

ALLIED SCHOOLS AGENCY LIMITED

Financial Statements 31 July 2023

Together with Directors' and Examiner's Reports

Registered Charity Number: 313158

Registered Company Number: 306977

	Page
Trustees and company information	1
Trustees' Annual Report	2
Independent examiner's report	7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10

Allied Schools Agency Limited

Trustees and company information

Directors and officers

NJ Durlacher CBE (Chairman)
Prebendary JA Fisher
MK Henderson
Reverend NJ Little (appointed 15 September 2022)
MBM Porter
AR Spencer (appointed 24 March 2023)
RMB Wilkinson

Company Secretary

MBM Porter

Independent Examiner

Cara Turlington FCA DChA
Saffery 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
Persore
Worcestershire
WR10 3DA

Solicitors

Charles Russell Speechlys LLP
Compass House
Lypiatt Rd
Cheltenham
GL50 2QJ

The Directors (who are also Trustees of the Allied Schools Agency Limited as defined in the Charities Act 2011) present their report and financial statements for the year ended 31 July 2023.

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.

Directors

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

NJ Durlacher CBE (Chairman)
MK Bewes (resigned 24 March 2023)
Prebendary JA Fisher
MK Henderson
Reverend NJ Little (appointed 15 September 2022)
MBM Porter
AR Spencer (appointed 24 March 2023)
RMB Wilkinson

In accordance with the Articles of Association Reverend Nigel Little and Antony Spencer were appointed during the year and 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 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 90 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 1920 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 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 2022/23 operations at the Allied Schools returned to normal after the disruption caused by the Covid 19 pandemic. Pupils at the Allied Schools sat normal exams in the summer of 2023, which were marked and graded in line with pre-pandemic standards. The schools' impressive results demonstrated that academic achievement relative to the intake of each school remains a core strength of all four schools with percentages of top grades in line with or better than pre-pandemic levels. The merger of Stowe School with two of its feeder prep schools continues to be a success story with all three schools in that group reporting steady pupil numbers for the current academic year. All the Allied Schools have consolidated their positions as leading schools in their local market, and those that rely on higher proportions of boarders from overseas have witnessed a recovery of interest from around the world.

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.

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. The General Manager has indicated his intention to retire at the end of the current financial year and a process to recruit his successor is underway.

Financial Review

The Company's total expenditure for the year of £184,082 (2022: £183,171) continues to be funded by the Allied Schools. The Company's result for the year is break even (2022: 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 £10,616 (2022: £17,758) 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 £81,656 (2022: £60,355) and net assets were £14,680 (2022: £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 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. 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 arise in the current economic environment. 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 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 asked TPT Retirement

Solutions for a valuation of the debt on withdrawal and expects during the current financial year to make a decision, having taken advice from consulting actuaries, on whether to confirm its intention to pay the cessation charge to limit the financial risks associated with last man standing multi-employer pension schemes.

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. It now appears likely that independent schools would lose some of the benefits of charitable status and that under a Labour government VAT may be charged on fees. In addition, independent schools may lose mandatory business rate relief. The combined effect of these measures would be challenging for all independent schools. 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.

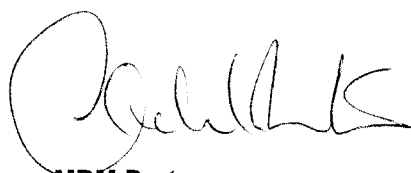
Plans for Future Periods

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 MMT. 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.

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 22 November 2023.



MBM Porter

Company Secretary

**Independent examiner's report to the members of Allied Schools Agency Limited
For the year ended 31 July 2023**

Independent examiner's report to the trustees of Allied Schools Agency Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2023.

Respective responsibilities of trustees and examiner

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Basis of independent examiner's report

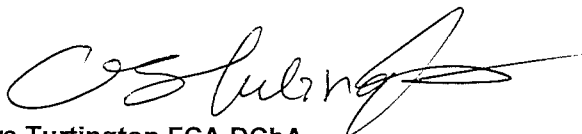
My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Cara Turlington FCA DChA

Saffery LLP, Chartered Accountants
71 Queen Victoria Street, London, EC4V 4BE

Date: 22 November 2023

Allied Schools Agency Limited

Statement of financial activities (incorporating the income and expenditure account) For the year ended 31 July 2023

	Notes	Total 2023 £	Total 2022 £
Income from			
Contributions from the Allied Schools		172,994	160,665
Reimbursed pension contributions		10,404	21,126
	2	<u>183,398</u>	<u>181,791</u>
Interest receivable		477	727
Other income		-	105
		<u>183,875</u>	<u>182,623</u>
Total income			
Expenditure on raising funds			
Bank charges		806	774
Charitable activities			
Provision of services and other support to schools		172,669	160,721
Pension Trust contributions		10,607	21,676
	3	<u>184,082</u>	<u>183,171</u>
Total expenditure			
Net (deficit)/income for the year before other gains and losses		(207)	(548)
Actuarial gains on pension scheme deficit	13	203	548
Cancellation of shares	10	4	-
		<u>-</u>	<u>-</u>
Net movement in funds			
Fund balances at 1 August		14,668	14,668
		<u>14,668</u>	<u>14,668</u>
Fund balances at 31 July			

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 2023**

	Notes	Total 2023 £	Total 2022 £
Tangible fixed assets	7	-	-
Debtor for pension due from Schools	8	10,616	17,758
Current assets			
Debtors	8	1,146	24,764
Cash at bank and in hand		81,656	60,355
		<hr/>	<hr/>
Creditors: amounts falling due within one year	9	82,802 (68,122)	85,119 (70,435)
		<hr/>	<hr/>
Total assets less current liabilities excluding pension liability		25,296	32,442
Defined benefit pension scheme liability	13	(10,616)	(17,758)
		<hr/>	<hr/>
Net assets		14,680	14,684
		<hr/>	<hr/>
Share capital	10	12	16
Unrestricted fund			
Retained income	11	14,668	14,668
		<hr/>	<hr/>
Total funds		14,680	14,684
		<hr/>	<hr/>

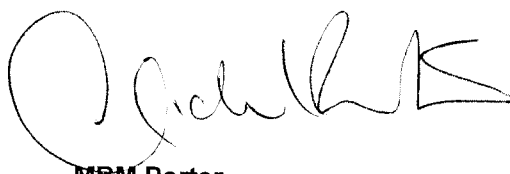
These financial statements have been prepared in accordance with the provisions applicable to small companies.

The financial statements on pages 8 to 18 were approved by the Board of Directors on 22 November 2023 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 considered 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 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 TPT Retirement Solutions – The 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.

2. Analysis of contributions receivable from the Allied Schools

	2023 £	2022 £
Contributions towards current year operating costs	172,994	160,665
Reimbursed pension contributions	10,404	21,126
	<u>183,398</u>	<u>181,791</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 2023 £	Total 2022 £
Cost of generating funds				
Bank charges	-	806	806	774
Charitable activities				
Staff costs (note 4)	151,663	-	151,663	157,158
Support and other costs	-	31,613	31,613	25,239
Total expenditure	<u>151,663</u>	<u>32,419</u>	<u>184,082</u>	<u>183,171</u>

	Staff costs £	Other costs £	Total 2022 £
Cost of generating funds			
Bank charges	-	774	774
Charitable activities			
Staff costs (note 4)	157,158	-	157,158
Support and other costs	-	25,239	25,239
Total expenditure	<u>157,158</u>	<u>26,013</u>	<u>183,171</u>

Net expenditure is stated after charging:

Independent examiner's remuneration (excluding VAT)		
- Independent examination/audit services	2,200	5,800
- Accountancy services	600	500
	<u>2,800</u>	<u>6,300</u>

4. Staff costs

	2023 £	2022 £
Salaries	120,625	115,586
Social security costs	6,629	6,442
Other benefits	-	261
Pensions		
Company contributions to TPT and money purchase pension schemes	13,802	13,193
Pensions Trust contributions	10,607	21,676
	<u>151,663</u>	<u>157,158</u>

5. Directors' emoluments

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

	2023 £	2022 £
Emoluments	111,360	106,448
Other benefits	-	261
Company contributions to TPT and money purchase pension schemes	13,802	13,193
	<u>125,162</u>	<u>119,902</u>

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 incurred and was reimbursed expenses of £3,203 (2022: £2,259). Six other Directors incurred and were reimbursed expenses totalling £4,345 (2022: £1,336). These costs related to travel, accommodation and subsistence.

Notes to the financial statements (continued)
For the year ended 31 July 2023

6. Employees

The average number of employees of the Company during the financial year was 2 (2022: 2), who are employed in management and administration functions.

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

	2023 Number	2022 Number
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-

7. Tangible assets

	Computer equipment £	Furniture, fittings and equipment £	Total £
Cost			
At 1 August 2022	3,351	503	3,854
Additions in the year	-	-	-
At 31 July 2023	3,351	503	3,854
Accumulated depreciation			
At 1 August 2022	3,351	503	3,854
Charge for the year	-	-	-
At 31 July 2023	3,351	503	3,854
Net book value			
At 31 July 2023	-	-	-
Net book value			
At 31 July 2022	-	-	-

8. Debtors

	2023 £	2022 £
Debtor for pension due from Schools:		
Defined benefit pension deficit from the Allied Schools	10,616	17,758
	<u>10,616</u>	<u>17,758</u>
Falling due within one year:		
Trade debtors	805	898
Other debtors	-	23,404
Prepayments and accrued income	341	462
	<u>1,146</u>	<u>24,764</u>

9. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	5,731	9,148
Taxation and social security	2,132	1,851
Accruals and deferred income	60,259	59,436
	<u>68,122</u>	<u>70,435</u>

Deferred income at the year-end totalled £50,332 (2022: £51,656), which relates to overpayments from the Allied Schools which will be offset against future expenditure.

10. Share capital

	2023 £	2022 £
Issued share capital of £1 ordinary shares		
Brought forward	16	16
Cancelled in the year	(4)	-
Carried forward	<u>12</u>	<u>16</u>

Notes to the financial statements (continued)
For the year ended 31 July 2023

11. Unrestricted fund

	Retained Income £
At 1 August 2022	14,668
Result for the year	-
	<hr/>
At 31 July 2023	14,668
	<hr/>

12. Net funds

	Net assets £	Total £
Unrestricted fund:		
Retained income	<u>14,668</u>	<u>14,668</u>

13. Pensions: TPT Retirement Solutions – The Growth Plan

The Company participates in the scheme, a multi-employer scheme which provides benefits to some 638 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, sets 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.

On 31 March 2023 the Company gave notice to TPT Retirement Solutions of its intention to withdraw from this pension scheme. Information has not yet been received estimating the exit charge. These accounts therefore continue to be prepared based on the FRS 102 valuation at 31 July 2023.

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

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 2023 £	31 July 2022 £	31 July 2021 £
Present value of provision	10,616	17,758	86,753

Present values of provision

	Period ending 31 July 2023 £	Period ending 31 July 2022 £
Reconciliation of opening and closing provisions		
Provision at start of period	17,758	86,753
Unwinding of the discount factor (interest expense)	434	442
Deficit contribution paid	(7,373)	(18,381)
Re-measurements – impact of any change in assumptions	(203)	(548)
Re-measurements – amendments to the contribution schedule	-	(50,508)
	10,616	17,758

Notes to the financial statements (continued)
For the year ended 31 July 2023

13.	Pensions	(continued)	
	Income and expenditure impact		
	Charged/(credited) to charitable expenditure		
	Interest expense	434	442
	Re-measurements – amendments to the contribution schedule	<u>-</u>	<u>(50,508)</u>
		434	(50,066)
	Recognised as actuarial losses/ (gains)		
	Re-measurements – impact of any change in assumptions	<u>(203)</u>	<u>(548)</u>
	Net charge/(credit) recognised in the Statement of Financial Activities	<u>231</u>	<u>(50,614)</u>

Assumptions

	31 July 2023 % per annum	31 July 2022 % per annum	31 July 2021 % per annum
Rate of discount	5.98%	3.15	0.57

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.