £8,000.

Bad Debt provisioning

There remained certain outstanding trade debts from the period when the Rudolf Steiner School Kings Langley was operational, which the Charity is still seeking to enforce. Debt collection is ongoing, carried out by the Charity approaching debtors directly and through Redwood Debt Collection Agency.

Mercury Provident Pension Fund

The school's historic pension fund, not unlike many other defined benefit schemes in the UK, is running at a deficit, in this case circa £1.89 million. The Charity has entered an agreement with the Pension Trustee to make monthly catch-up payments and has done so since 2009.

The deficit is the result of a combination of factors, including contributions being underpaid in past years, the costs of running the fund being capitalised, the Charity being part of a group scheme which means that if any company in the group defaults, other scheme employers have to pick up the deficit, and that scheme participants are living longer with investment returns not covering the forecast requirements. The catch-up payments are reviewed every two years and adjusted accordingly.

As security for the deficit, the Pension Trustee had been granted a charge over Priory Lodge. This charge was lifted by the Pension Trustee in February 2019, to enable a sale of the property by RSSKL. In exchange, the Trustees at the time gave an undertaking that following completion of the Friars Wood sale and repayment of the Reparo loan, the Pension Trustee would be given replacement security over another school building, to be agreed.

The new charge, pursuant to this undertaking, remains to be granted. It is anticipated that it will be over the Old Priory and Priory Flats.

Plans for the Future

The school is at a pivotal point in its existence.

From the 29th March 2019 the school for the first time in decades had no schooling taking place on the site, the teachers and most of the staff now having been made redundant and exists as what can only be described as a severely pared down operation. This should not be a surprise to anyone as it is what was recommended by the former trustees and ratified by the Association at the EGM in June 2018.

However, the trustees who have come and gone since then, together with their advisors, seemingly have dealt with many of the issues which existed in 2017 and in 2018, those which are still in existence are being addressed and gradually being resolved and the current trustees are now hopeful of a clean slate to start the rebuild in order to fulfil RSSKL's charitable objects, Association wishes, and community desire thereby ratifying the recommendations made that sad day at the EGM.

Structure, governance and management

The school as a charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association. Members of the Council of Trustees are Directors for the purpose of the Companies Act 2006 and Trustees for the purpose of the Charities Act 2011 and are appointed and removed by the Association members in the General Meeting. There is an option for additional Trustees to be co-opted by the Board from time to time, such appointments being effective until the next AGM.

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

In appointing Council Members the aim is to find a mix of individuals who not only support the ethos of Waldorf education but also bring external, independent and objective oversight and a blend of governance, educational, financial, legal and practical management experience to the deliberations of the Council. New Council Members are inducted into the workings of the Charity, including policy and procedures, by the existing or outgoing Trustees.

Relevant literature regarding the roles and responsibilities of trustees is distributed to new Trustees as appropriate.

The following members of the Council of Trustees were active Council Members on 31 July 2019:

Stefanie Cook, Nicola Finlayson, Stephen Nardelli, Paul Kiss, Antoaneta Proctor, Tobias Zundel.
Antoaneta Proctor resigned on 8th October 2019, Stephen Nardelli's term in office ceased on 15th July 2020.

An AGM was held on 27 July 2020, at which new Trustees were elected. The meeting was attended by 90 members of the Association.

The following Trustees were appointed and/or resigned during the period ended 31 July 2020:

Graham Pannell on 17th March 2020 (resigned 17th November 2020)
Sandeep Bassan on 27th July 2020 (resigned on 13th November 2020)
Gavriel Magonet on 27th July 2020 (resigned on 16th November 2020)
David Spivack on 27th July 2020 (resigned on 18th November 2020)
Jessica Hardiman on 27th July 2020 (resigned 19th November 2020)
Sophie Henderson on 27th July 2020
Erdmute Brownlee on 27th July 2020
Ann Marcuson on 27th July 2020

The following Trustees resigned during the period ended 31 July 2020 (in addition to those listed above and shown as having resigned):

Nicola Finlayson resigned on 15th October 2020
Tobias Zundel resigned on 18th November 2020
Paul Kiss resigned on 19th November 2020

AGM

The company's Articles of Association require that an AGM be held once a year. The Association's AGM for the period ended 31 July 2020 was held on 27 July 2020 and was attended by 54 members and 2 proxies.

Extraordinary General Meeting (EGM)

On 4 February 2020 an EGM was held to authorise the Trustees' transfer of the RSSKL land to an entity in the Avanti Group on such terms as the Trustees deemed appropriate. The EGM was adjourned to 3 March 2020 due to former trustees' names having been removed from the register of Association members without consultation.

Following a requisition by five Association members, and taking into account the introduction of Covid restrictions on gatherings, a virtual EGM and vote took place on 25-28 March 2020. The requisitioners proposed an ordinary resolution requiring significant dealings with RSSKL land to be made subject to a requirement that a special resolution be passed by the Association members approving such dealings.

A second, special resolution was proposed by the Trustees authorising the land transfer to a entity in the Avanti Group upon certain conditions. The ordinary resolution was not passed and it was decided therefore that the special resolution be withdrawn.

RSSKL LTD

COUNCIL MEMBERS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

Auditor

In accordance with the company's articles, a resolution proposing that Knill James LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

So far as the directors are aware, there is no relevant audit information of which the charity's auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charity's auditors are aware of that information.

The Council Members' report was approved by the Board of Council Members.



S Cook

Council Member

Dated: 27.4.21



E Brownlee

Council Member

Dated: 27.04.21

RSSKL LTD

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES FOR THE YEAR ENDED 31 JULY 2020

The Council Members, who are also the directors of RSSKL Ltd for the purpose of company law, are responsible for preparing the Council Members' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Council Members to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Council Members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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.

RSSKL LTD

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL MEMBERS OF RSSKL LTD

Opinion

We have audited the financial statements of RSSKL Ltd (the 'charity') for the year ended 31 July 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 FRS 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 July 2020 and of its incoming resources and application of resources, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - uncertainty regarding going concern

In forming our opinion on the financial statements we have considered the adequacy of the disclosures made in the financial statements concerning the trustees use of the going concern basis. Our opinion is not modified in respect of this matter.

Some of the key issues, which are highlighted in the Council Members' report, are as follows:

- completion of the current sale of property, or drawdown of loan finance, to enable the charity to meet its current and ongoing liabilities
- the future sale of realisable property assets owned by the charity for sufficient funds to enable it to meet its current liabilities and achieve an orderly settlement of all outstanding liabilities including amounts due on exit from the pension scheme
- on completion of the sale of those assets, transfer the educational assets of the charity including any remaining funds, restricted for educational purposes, and any amounts owed to it, to a successor charity in order to enable the school to operate as intended
- on completion of the transfer of the educational property and other assets, to voluntarily wind up the charity on a solvent basis

Conclusions relating to going concern

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

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

RSSKL LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE COUNCIL MEMBERS OF RSSKL LTD

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Council Members are responsible for the other information. 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.

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 Council Members' report, which includes 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 directors' report included within the Council Members' report has 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Council Members' 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, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- the Council Members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Council Members' report and from the requirement to prepare a strategic report.

Responsibilities of Council Members

As explained more fully in the statement of Council Members' responsibilities, the Council Members, who are also the directors of the charity for the purpose 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 Council Members 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 Council Members are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council Members either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

RSSKL LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE COUNCIL MEMBERS OF RSSKL LTD

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://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 auditors' 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.

Knill James LLP

David W Martin (Senior Statutory Auditor)
for and on behalf of Knill James LLP

29 April 2021

Chartered Accountants
Statutory Auditor

One Bell Lane
Lewes
East Sussex
BN7 1JU

RSSKL LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<u>Income and endowments from:</u>					
Donations and fundraising	3	38,527	-	38,527	8,691
Charitable activities	4	-	-	-	51,089
Rental income & investments	5	160,113	-	160,113	114,911
Gain on disposal of property	6	1,416,126	-	1,416,126	1,039,498
Total income and endowments		1,614,766	-	1,614,766	1,214,189
<u>Expenditure on:</u>					
Charitable activities	7	833,954	2,283	836,237	2,259,566
Net gain/(loss) on investments		122	-	122	740
Defined benefit pension scheme deficit		(5,000)	-	(5,000)	(732,936)
Net movement in funds		775,934	(2,283)	773,651	(1,777,573)
Fund balances at 1 August 2019		(1,768,903)	100,553	(1,668,350)	109,223
Fund balances at 31 July 2020		(992,969)	98,270	(894,699)	(1,668,350)

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

RSSKL LTD

BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	11		1,141,480		1,382,925
Investments	12		10,208		10,086
			<u>1,151,688</u>		<u>1,393,011</u>
Current assets					
Debtors	13	47,111		94,249	
Cash at bank and in hand		88,071		21,330	
		<u>135,182</u>		<u>115,579</u>	
Creditors: amounts falling due within one year	15	(291,569)		(1,291,940)	
Net current liabilities			(156,387)		(1,176,361)
Total assets less current liabilities			<u>995,301</u>		<u>216,650</u>
Provisions for liabilities	16		(1,890,000)		(1,885,000)
Net liabilities			<u>(894,699)</u>		<u>(1,668,350)</u>
Income funds					
Restricted funds	18		98,270		100,553
Unrestricted funds - general			(992,969)		(1,768,903)
			<u>(894,699)</u>		<u>(1,668,350)</u>

The accounts were approved by the Council Members on

.....
S Cook
Trustee

.....
E Brownlee
Trustee

Company Registration No. 395056

RSSKL LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash absorbed by operations	23		(593,605)		(1,854,784)
Investing activities					
Purchase of tangible fixed assets		-		(1,300)	
Proceeds on disposal of tangible fixed assets		1,450,233		1,064,766	
Rental income and interest received		160,113		114,384	
		<u> </u>		<u> </u>	
Net cash generated from investing activities			1,610,346		1,177,850
Financing activities					
New loans /repayment of loans		(950,000)		200,000	
		<u> </u>		<u> </u>	
Net cash (used in)/generated from financing activities			(950,000)		200,000
			<u> </u>		<u> </u>
Net increase/(decrease) in cash and cash equivalents			66,741		(476,934)
Cash and cash equivalents at beginning of year			21,330		498,264
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>88,071</u>		<u>21,330</u>

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

Charity information

RSSKL Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Langley Hill, Kings Langley, Hertfordshire, WD4 9HG.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

1.2 Going concern

At the time of approving the accounts, the Council Members have had a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Contingency plans are in place to address potential liquidity issues related to any further legal expenses to defend any claims on the school. Items of a contingent nature such as deficits have payment agreements attached to them, fixed charges, insurance policies or are in the process of settlement. Thus, the Council members continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Council Members in furtherance of their charitable objectives.

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

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Fundraising income is shown gross with the associated costs included in costs of fundraising.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them, including allocated governance costs.

Governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on estimated usage as a proportion of directly attributable expenditure.

1.6 Tangible 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 of a capital nature with a useful economic life in excess of 12 months and costing over £500 are capitalised.

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

Freehold property	1% & 4% per annum on cost
Furniture & fittings	10% per annum on the reducing balance
Equipment & computer	10% & 25% per annum on the reducing balance
Motor vehicles	25% on the reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 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.

1.8 Financial instruments

The charity 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include 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. Financial assets classified as receivable within one year are not amortised.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including 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. Financial liabilities classified as payable within one year are not amortised.

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 operations from suppliers. Amounts payable 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.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The charity belongs to the Mercury Provident Pension Scheme which is a defined benefit scheme. This is a collective scheme for a number of employers.

The pension costs charged in the financial statements represent the contributions payable by the charity during the year. The Mercury Provident Pension Scheme is now closed and with effect from 1 January 2009 existing members at that date were given the opportunity to transfer to a defined contribution scheme administered by The Pension Trust Company.

It is not possible to identify the charity's share of the net assets and liabilities of the defined benefit pension scheme. The charity has entered into an agreement that determines how the deficit will be funded. Consequently the present value of the future contributions has been accounted for as a provision in the financial statements in accordance with FRS 102, with the net movement on the provision recognised in income/(expenditure) for the year.

1.10 Value added tax

VAT is not recoverable by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

1.11 Fund accounting

Unrestricted funds – the charity's unrestricted fund consists of funds which the charity will use to fulfil its general charitable objectives (at the discretion of the Trustees).

Designated funds - these are funds set aside by the Trustees for a particular purpose.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

2 Critical accounting estimates and judgements

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

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

Critical judgements

Depreciation

The charity exercises judgement to determine useful lives and residual values of intangibles, property, plant and equipment and investment property. The assets are depreciated down to their residual values over their estimated useful lives.

Bad debt provision

The charity reviews each individual debt at the year end and forms a judgement as to the likelihood of recovery at that date. Where, in the opinion of the charity, there is sufficient uncertainty as to recovery an appropriate provision is made against the debt.

3 Donations and fundraising

	2020	2019
	£	£
Donations and gifts	38,527	8,691

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

4 Charitable activities

	School fees £	Classroom income £	Other income £	Total 2020 £	Total 2019 £
Income within charitable activities	-	-	-	-	51,089
Analysis by fund	-	-	-	-	
For the year ended 31 July 2019					
Unrestricted funds - general	41,651	-	7,102		48,753
Restricted funds	-	2,336	-		2,336
	<u>41,651</u>	<u>2,336</u>	<u>7,102</u>		<u>51,089</u>

5 Rental income & investments

	Total 2020 £	Total 2019 £
Rental income	160,113	114,309
Interest receivable	-	602
	<u>160,113</u>	<u>114,911</u>

Investment income is unrestricted.

6 Gain on disposal of property

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Net gain on disposal of tangible fixed assets	<u>1,416,126</u>	<u>1,039,498</u>

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

7 Charitable activities

	Education costs £	Property costs £	Administration costs £	Total 2020 £	Total 2019 £
Staff costs	100,384	-	-	100,384	607,829
Depreciation and impairment	207,338	-	-	207,338	67,685
School supplies	2,283	-	-	2,283	817
Transport	-	-	-	-	2,881
Examinations	94	-	-	94	873
Staff development	-	-	-	-	372,408
Maintenance of grounds	-	-	-	-	35,012
Rent and rates	-	5,392	-	5,392	50,262
Insurance	-	2,215	-	2,215	31,453
Light and heat	-	5,595	-	5,595	60,777
Cleaning	-	3,783	-	3,783	23,657
Printing, stationery and advertising	-	-	20,073	20,073	24,095
Subscriptions, telephone and computer	-	-	9,281	9,281	13,257
Sundry expenses	-	-	1,761	1,761	2,580
Loss on disposal of fixed assets	-	-	-	-	(715)
	<u>310,099</u>	<u>16,985</u>	<u>31,115</u>	<u>358,199</u>	<u>1,292,871</u>
Share of support costs (see note 8)	234,668	-	-	234,668	412,820
Share of governance costs (see note 8)	-	-	243,370	243,370	553,875
	<u>544,767</u>	<u>16,985</u>	<u>274,485</u>	<u>836,237</u>	<u>2,259,566</u>
Analysis by fund					
Unrestricted funds - general	542,484	16,985	274,485	833,954	
Restricted funds	2,283	-	-	2,283	
	<u>544,767</u>	<u>16,985</u>	<u>274,485</u>	<u>836,237</u>	
For the year ended 31 July 2019					
Unrestricted funds - general	1,465,313	201,161	593,092		2,259,566
	<u>1,465,313</u>	<u>201,161</u>	<u>593,092</u>		<u>2,259,566</u>

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

8 Support costs

	Support costs	Governance costs	2020	2019
	£	£	£	£
Staff costs	8,720	-	8,720	64,308
Bad debt write off	136,467	-	136,467	113,501
Bank charges and interest	7,116	-	7,116	14,537
Legal and professional	14,951	-	14,951	60,313
Loan interest	67,414	-	67,414	138,296
Agency support staff	-	-	-	21,865
Audit fees	-	10,200	10,200	13,590
Legal and professional	-	233,170	233,170	536,630
Trustee expenses	-	-	-	3,655
	<u>234,668</u>	<u>243,370</u>	<u>478,038</u>	<u>966,695</u>
Analysed to:				
Charitable activities	<u>234,668</u>	<u>243,370</u>	<u>478,038</u>	<u>966,695</u>

9 Council Members

None of the Council Members (or any persons connected with them) received any remuneration or benefits from the charity during the year. No expenses were reimbursed to the trustees during the year (2019; £3,655)

The key management personnel for the year were the Trustees and their remuneration was nil.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Administration & Support (for 2 months)	2	4

Employment costs

	2020 £	2019 £
Wages and salaries	8,545	547,111
Other pension costs	100,559	125,026
	<u>109,104</u>	<u>672,137</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

	Freehold property £	Furniture & fittings & £	Equipment & computer £	Motor vehicles £	Total £
Cost					
At 1 August 2019	1,512,292	626,542	149,799	21,243	2,309,876
Disposals	(44,858)	-	(1,124)	-	(45,982)
At 31 July 2020	<u>1,467,434</u>	<u>626,542</u>	<u>148,675</u>	<u>21,243</u>	<u>2,263,894</u>
Depreciation and impairment					
At 1 August 2019	323,374	440,080	145,205	18,292	926,951
Depreciation charged in the year	74,180	128,814	1,662	2,682	207,338
Eliminated in respect of disposals	(11,383)	-	(492)	-	(11,875)
At 31 July 2020	<u>386,171</u>	<u>568,894</u>	<u>146,375</u>	<u>20,974</u>	<u>1,122,414</u>
Carrying amount					
At 31 July 2020	<u>1,081,263</u>	<u>57,648</u>	<u>2,300</u>	<u>269</u>	<u>1,141,480</u>
At 31 July 2019	<u>1,188,918</u>	<u>186,462</u>	<u>4,594</u>	<u>2,951</u>	<u>1,382,925</u>

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

12 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 31 July 2020	10,086
Valuation changes	122
At 31 July 2020	<u>10,208</u>
Carrying amount	
At 31 July 2020	<u>10,208</u>
At 31 July 2019	<u><u>10,086</u></u>

The investment represents 135 Depository Receipts of Triodos Bank BV. There had a market value of E84 at July 2020 translated at a rate of 0.9002.

13 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	37,559	63,540
Other debtors	7,784	18,232
Prepayments and accrued income	1,768	12,477
	<u>47,111</u>	<u>94,249</u>

14 Loans and overdrafts

	2020 £	2019 £
Other loans	-	950,000
	<u>-</u>	<u>950,000</u>
Payable within one year	-	950,000
	<u>-</u>	<u>950,000</u>

The loan was secured by fixed charges over the assets of the charity. All charges were satisfied at the year end.

Interest only payments were made at 1.5% per month until May 2019. The capital was repayable in full in June 2019 but this period was extended and a further facility provided in July 2019. Repayment of the loan was met with proceeds from the sale of property in November 2019.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

15 Creditors: amounts falling due within one year

	2020	2019
	£	£
Loans	-	950,000
Other taxation and social security	(791)	25,549
Trade creditors	-	452
Other creditors	42,320	48,537
Accruals	250,040	267,402
	<u>291,569</u>	<u>1,291,940</u>

17 Provisions for liabilities

	2020	2019
	£	£
Retirement benefit obligations (note 18)	1,890,000	1,885,000
	<u>1,890,000</u>	<u>1,885,000</u>

The provision made in the accounts represents the amount which will fall due at the point that the charity ceases participating in the scheme.

17 Retirement benefit schemes

Defined contribution scheme

Rudolf Steiner School Kings Langley Limited makes contributions to a defined contribution stakeholder scheme. The charge to the profit and loss in respect of defined contribution schemes was £175 (2019 - £13,236).

Defined benefit schemes

The charity and other employers participate in the Mercury Provident Pension Scheme, that provides benefits on the basis of final pensionable pay for participants. The assets of the scheme are held separately from those of the charity and invested by a pension fund management company.

Readers of these financial statements should also be aware that the liability arising from the scheme is joint and several amongst participating institutions.

As it is impractical to attempt to extract that part of the total scheme attributable to RSSKL, and as the charity has the intention of exiting the scheme in the near term, the pension deficit has been included in the balance sheet of the charity calculated on the basis of the estimate of the debt due on that basis. The scheme actuary has provided an estimate of the Section 75 debt that would be payable on ceasing participation, without segregating.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

17 Retirement benefit schemes

(Continued)

Contributions continue to be made each month to ensure that the liability does not increase. Total contributions for the year were £86,699 in addition to the pension levy of £13,685.

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 August 2019 £	Movement in funds		Balance at 31 July 2020 £
		Income £	Expense £	
Bursary fund	63,250	-	-	63,250
Classroom funds	30,949	-	(2,283)	28,666
K L Concert fund	2,877	-	-	2,877
Hockey Club	1,352	-	-	1,352
Teacher wish list	500	-	-	500
Music department legacy	1,625	-	-	1,625
	<u>100,553</u>	<u>-</u>	<u>(2,283)</u>	<u>98,270</u>

Restricted funds:

Bursary fund	- to assist with children's education in extraordinary circumstances
Classroom funds	- are donations made by parents for use by the class
K L Concert fund	- organisation of concerts
Hockey Club	- donations made by parents towards the club's activities
Teacher wish list	- donations towards teacher's wish list
Music department legacy	- donation made by an individual towards the department's activities

The Council Members have undertaken a review of restricted funds. Transfers from unrestricted to restricted funds have been processed to eliminate any shortfall in such funds. As the charity is currently not operational, the Council Members intend to transfer these funds to a new entity which will re-commence activities and therefore spend these funds on their intended purposes.

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

19 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Fund balances at 31 July 2020 are represented by:				
Tangible assets	1,141,480	-	1,141,480	1,382,925
Investments	10,208	-	10,208	10,086
Current assets/(liabilities)	(254,657)	98,270	(156,387)	(1,176,361)
Provisions and pensions	(1,890,000)	-	(1,890,000)	(1,885,000)
	<u>(992,969)</u>	<u>98,270</u>	<u>(894,699)</u>	<u>(1,668,350)</u>

20 Contingent liability

The charity is currently in discussions with the local council regarding its liability in respect of business rates relating to the period when the charity was responsible for the buildings and properties. At this time no provision has been made on the basis that the charity should receive a charitable discount as it continues to pursue its charitable objectives, albeit that it is unable to offer direct educational services on the premises due to restrictions that are outwith its control.

21 Events after the reporting date

In January 2021 the charity obtained a loan from Freunde Der Erziehungskunst Rudolf Steiners E.V. of £105k to assist with ongoing cashflow requirements pending realisation of assets. The lender has security over the property known as the gatehouse for all amounts due in respect of the funds loaned.

22 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	-	234,325

RSSKL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

23 Cash generated from operations		2020	2019
		£	£
Surplus/(deficit) for the year		773,651	(1,777,573)
Adjustments for:			
Dividends interest and rents from investment		(160,113)	(114,911)
Gain on disposal of tangible fixed assets		(1,416,126)	(1,040,213)
Fair value gains and losses on investments		(122)	(740)
Depreciation and impairment of tangible fixed assets		207,338	67,685
Movements in working capital:			
Decrease in debtors		47,138	175,185
(Decrease)/increase in creditors		(50,371)	102,847
Increase in provisions		5,000	732,936
Cash absorbed by operations		(593,605)	(1,854,784)
		<u><u> </u></u>	<u><u> </u></u>
24 Analysis of changes in net funds/(debt)			
	At 1 August 2019	Cash flows	At 31 July 2020
	£	£	£
Cash at bank and in hand	21,330	66,741	88,071
Loans falling due within one year	(950,000)	950,000	-
	<u><u>(928,670)</u></u>	<u><u>1,016,741</u></u>	<u><u>88,071</u></u>
