

# **ALLIED SCHOOLS AGENCY LIMITED**

Financial Statements 31 July 2022

Together with Directors' and Auditors' Reports

Registered Charity Number: 313158

Registered Company Number: 306977

**Allied Schools Agency Limited**

**Contents**

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	<b>Page</b>
Trustees and company information	1
Trustees' Annual Report	2
Independent auditors report	7
Statement of financial activities	11
Balance sheet	12
Notes to the financial statements	13

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## Allied Schools Agency Limited

### Trustees and company information

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<b>Directors and officers</b>	NJ Durlacher CBE (Chairman) MK Bewes Prebendary JA Fisher MK Henderson Reverend NJ Little (appointed 15 September 2022) MBM Porter RMB Wilkinson
<b>Company Secretary</b>	MBM Porter
<b>Independent Auditors</b>	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
<b>Bankers</b>	Barclays Bank Plc Octagon House Gadbrook Park Northwich Cheshire SW9 7RB
<b>Registered Office</b>	CPAS Sovereign Court One (Unit 3) Sir William Lyons Road University of Warwick Science Park Coventry CV4 7EZ
<b>Principal Office</b>	Stable Cottage Eckington Road Birlingham Pershore Worcestershire WR10 3DA
<b>Solicitors</b>	Charles Russell Speechlys LLP Compass House Lypiatt Rd Cheltenham GL50 2QJ

## Allied Schools Agency Limited

### Trustees' Annual Report For the year ended 31 July 2022

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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 2022.

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  
MBM Porter  
RMB Wilkinson

In accordance with the Articles of Association Mr Nicholas Durlacher and Mr Michael Porter 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 relationships with the Allied Schools and the Martyrs' Memorial and Church of England Trusts (MMT). If both

## Allied Schools Agency Limited

### Trustees' Annual Report For the year ended 31 July 2022

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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 26 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 owned an estate at Westonbirt in Gloucestershire let from May 2018 to a third party that operates schools on the site. On 23 September 2022 the estate at Westonbirt was sold to the company that operates the schools at Westonbirt. 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 26 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

## Allied Schools Agency Limited

### Trustees' Annual Report For the year ended 31 July 2022

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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.

During the 2021/22 academic year some further disruption to the independent education sector was caused by the pandemic but operations are now returned to some semblance of normality. For the first time in two years pupils at the Allied Schools sat public exams in the conventional way, and the results at all the Schools were exceptionally good, with historically high levels of students successfully achieving top grades in A levels, BTECs and GCSEs. Schools have continued to practice some social distancing and educational opportunities such as trips and expeditions were affected during the year. Nevertheless, the Allied Schools continued to provide first class educational experiences to their pupils, as evidenced by achievements in the award of top grades. The merger of one of the Allied Schools with two of its feeder prep schools has gone very well with all three schools in that group reporting increased pupil numbers for the current academic year. All the Allied Schools have consolidated their positions as leading schools in their local market, while some continue to experience shortfalls in boarders from overseas. International boarders are an important segment for some schools and after reductions in numbers during the pandemic, they are now showing signs of recovery.

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. Canford and Stowe 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](http://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 of recruitment and Governance review at the Allied Schools.

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 £183,171 (2021: £181,797) continues to be funded by the Allied Schools. The Company's result for the year is breakeven (2021: break even) with receipts from the Allied Schools taken to income to match the expenses incurred.

## **Allied Schools Agency Limited**

### **Trustees' Annual Report For the year ended 31 July 2022**

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A key risk is the possible failure of an Allied School, which could impact the company's income. This remains of concern and 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.

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 has commissioned a review of its participation in the TPT and will consider whether it is an appropriate time to exit the scheme.

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 which 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 be responsible for the day-to-day management of Westonbirt Schools Limited and will continue to act as Secretary to the Trustees.

#### **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 29 November 2022.



**MBM Porter**  
**Company Secretary**

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 £17,758 (2021: £86,753) 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 £60,355 (2021: £48,141) and net assets were £14,684 (2021: £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 but the level of risk to each of the Allied Schools has now been reduced, although they continue to monitor the situation closely. As reported previously, each of the Allied Schools responded uniquely to the pandemic and they demonstrated resilience, innovation and agility. 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.

The war in Ukraine has affected some independent schools directly, through the loss of small numbers of pupils, and all indirectly due to the impact on the global economy and inflation. All of the Allied Schools started the new academic year with pupil numbers in line with their budgets, however the impact of greatly increased energy costs is likely to result in a shortfall in operating surpluses. The Allied Schools all have strong balance sheets and were considered going concerns at their most recent audit.

At their meetings the Directors monitor the financial well-being and resources of all of the Allied Schools, taking note of 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 challenges which may be posed if a global recession occurs. 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.

## Allied Schools Agency Limited

### Independent auditors report to the members of Allied Schools Agency Limited For the year ended 31 July 2022

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#### Opinion

We have audited the financial statements of Allied Schools Agency Limited for the year ended 31 July 2022 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 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 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.

## **Allied Schools Agency Limited**

### **Independent auditors report to the members of Allied Schools Agency Limited (continued) For the year ended 31 July 2022**

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#### **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 2022**

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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](http://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 2022**

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**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

*21 December 2022*  
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 2022

	Notes	Total 2022 £	Total 2021 £
<b>Income from</b>			
Contributions from the Allied Schools		160,665	157,679
Reimbursed pension contributions		21,126	23,421
	<b>2</b>	<u>181,791</u>	<u>181,100</u>
Interest receivable		727	743
Other income		105	-
		<u>832</u>	<u>743</u>
<b>Total income</b>		<u>182,623</u>	<u>181,843</u>
<b>Expenditure on raising funds</b>			
Bank charges		774	742
<b>Charitable activities</b>			
Provision of services and other support to schools		160,721	157,679
Pension Trust contributions		21,676	23,376
		<u>182,397</u>	<u>181,055</u>
<b>Total expenditure</b>	<b>3</b>	<u>183,171</u>	<u>181,797</u>
<b>Net (deficit)/income for the year before other gains and losses</b>		(548)	46
Actuarial gains/(losses) on pension scheme deficit	<b>13</b>	548	(46)
		<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>-</u>	<u>-</u>
Fund balances at 1 August		14,668	14,668
		<u>14,668</u>	<u>14,668</u>
<b>Fund balances at 31 July</b>		<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 2022

	Notes	Total 2022 £	Total 2021 £
<b>Tangible fixed assets</b>	<b>7</b>	-	464
<b>Debtors due after more than one year</b>	<b>8</b>	17,758	86,753
<b>Current assets</b>			
Debtors	<b>8</b>	24,764	24,111
Cash at bank and in hand		60,355	48,141
		<hr/>	<hr/>
Creditors: amounts falling due within one year	<b>9</b>	85,119 (70,435)	72,252 (58,032)
		<hr/>	<hr/>
<b>Total assets less current liabilities excluding pension liability</b>		32,442	101,437
		<hr/>	<hr/>
Defined benefit pension scheme liability	<b>13</b>	(17,758)	(86,753)
		<hr/>	<hr/>
<b>Net assets</b>		14,684	14,684
		<hr/>	<hr/>
<b>Share capital</b>	<b>10</b>	16	16
<b>Unrestricted fund</b>			
Retained income	<b>11</b>	14,668	14,668
		<hr/>	<hr/>
<b>Total funds</b>		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 11 to 21 were approved by the Board of Directors on 29 November 2022 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.

b) **Going concern**

At the time of approving the financial statements, the Directors have a reasonable expectation, having paid due regard to the on going global pandemic, and the impact of the war in Ukraine on the economy, especially with regard to inflation, as well as 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 the 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 2022**

**2. Analysis of contributions receivable from the Allied Schools**

	<b>2022</b> £	<b>2021</b> £
Contributions towards current year operating costs	160,665	157,679
Reimbursed pension contributions	<u>21,126</u>	<u>23,421</u>
	<u>181,791</u>	<u>181,100</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**

	<b>Staff costs</b> £	<b>Other costs</b> £	<b>Total 2022</b> £	<b>Total 2021</b> £
<b>Cost of generating funds</b>				
Bank charges	-	774	774	743
<b>Charitable activities</b>				
Staff costs (note 4)	157,158	-	157,158	159,020
Support and other costs	<u>-</u>	<u>25,239</u>	<u>25,239</u>	<u>22,034</u>
<b>Total expenditure</b>	<u>207,666</u>	<u>26,013</u>	<u>183,171</u>	<u>181,797</u>

Net expenditure is stated after charging:

Auditors' remuneration (excluding VAT)		
- Audit services	5,800	5,250
- Accountancy services	<u>500</u>	<u>-</u>

Allied Schools Agency Limited

Notes to the financial statements (continued)  
For the year ended 31 July 2022

4. Staff costs

	2022 £	2021 £
Salaries	115,586	116,900
Social security costs	6,442	3,823
Other benefits	261	1,933
Pensions		
Company contributions to TPT and money purchase pension schemes	13,193	12,988
Pensions Trust contributions	21,676	23,376
	<u>157,158</u>	<u>159,020</u>

5. Directors' emoluments

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

	2022 £	2021 £
Emoluments	106,448	109,400
Other benefits	261	1,933
Company contributions to TPT and money purchase pension schemes	13,193	12,988
	<u>119,902</u>	<u>124,321</u>

Retirement benefits amounting to £nil (2021: £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 £2,259 (2021: £321). Four other Directors were reimbursed expenses totalling £1,336 (2021: £nil). These costs related to travel and subsistence.

Allied Schools Agency Limited

Notes to the financial statements (continued)  
For the year ended 31 July 2022

6. Employees

The average number of employees of the Company during the financial year was 2 (2021: 1), who are employed in management and administration functions.

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

	2022 Number	2021 Number
£100,001 - £110,000	1	1

7. Tangible assets

	Computer equipment £	Furniture, fittings and equipment £	Total £
<b>Cost</b>			
At 1 August 2021	3,351	503	3,854
Additions in the year	-	-	-
At 31 July 2022	3,351	503	3,854
<b>Accumulated depreciation</b>			
At 1 August 2021	2,888	503	3,391
Charge for the year	463	-	463
At 31 July 2022	3,351	503	3,854
<b>Net book value</b>			
At 31 July 2022	-	-	-
<b>Net book value</b>			
At 31 July 2021	463	-	463

Allied Schools Agency Limited

Notes to the financial statements (continued)  
For the year ended 31 July 2022

8. Debtors

	2022 £	2021 £
<b>Falling due after more than one year:</b>		
Defined benefit pension deficit from the Allied Schools	17,758	86,753
	<u>17,758</u>	<u>86,753</u>
<b>Falling due within one year:</b>		
Trade debtors	898	522
Other debtors	23,404	22,676
Prepayments and accrued income	462	913
	<u>24,764</u>	<u>24,111</u>

9. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	9,148	3,201
Taxation and social security	1,851	1,886
Accruals and deferred income	59,436	52,945
	<u>70,435</u>	<u>58,032</u>

Deferred income at the year-end totalled £51,656 (2021: £45,121), which relates to overpayments from the Allied Schools which will be offset against future expenditure.

10. Share capital

	2022 £	2021 £
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 2022

11. Unrestricted fund

	Retained Income £
At 1 August 2021	14,668
Result for the year	-
At 31 July 2022	14,668

12. Net funds

	Net assets £	Total £
<b>Unrestricted fund:</b>		
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 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. 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 2022 to 31 January 2025: £3,312,000 per annum

**Notes to the financial statements (continued)**  
**For the year ended 31 July 2022**

**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 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. 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 2019 to 30 September 2025:

£11,243,000 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 2022 £	31 July 2021 £	31 July 2020 £
Present value of provision	17,758	86,753	109,548

**Present values of provision**

	Period ending 31 July 2022 £	Period ending 31 July 2021 £
<b>Reconciliation of opening and closing provisions</b>		
Provision at start of period	86,753	109,548
Unwinding of the discount factor (interest expense)	442	580
Deficit contribution paid	(18,381)	(23,421)
Re-measurements – impact of any change in assumptions	(548)	46
Re-measurements – amendments to the contribution schedule	(50,508)	-
	17,758	86,753

**Notes to the financial statements (continued)**  
**For the year ended 31 July 2022**

**13. Pensions (continued)**

**Income and expenditure impact**

Charged/(credited) to charitable expenditure

Interest expense	442	580
Re-measurements – amendments to the contribution schedule	(50,508)	-
	(50,066)	580
Recognised as actuarial losses/ (gains)		
Re-measurements – impact of any change in assumptions	(548)	46
Net charge/(credit) recognised in the Statement of Financial Activities	(50,614)	626

During the year the basis on which contributions to the pension deficit is calculated was changed by TPT to separate expenses of administering the deficit from the value of the deficit. The effect of this on the provision at 31 July 2022 is reflected in the re-measurement adjustment of £50,508. The updated provision of £17,758 represents expected future contributions to the deficit and does not reflect future contributions to expenses. The Company is reimbursed by the Allied Schools for all costs in relation to the pension liability, both in relation to the deficit and to the expenses. Separately identified expenses of £2,457 are included in the pension figures in both income and expenditure in the year. The re-measurement adjustment of £50,508, being offset by compensating amounts due to/from the Allied Schools, has no impact on the Statement of Financial Activities.

**Assumptions**

	31 July 2022 % per annum	31 July 2021 % per annum	31 July 2020 % per annum
Rate of discount	3.15	0.57	0.60

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.

