

ALLIED SCHOOLS AGENCY LIMITED

Financial Statements 31 July 2021

Together with Directors' and Auditors' Reports

Registered Charity Number: 313158

Registered Company Number: 306977

Allied Schools Agency Limited

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Allied Schools Agency Limited

Trustees and company information

Directors and officers	NJ Durlacher CBE (Chairman) MK Bewes Prebendary JA Fisher MK Henderson MBM Porter RMB Wilkinson
Company Secretary	MBM Porter
Independent Auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	Barclays Bank Plc Octagon House Gadbrook Park Northwich Cheshire SW9 7RB
Registered Office	CPAS Sovereign Court One (Unit 3) Sir William Lyons Road University of Warwick Science Park Coventry CV4 7EZ
Principal Office	Stable Cottage Eckington Road Birlingham Pershore Worcestershire WR10 3DA
Solicitors	Charles Russell Speechlys LLP Compass House Lypiatt Rd Cheltenham GL50 2QJ

Allied Schools Agency Limited

Trustees' Annual Report For the year ended 31 July 2021

The Directors (who are also Trustees of the Allied Schools Agency Limited as defined in the Charities Act 2011) present their report and audited financial statements for the year ended 31 July 2021.

The financial statements comply with the Companies Act 2006, Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Northern Ireland (FRS102).

Directors' Duties and Responsibilities

The Directors are responsible for preparing financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

In so far as the Directors are aware there is no relevant audit information of which the company's auditor is unaware; and the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors

The Directors of the company who served during the year are as follows:

NJ Durlacher CBE (Chairman)
MK Bewes
Prebendary JA Fisher
MK Henderson
JSJ Marshall (resigned 31 March 2021)
MBM Porter
RMB Wilkinson

In accordance with the Articles of Association Prebendary John Fisher and Mr Richard Wilkinson retire by rotation, but being eligible offer themselves for re-election.

None of the directors had a beneficial interest in any contract to which the company was a party during the year.

Directors regularly review the composition and skills of the board and consider potential additions to their number, and successors for directors who plan to retire at some future date. Once a potential director is identified the Chairman and one other director meet the candidate, explain the Company's purpose and its

Allied Schools Agency Limited

Trustees' Annual Report For the year ended 31 July 2021

relationships with the Allied Schools and the Martyrs' Memorial and Church of England Trusts (MMT). If both parties are content he or she is put forward for election to the board with the expectation of serving at least two terms of 3 years. Upon appointment directors are provided with information about their duties as directors and charity trustees and are encouraged to attend suitable courses on areas of particular interest to them and the company.

The Directors are considered to be the key management personnel of the Company. None of the directors receive remuneration with the exception of the General Manager, whose pay is set and reviewed by the other directors in the General Manager's absence with reference to industry benchmarks.

Governance

The Company's governing document is the Memorandum and Articles of Association as most recently amended on 26th September 2013. The Directors are responsible for the overall management and control of Allied Schools Agency Limited ("the Company") and meet three times a year. Two of the directors are appointed by the Martyrs' Memorial and Church of England Trust (MMT). Responsibility for day-to-day management is delegated to the General Manager who is a Director.

Relationship with the Allied Schools Group

The Allied Schools Group currently consists of four schools (Canford School, Harrogate Ladies' College, Stowe School, and The Wrekin Old Hall Trust) which have been closely associated for over 80 years. Westonbirt School and its associated prep school, previously part of the Group, was sold in May 2018. Collectively the schools are known as "the Allied Schools". A fifth member of the group is a charity, Westonbirt Schools Limited, which owns an estate at Westonbirt in Gloucestershire let from May 2018 to a third party that operates schools on the site. The secretary to the MMT founded or acquired all of the Allied Schools, including Westonbirt, on its behalf between 1923 and 1932.

An extensive review of the relationship between MMT, the Allied Schools and the Company concluded in 2013 with the appointment of the Company as the agent of MMT, with an oversight role intended to ensure the on-going prosperity and success of the Allied Schools and their adherence to the foundational religious principles. The role of the Company and its powers are set out in detail in an Agreement that was signed by the Allied Schools, the MMT and the Company on 26th September 2013.

Under the terms of the Agreement the Allied Schools, including Westonbirt Schools Limited, are committed to meeting the budgeted net operating costs including additional pension contributions of the Company.

Objectives and Principal Activities

The object of the Company, which is also its charitable object, is the advancement of education at the Allied Schools. Its aim is to ensure the highest standards of Governance and financial management are applied at the Allied Schools and to ensure their continued financial health. In turn, this ensures that the schools continue to fulfil their own charitable objects, being the advancement of education of boys and girls in accordance with the principles of the Church of England.

Public Benefit

The Company delivers charitable public benefit by providing cost-effective services and advice to the schools with which it is linked, thus assisting the Allied Schools to maximise the public benefit they themselves offer. In setting the Company's objectives, the Directors have given careful consideration to the Charity Commission's general guidance on charitable public benefit and in particular to the supplementary charitable public benefit guidance on advancing education. Amongst other indicators of performance and fulfilment of their objects, the General Manager monitors the levels of public benefit delivered by the Allied Schools, with a particular focus on the award of means-tested bursaries and offering the wider community access to the schools' facilities.

Review of the Year

The Company performed its obligations to all the Allied Schools providing advice and guidance to the Governing Bodies; the company fulfilled its duties on behalf of MMT as the General Manager attends all meetings of the Governing Bodies of the schools and writes and presents reports on the financial performance and future prospects for each of the Allied Schools. Specific attention is paid to monitoring their performance in challenging market conditions, in which some schools are thriving whilst others may find it harder to recruit new pupils.

The 2020/21 academic year witnessed further disruption to the independent education sector with periods of school closure due to the Covid-19 pandemic. All schools were required to adopt and implement measures to safeguard the health of pupils and to limit the spread of the disease. Nevertheless, the Allied Schools continued, without interruption, to provide first class educational experiences to their pupils around the world during enforced closure, as evidenced by record achievements in the award of top grades to unprecedented numbers of pupils at all of the Allied Schools. During the year one of the Allied Schools merged with two of its feeder prep schools to form an enlarged school group educating pupils from age 3 to 19. All of the schools were praised for the innovative co-curricular programmes offered to pupils, with a strong emphasis on encouraging pupils to maintain their physical and mental well-being. The schools continued to offer pastoral support that was appropriate in the context of the situation..

The Allied Schools remain committed to working with the communities in which they are located and in various ways provide access to the community and work closely with local state maintained schools, although inevitably some planned community events through the 2020/21 year had to be deferred or cancelled. Two of the senior schools have formal partnership arrangements with local secondary schools; these are with the Bourne Academy in Bournemouth and the Silverstone UTC. More details of the Allied Schools' support to their local schools can be found on the ISC sponsored website at www.schoolstogether.org.

The General Manager continues to act as a trusted adviser to the Governing Bodies of all the Allied Schools; at each of them he performs the role in ways that are adapted to the specific needs and priorities of the individual school. At any one time, the General Manager may be supporting a number of Governing Bodies on a range of other confidential issues, including mergers with other charities, recruitment of members of the leadership team, supporting reviews of Governance and ensuring that Governing Bodies understand the full range of their duties and responsibilities. Over the past year, the General Manager has supported processes at schools to review Governance, to review and develop strategies that will enable the Allied Schools to thrive in a difficult market in which affordability is of growing concern for many traditional customers of the sector and to transfer best practice. All of the Allied Schools used video-conferencing for meetings of Committees and Governing Bodies for most of the year, limiting the opportunities for the General Manager to interact and support the Allied Schools; however his exposure to the approaches used in different settings to deal with and respond to the pandemic enabled him to share insight about good practice.

Allied Schools Agency Limited

Trustees' Annual Report For the year ended 31 July 2021

In addition to projects such as those described, the General Manager supports the Governing Bodies and management teams of the Allied Schools on an as needed basis when issues and challenges arise; on a day to day basis he advises the Chairmen of the Allied Schools on good practice in relation to Governance, Charity law and Company law.

Financial Review

The Company's total expenditure for the year of £181,797 (2020 as restated: £183,863) continues to be funded by the Allied Schools. The Company's result for the year is breakeven (2020: break even) with receipts from the Allied Schools taken to income to match the expenses incurred.

The Company participates in the TPT Retirement Solutions (TPT) Growth Series pension scheme, a multi-employer pension defined benefit scheme; previously employees of the company were enrolled in a number of defined benefit schemes provided by TPT on which a deficit has been identified and calculated. There is a recovery plan in place and the company is making regular contributions to reduce the deficit. As a consequence there is a liability of £86,753 (2020: £109,000) which has been recognised on the Balance Sheet of the Company. The Allied Schools have each agreed to fund their share of the deficit and a debtor is therefore recognised for the full deficit. There is no effect on the result for the year or the total reserves. (Further details are given in Note 13 to the Financial Statements). Scheme members include former employees of Lowther College and Felixstowe College, both of which were members of the Allied Schools Group, which have now closed.

Reserves Policy

The Directors have reviewed the Reserves Policy and, in accordance with the Allied Schools Agreement, the costs of the Allied Schools Agency Limited are met by the Allied Schools. The company holds cash resources of roughly three months' operating expenses throughout the year. In the event that one or more of the Allied Schools failed to pay its share of the operating expenses, there are provisions for recovery of amounts owing from the remaining Allied Schools. Directors are confident that the Allied Schools will honour their obligations and that any failure to do so can be remedied quickly by recourse to the other member schools.

The Directors consider nevertheless that it is prudent to retain cash reserves of a minimum of two months' operating expenses, or about £30,000. At the year-end cash holdings totalled £48,141 (2020: £42,190) and net assets were £14,684 (2020: £14,684). The Directors are satisfied that the policy is being met.

Risk Management

The Directors have formally reviewed and analysed the major risks to the Company, and are satisfied that action has been taken to mitigate the risks to the extent possible. The Company will continue to monitor and re-assess the risks on a regular basis.

The global pandemic has continued to impact the Allied Schools and the risk identified last year has not changed significantly. Each of the Allied Schools responded uniquely to the pandemic and all have continued to show resilience, innovation and agility. Each of the Allied Schools again suffered a reduction in net fee income for the Lent term due to fee concessions offered to parents during periods of closure in the first half of that term. The summer term saw the return to more normal school operations, albeit with continuing restrictions owing to prudent risk management. Each of the Allied Schools has continued to receive fulsome and well-deserved praise from parents who saw at first-hand what they had achieved.

At their meetings the Directors monitor the financial well-being and resources of all of the Schools, taking note of Covid-19 specific risks and initiatives, and are confident of the schools' ability to continue to provide first class education through the current academic year in the face of the challenges posed by the pandemic.

Allied Schools Agency Limited

Trustees' Annual Report For the year ended 31 July 2021

The other risks to the Company continue to be monitored at meetings of the board of Directors and these include four significant risks described below:

Prior to the appointment of an adviser to the Company, the General Manager was a single point of failure in his relationship with, and understanding of, each of the Allied Schools. From October 2020 the adviser has been retained as an employee to ensure this risk continues to be mitigated. The adviser has a good level of understanding of the Allied Schools and has attended board meetings for several years. In the event of the General Manager being unable to fulfil his duties the adviser would stand in for him on a temporary basis.

A key risk is the possible failure of an Allied School, which could impact the company's income. This remains of concern but is outside the direct control of Directors, however the severity of this risk is mitigated by the Allied Schools Agreement, signed in 2013, which requires the remaining schools to cover any shortfall in the Company's income caused by the failure of one or more schools to meet its obligations for whatever reason. One of the Company's primary roles is the monitoring of the financial well-being and management of the Allied Schools; therefore the Company should have advance warning of any such threat and be able to plan accordingly. Many independent schools have, to varying degrees, become reliant on fee income from international pupils. Termly reports from the General Manager include comment, when relevant on the numbers of overseas pupils attending the Allied Schools to monitor this specific risk.

The company continues to monitor the TPT deficit situation which represents a significant potential liability to the company. The Allied Schools have committed to meet this potential liability under the terms of the 2013 Agreement. Additional contributions to TPT, which it is intended will eliminate the deficit in 2025, are being paid by the company and reimbursed by the Allied Schools.

The company is aware of political and social factors that from time to time prompt public debate about the charitable status of Independent Schools. Any change to the status of the Allied Schools would impact the company but would be beyond its control. The Directors continue to review the situation annually and would work closely with the Allied Schools in crafting a response to change if it occurs.

Plans for Future Periods

The Company's continuing objective is to support the Allied Schools in achieving a high standard of Governance and to fulfil the role of Agent of the Martyr's Memorial Trust. The General Manager will support confidential and special projects and recruitment processes as needed at each of the Allied Schools, including the integration from a Governance perspective of the new members of the Group who have merged with one of the schools. The General Manager will continue to monitor the financial position of each of the Allied Schools and work with any school that experiences a deterioration of performance to achieve a turnaround in performance. The General Manager will work with MMT nominated Governors at the Allied Schools to ensure that there is adherence to the common foundational principles that should guide the schools in all they do.

The General Manager will continue to oversee the relationship between Westonbirt Schools Limited and that company's tenant and will play a role in monitoring the investment in the estate that is a requirement of the lease. The General Manager will be responsible for the day-to-day management of Westonbirt Schools Limited and will continue to act as Secretary to the Trustees.

Allied Schools Agency Limited

**Trustees' Annual Report
For the year ended 31 July 2021**

Auditors

Saffery Champness LLP have expressed their willingness to continue as auditors.

This report was prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 17 November 2021.

A handwritten signature in black ink, appearing to read 'MBM Porter', is written over a circular stamp or seal.

MBM Porter

Company Secretary

Allied Schools Agency Limited

Independent auditors report to the members of Allied Schools Agency Limited For the year ended 31 July 2021

Opinion

We have audited the financial statements of Allied Schools Agency Limited for the year ended 31 July 2021 which comprise the statement of financial activities, balance sheet 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 charitable company's state of affairs as at 31 July 2021 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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

Independent auditors report to the members of Allied Schools Agency Limited (continued)
For the year ended 31 July 2021

irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Allied Schools Agency Limited

Independent auditors report to the members of Allied Schools Agency Limited (continued)
For the year ended 31 July 2021

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.



Cara Turlington (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors
71 Queen Victoria Street
London
EC4V 4BE

29 November 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Allied Schools Agency Limited

**Statement of financial activities (incorporating the income and expenditure account)
For the year ended 31 July 2021**

	Notes	Total 2021 £	Total 2020 As restated £
Income from			
Contributions from Allied schools		157,679	161,329
Pensions Trust Additional Contributions reimbursed		23,421	22,732
	2	<u>181,100</u>	<u>184,061</u>
Interest receivable		<u>743</u>	<u>802</u>
Total income		<u>181,843</u>	<u>184,863</u>
Expenditure on raising funds			
Bank charges		742	516
Charitable activities			
Provision of services and other support to schools		157,679	161,608
Pension Trust costs		23,376	21,739
Total expenditure	3	<u>181,797</u>	<u>183,863</u>
Net income for the year before other gains and losses		46	1,000
Actuarial gains/(losses) on pension scheme deficit	13	<u>(46)</u>	<u>(1,000)</u>
Net movement in funds		<u>-</u>	<u>-</u>
Fund balances at 1 August		<u>14,668</u>	<u>14,668</u>
Fund balances at 31 July		<u>14,668</u>	<u>14,668</u>

All unrestricted operations of the company continued throughout both years and no operations were acquired or discontinued in either period under review.

The accompanying notes are an integral part of this statement of financial activities.

Allied Schools Agency Limited

**Balance sheet
As at 31 July 2021**

	Notes	Total 2021	Total 2020
Tangible fixed assets	7	464	925
Debtors due after more than one year	8	86,753	109,000
Current assets			
Debtors	8	24,111	26,904
Cash at bank and in hand		48,141	42,190
		<hr/>	<hr/>
Creditors: amounts falling due within one year	9	72,252 (58,032)	69,094 (55,335)
		<hr/>	<hr/>
Total assets less current liabilities excluding pension liability		101,437	123,684
		<hr/>	<hr/>
Defined benefit pension scheme liability	13	(86,753)	(109,000)
		<hr/>	<hr/>
Net assets		14,684	14,684
		<hr/>	<hr/>
Share capital	10	16	16
		<hr/>	<hr/>
Unrestricted fund			
Retained income	11	14,668	14,668
		<hr/>	<hr/>
Total funds		14,684	14,684
		<hr/>	<hr/>

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

The financial statements on pages 12 to 22 were approved by the Board of Directors on 17 November 2021 and signed on its behalf by:



**NJ Durlacher CBE
Director**



**MBM Porter
Director**

Company registered number: 306977

The accompanying notes are an integral part of this balance sheet.

1. Accounting policies

a) Basis of accounting

The financial statements have been drawn up on the historical cost basis of accounting. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling, the functional currency of the charitable company.

As explained further in note 16, a change in the presentation of income and expenditure has resulted in a prior year adjustment. This does not impact the result for the prior year.

b) Going concern

At the time of approving the financial statements, the Directors have a reasonable expectation, having paid due regard to the unique circumstances of Covid-19 and the finances of the Allied Schools, that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

c) Income and Expenditure

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Expenses are recharged to and borne by the several schools known as the Allied Schools.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

d) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The charity has selected 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.

e) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Donations of tangible fixed assets are capitalised at their cash value or at estimated cash value if received in kind.

Depreciation is provided on tangible fixed assets so as to write off their cost, less estimated residual value, by equal instalments over the estimated useful lives of the assets concerned. The estimated useful lives are considered to be as follows:

Computer equipment	- 3 years
Furniture, fixtures and fittings	- 10 years
Office equipment	- 3 years

f) Pensions

Current and previous staff are members of a personal pension money purchase plan and The Pensions Trust Growth Plan.

The Growth Plan is a multi-employer pension scheme where it is not possible on a reasonable and consistent basis to separately identify the assets and liabilities of participating employers. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The company has a commitment to fund the deficit in the scheme at a fixed rate, in accordance with an agreed schedule of contributions. This commitment is accounted for at the point the charity is notified of the amount payable and is discounted to its net present value. More details of the scheme are given in note 13.

Costs incurred in respect of the money purchase plan are charged to the SOFA as they fall due. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

g) Funds

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

h) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the directors 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.

Allied Schools Agency Limited

Notes to the financial statements (continued)
For the year ended 31 July 2021

2. Analysis of contributions receivable from Allied Schools

	2021	2020
	£	As restated £
Contributions towards current year operating costs	157,679	161,329
Reimbursed pension contributions	23,421	22,732
	<u>181,100</u>	<u>184,061</u>

The Allied Schools have each agreed to fund their share of the Company's pension deficit (see note 13 for further details).

3. Analysis of total expenditure

	Staff costs	Other costs	Total 2021	Total 2020
	£	£	£	As restated £
Cost of generating funds				
Bank charges	-	743	743	516
Charitable activities				
Staff costs (note 4)	159,020	-	159,020	152,021
Support and other costs	<u>-</u>	<u>22,034</u>	<u>22,034</u>	<u>31,326</u>
Total expenditure	<u>159,020</u>	<u>22,777</u>	<u>181,797</u>	<u>183,863</u>

Net expenditure is stated after charging:

Auditors' remuneration for audit work (excluding VAT)		
- Audit services	5,250	5,250
Operating lease rentals	<u>-</u>	<u>523</u>

Allied Schools Agency Limited

Notes to the financial statements (continued)
For the year ended 31 July 2021

4. Staff costs

	2021	2020
	£	As restated £
Salaries	116,900	104,639
Social security costs	3,823	12,207
Other benefits	1,933	1,450
Pensions		
Company contributions to TPT and money purchase pension schemes	12,988	11,986
Pensions Trust contributions	23,376	21,739
	<u>159,020</u>	<u>152,021</u>

5. Directors' emoluments

The remuneration of the directors, who are considered to be the key management personnel, was as follows:

	2021	2020
	£	£
Emoluments	109,400	104,639
Other benefits	1,933	1,450
Company contributions to TPT and money purchase pension schemes	12,988	11,986
	<u>124,321</u>	<u>118,075</u>

Retirement benefits amounting to £nil (2020: £nil) were paid in respect of past Directors.

None of the Directors, all of whom are considered to be key management personnel, receive any remuneration except for Mr M Porter who, as General Manager, was authorised to receive remuneration under clause 6.1 of the Articles of Association that were adopted on 26 September 2013.

Mr M Porter was reimbursed expenses of £321 (2020: £3,223). No other Directors were reimbursed expenses during the year (2020: Five directors reimbursed expenses totalling £984). These costs related to travel and subsistence.

Allied Schools Agency Limited

Notes to the financial statements (continued)
For the year ended 31 July 2021

6. Employees

The average number of employees of the company during the financial year was 2 (2020: 1), who are employed in management and administration functions.

The number of employees whose emoluments exceeded £60,000 was:

	2021 Number	2020 Number
£100,001 - £110,000	1	1

7. Tangible assets

	Computer equipment £	Furniture, fittings and equipment £	Total £
Cost			
At 1 August 2020	3,351	503	3,854
Additions in the year			
At 31 July 2021	3,351	503	3,854
Accumulated depreciation			
At 1 August 2020	2,426	503	2,929
Charge for the year	462	-	462
At 31 July 2021	2,888	503	3,391
Net book value			
At 31 July 2021	463	-	463
Net book value			
At 31 July 2020	925	-	925

Allied Schools Agency Limited

Notes to the financial statements (continued)
For the year ended 31 July 2021

8. Debtors

	2021 £	2020 £
Falling due after more than one year:		
Defined benefit pension deficit from Allied Schools	86,753	109,000
	<u>86,753</u>	<u>109,000</u>
Falling due within one year:		
Trade debtors	522	-
Other debtors	22,676	25,934
Prepayments and accrued income	913	970
	<u>24,111</u>	<u>26,904</u>

9. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	3,201	3,222
Taxation and social security	1,886	2,810
Accruals and deferred income	52,945	49,303
	<u>58,032</u>	<u>55,335</u>

Deferred income at the year-end totalled £45,120 (2020: £40,060), which relates to overpayments from the Allied Schools which will be offset against future expenditure.

10. Share capital

	2021 £	2020 £
Issued share capital:		
£1 Ordinary shares	<u>16</u>	<u>16</u>

Allied Schools Agency Limited

Notes to the financial statements (continued)
For the year ended 31 July 2021

11. Unrestricted fund

	Retained Income £
At 1 August 2020	14,668
Result for the year	-
At 31 July 2021	14,668

12. Net funds

	Net assets £	Total £
Unrestricted funds:		
Retained income	14,668	14,668

13. Pensions

The company participates in The Pensions Trust Growth Plan, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £795m, liabilities of £926m and a deficit of £131m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025:

£11,243,000 per annum
(payable monthly and increasing
by 3% each on 1st April)

Notes to the financial statements (continued)
For the year ended 31 July 2021

13. Pensions**(continued)**

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee had asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:

£12,945,440 per annum
 (payable monthly and increasing
 by 3% each on 1st April)

From 1 April 2016 to 30 September 2028:

£54,560 per annum
 (payable monthly and increasing
 by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a cost.

	31 July 2021 (£'000s)	31 July 2020 (£'000s)	31 July 2019 (£'000s)
Present value of provision	87	109	130

Present values of provision

	Period ending 31 July 2021 (£'000s)	Period ending 31 July 2020 (£'000s)
Reconciliation of opening and closing provisions		
Provision at start of period	109	130
Unwinding of the discount factor (interest expense)	1	1
Deficit contribution paid	(23)	(23)
Re-measurements – impact of any change in assumptions	-	1
Re-measurements – amendments to the contribution schedule	-	-
	87	109

Notes to the financial statements (continued)
For the year ended 31 July 2021

13. Pensions (continued)

Income and expenditure impact

Charged/credited to charitable expenditure		
Interest expense	1	1
Re-measurements – amendments to the contribution schedule	<u>-</u>	<u>-</u>
	1	1
Recognised as actuarial losses/ (gains)		
Re-measurements – impact of any change in assumptions	<u>-</u>	<u>1</u>
Net charge/(credit) recognised in the Statement of Financial Activities	<u>1</u>	<u>2</u>

Assumptions

	31 July 2021	31 July 2020	31 July 2019
	% per annum	% per annum	% per annum
Rate of discount	0.57	0.60	1.00

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

14. Controlling party

No one party exerts significant control and therefore there is no controlling party.

15. Related party transactions

Apart from the transactions described in note 5, there were no related party transactions during the year.

16. Prior year adjustment

	As previously reported	Prior year adjustment	As restated
	£	£	£
Income	163,863	21,000	184,863
Expenditure	162,863	21,000	183,863
Net income	1,000	-	1,000
Actuarial losses on pension scheme deficit	(1,000)	-	(1,000)
Net movement in funds	-	-	-

In order to more appropriately show income and expenditure the presentation of reimbursed pension contributions has been reviewed and amended. This results in a restatement of the comparative income and expenditure as shown above.

Opening funds have not been affected by this restatement.