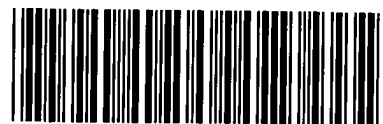


REGISTERED COMPANY NUMBER: 00455482(England and Wales)
REGISTERED CHARITY NUMBER: 312640

**Report of the Trustees and
Financial Statements for the Year Ended 31 July 2017
for
Alpha Preparatory School Limited**

The Fish Partnership
Chartered Accountants
& Statutory Auditor
The Mill House
Boundary Road
Loudwater
High Wycombe
Bucks.
HP10 9QN

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COMPANIES HOUSE

Alpha Preparatory School Limited
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for the Year Ended 31 July 2017

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Alpha Preparatory School Limited

Report of the Trustees for the Year Ended 31 July 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006 and governors of the school, present their report with the financial statements of the charity for the year ended 31 July 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal objective of the company, as set out in the Memorandum of Association, is the provision of a co educational preparatory school. Our aim is to achieve that objective by the provision of a top class education in our nursery and primary school that fits the needs of young children in the modern age in a caring and thoughtful environment.

We believe we have achieved our principal objective as reflected by the strong academic results, positive results in the regular independent reviews and the happy atmosphere we continue to enjoy.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee charging.

In this latter respect we provide a number of assisted places for children who would not otherwise have been able to attend.

Alpha Preparatory School Limited

Report of the Trustees for the Year Ended 31 July 2017

OBJECTIVES AND ACTIVITIES

Our Ethos Strategy and Policies

The Trustees are responsible for setting a strategy for achieving the objectives they have set. The focus of our strategy is on the development of our pupils, their continued high level of academic and co-curricular achievement and to further widen access to the education our school provides.

To achieve this we review and benchmark the school's academic syllabus, teaching practices and exam results. We ensure the co-curricular activities are stimulating and challenging. We invest in technology and the infrastructure of the school. We co-operate and share facilities with local educational centres and continue to review and develop our methods for awarding assisted places in our nursery or main school to ensure we widen our access to pupils of all backgrounds, wherever possible.

Alpha is a registered charity which seeks to benefit the public through the pursuit of its stated aims. Our fees are set at a level to ensure the financial viability of the School and at a level that is consistent with our aim of providing a first class preparatory education to boys and girls.

We welcome pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our School will be able to educate and develop a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Entrance interview and assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race religion or disability do not form part of our assessment processes.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

Our School is committed to safeguarding and promoting the welfare of our pupils and we expect all staff and volunteers to share this commitment. In the last Independent Schools' Inspectorate report, the pastoral care provided by the School was described as "outstanding". Parents are given regular information about their children's social and academic progress through parent evenings in addition to the traditional end of term and year reports. We maintain regular contact with parents throughout the year through informal contacts and reports.

Access Policy

It is important to us that, wherever practical, access to the education we offer is not restricted to those who can afford our fees. We believe our pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences which helps our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

Teaching Links

We provide staff to assist the Local Early Years Development Forum. This helps ensure the quality of pre-school education for all local children.

Bursary Policy

We have a bursary fund available to help in cases of need which we intend to grow in the future, and we have started a programme to provide assisted places in our nursery or main school.

We provide assistance to families with three or more children at the School to underline the value we place on families.

As part of our emphasis on attracting and retaining high calibre staff, we offer a scheme where staff members can choose to educate their children at our School at a discounted fee.

Alpha Preparatory School Limited

Report of the Trustees for the Year Ended 31 July 2017

ACHIEVEMENT AND PERFORMANCE

Review of activities and achievements

At the end of the academic year, we said farewell to Mrs. J. Titone and Mr. C. Luce and we appointed Miss S. Bugden as our new Head of Music, with effect from September 2017. On the Board, Mr C. Backhouse stepped down after many years of valuable service. Mrs R. Patel and Mr A. Sims joined during the year, broadening the Education Sector skill-set of the Governors.

The school has continued to be successful in its key aim of providing an environment in which pupils can reach their academic potential whilst simultaneously developing the personal qualities and values that will underpin their future success and happiness. This was confirmed in November, when the school underwent a successful inspection by ISI, the Independent Schools Inspectorate. The inspection confirmed that the school was compliant with all the statutory regulations, procedures and standards that are required by the Secretary of State for Education. In practice, this means that the school has a firm structure in place which gives due regard to health & safety, safeguarding our children, premises management, curriculum balance and quality. These standards form the foundation of a safe and caring environment in which pupils can strive towards their potential. The inspection also awarded the highest grading of Excellent for the quality of our pupils' academic and other achievements and for the quality of our pupils' personal development. The inspection confirmed that our pupils make good and outstanding progress in comparison with pupils of similar abilities.

The school was also named in the Times Top 100 UK Preparatory School List for the seventh successive year, achieving a listing of 12th place. Additionally, our Year 6 pupils once again achieved a high degree of success in their applications to senior schools. Between them, the 20 children in Year 6 received 56 offers to competitive schools, with 9 children receiving a total of 13 scholarship offers. In addition to academic scholarships, the offers included a sports scholarship and a STEM scholarship, which is a recent initiative to encourage study in the subjects of Science, Technology, Engineering and Maths.

Last year, Alpha was chosen to participate in the most recent Trends in International Mathematics and Science Study, which consists of international assessments of the mathematics and science ability of students around the world in Years 5 and 9. The report was published in November 2016, shortly after our inspection, and showed the Alpha cohort sitting firmly in the top performing group, alongside the top ranked nations such as Singapore, Hong Kong, South Korea and Japan and significantly higher than the norm for England. In addition, a very high proportion (95%) of Alpha pupils achieved the Advanced or High International Benchmark in Maths and Science, and this compared very favourably with the top performing country, Singapore.

As well as academic progress, the holistic growth of our children is an important priority at Alpha and, as mentioned, our ISI inspection recognised the excellent quality of our pupils' personal development. The school endeavours to give pupils a broad and balanced curriculum, encourages them to take responsibility and to value their interests and talents. This year, Alpha was one of the first schools in the UK to take part in Childnet's Primary Digital Leaders project, which involves children taking leadership in E-safety issues and peer-to-peer teaching. Several of our pupils qualified for the regional final of a nationwide chess competition with over 40,000 entrants, with one of our pupils winning the U11 Suprema Trophy. Two of our children were prize winners in a competition to commemorate Roald Dahl's 100th birthday and we picked up several prizes (including the winning prize) in a Childnet competition to design a new E-Safety resource. In addition, a team of our pupils were chosen to showcase their science project work and meet with the British astronaut, Tim Peake, at Portsmouth University. We also had two of our children win Bronze and Silver medals in the National Primary Maths Challenge, with over 63,000 entrants. In the sports arena, our U11 boys' team won the Inter-Schools Football Tournament and our girls secured silver medal position in both the Inter-Schools Athletics and the Inter-Schools Cross-Country competitions. In addition, both our boys' and girls' teams finished in the bronze medal position in the Inter-Schools Swimming Gala. Bearing in mind the small size of Alpha, these opportunities for pupils to challenge themselves and follow their interests in wider contexts have resulted in very impressive outcomes.

Alpha Preparatory School Limited

Report of the Trustees for the Year Ended 31 July 2017

ACHIEVEMENT AND PERFORMANCE

Review of activities and achievements

Our children have also worked together to improve the life of those who need our support. In addition to raising funds for the NSPCC, which was the School Council's choice, they have supported the 'Jeans for Genes' initiative and the Poppy Appeal. We have also continued to sponsor a child in the Philippines through the Plan UK charity. To aid their all-round development, the children have benefitted from a variety of visits and outings. Visits this year have included magistrates, the fire service, creative professionals such as a chef and an artist, Transport for London, the NSPCC, a school teacher from Guyana and a local bee keeper. Outings have included visits to farms, zoos, wildlife parks, museums, libraries, historical sites, places of worship, activity centres and theme parks. We also enjoyed the visit of pupils and teachers from our link school in France and were proud to send representatives to the Remembrance Day Ceremony at The Cenotaph. These enrichment activities were complemented by the usual array of opportunities for children to develop their confidence, social interaction skills and individual talents. These include assemblies, the school play, concerts and special events, such as the Year 6 Gala Dinner. The children have also been fully involved in contributing to national initiatives, such as Anti-Bullying and Safer Internet, allowing them to voice their opinions and take ownership of the important issues involved.

The Governors remain committed to investment in the school and in addition to ensuring that the fabric and services of the school is maintained to provide a safe and attractive learning environment, we will continue to implement a renewal and improvement programme. Some of the improvements this year include new fencing and resurfacing in the main playground, improved lighting and upgraded computing resources.

A review of the year confirms that the school, in partnership with parents, continues to provide a first-class academic education, whilst allowing children to develop as socially responsible citizens who can positively pursue their individual interests, goals and talents. These outcomes can only be achieved with the support of our parents and we thank you for the important part that you play in making Alpha a happy and successful school.

FINANCIAL REVIEW

Financial position

The accounts set out the results which the trustees consider to be satisfactory, particularly in this difficult financial climate.

As a charity we benefit from a reduction in our business rates and enjoy an exemption from Corporation Tax. These benefits allow us to invest in our staff and infrastructure and thus indirectly to help achieve our objectives for the benefit of the pupils and the wider community.

The trustees regularly review the finances, budgets and cashflows and consider that the School is in a good position to meet its financial requirements for the foreseeable future. At the year end unrestricted funds were £756,951 (2016: £673,712), of which £12,267 (2016: £15,547) is designated to the Bursary Fund.

FUTURE PLANS

It is the intention of the trustees to continue the existing strategy of maintaining the School's position in an increasingly competitive market. We will achieve this by continual development and investment in our staff and our infrastructure.

Our future plans will be financed primarily from fee income and from our reserves which we have built up over the years. The trustees need to maintain an equitable balance between ensuring that pupils in the community as a whole benefit, whilst at the same time ensuring that there is a sound infrastructure and financial base for the future.

Alpha Preparatory School Limited

Report of the Trustees for the Year Ended 31 July 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structured Governance and Management

The charitable company is governed by the Memorandum and Articles of Association incorporated 15 June 1948, as amended by special resolutions of 28 July 1954 and 24 November 1959.

The trustees are responsible for the overall management control of the school and meet at least six times a year. In February the remuneration of all staff, including key management, is discussed.

The trustees are drawn from a range of professional backgrounds to provide the management that the School requires. The trustees are kept regularly updated on relevant policy and legislative matters relating to the School and the educational market that it operates within.

Trustees give of their time freely, except as noted in the accounts. No trustee or person connected with a trustee received any benefit from means tested bursaries.

Risk management

The trustees acknowledge their responsibility for monitoring the risks that face the school. This is done by a process of ongoing review and discussion at regular Board meetings during the year.

The major risk is considered to be a change in Government policy towards independent schools and their status both as private sector education and as a registered charity.

The school is a member of a number of umbrella organisations that monitor and advise on such issues. At the moment no change is foreseen.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00455482 (England and Wales)

Registered Charity number

312640

Registered office

21 Hindes Road
Harrow
Middx.
HA1 1SH

Trustees

Dr A Ahmed	
C J Backhouse	- resigned 8.2.17
Mrs K Brookes	
H Desai	
I M Nunn	
Mrs R Patel	- appointed 20.9.16
Mrs D Sodha	
A Sims	- appointed 2.5.17

Alpha Preparatory School Limited

**Report of the Trustees
for the Year Ended 31 July 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

The Fish Partnership
Chartered Accountants
& Statutory Auditor
The Mill House
Boundary Road
Loudwater
High Wycombe
Bucks.
HP10 9QN

Solicitors

Richard Pearlman LLP
27 Phipp Street
London
EC2A 4NP

Bankers

Barclays Bank plc
355 Station Road
Harrow
Middlesex
HA1 2AN

In accordance with the Articles of Association each trustee is a Member of the Company which is limited by guarantee to the extent of £1 per member.

Nominations for election must be received by the Honorary Secretary at least seven days before the date of the Annual General Meeting, together with the written consent of the persons proposed. Any nominee must be a member of the company.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS


So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, The Fish Partnership, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on *11 November 2017* and signed on its behalf by:


.....
I M Nunn Trustee

Alpha Preparatory School Limited

**Statement of Trustees Responsibilities
for the Year Ended 31 July 2017**

The trustees are responsible for preparing the trustees' Report and the accounts in accordance with applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under that law the have trustees elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these accounts, the trustees are required to:

- observe the methods and principles in The Charities Statement of Recommended Practice;
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Independent Auditors to the Members of Alpha Preparatory School Limited

Opinion

We have audited the financial statements of Alpha Preparatory School Limited (the 'charitable company') for the year ended 31 July 2017 on pages ten to twenty two. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors 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

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

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

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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, 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.

Opinion 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Alpha Preparatory School Limited**

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 Report of the Trustees.

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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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



Martin Sheehy (Senior Statutory Auditor)
for and on behalf of The Fish Partnership
Chartered Accountants
& Statutory Auditor
The Mill House
Boundary Road
Loudwater
High Wycombe
Bucks.
HP10 9QN

Date: 13 November 2017

Alpha Preparatory School Limited

**Statement of Financial Activities
for the Year Ended 31 July 2017**

		2017 Unrestricted funds £	2016 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	2,460	5,813
Charitable activities	5		
Educational activities		1,557,875	1,560,326
Other trading activities	3	-	20,000
Investment income	4	77	326
Total		<u>1,560,412</u>	<u>1,586,465</u>
 EXPENDITURE ON			
Charitable activities	6		
Welfare		138,243	129,608
Teaching costs		848,952	854,352
Premises		78,689	81,709
Grants, awards and prizes		8,302	4,717
Charitable donations		2,210	363
Governance costs		45,851	58,377
Management and administration of the school		354,926	301,473
Total		<u>1,477,173</u>	<u>1,430,599</u>
 NET INCOME		<u>83,239</u>	<u>155,866</u>
 RECONCILIATION OF FUNDS			
Total funds brought forward		673,712	517,846
 TOTAL FUNDS CARRIED FORWARD		<u><u>756,951</u></u>	<u><u>673,712</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

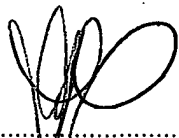
Alpha Preparatory School Limited

**Balance Sheet
At 31 July 2017**

	Notes	2017 Unrestricted funds £	2016 Total funds £
FIXED ASSETS			
Tangible assets	12	192,268	196,708
CURRENT ASSETS			
Debtors	13	29,537	32,264
Cash at bank and in hand		885,998	782,736
		<u>915,535</u>	<u>815,000</u>
CREDITORS			
Amounts falling due within one year	14	(231,164)	(211,496)
NET CURRENT ASSETS		<u>684,371</u>	<u>603,504</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		876,639	800,212
CREDITORS			
Amounts falling due after more than one year	15	(119,688)	(126,500)
NET ASSETS		<u>756,951</u>	<u>673,712</u>
FUNDS	17		
Unrestricted funds:			
General fund		744,684	658,165
Bursary fund		12,267	15,547
		<u>756,951</u>	<u>673,712</u>
TOTAL FUNDS		<u>756,951</u>	<u>673,712</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 11 November 2017 and were signed on its behalf by:



.....
I M Nunn - Trustee

The notes form part of these financial statements

Alpha Preparatory School Limited

**Cash Flow Statement
for the Year Ended 31 July 2017**

	Notes	2017 £	2016 £
Cash flows from operating activities:			
Cash generated from operations	1	122,332	188,229
Net cash provided by (used in) operating activities		<u>122,332</u>	<u>188,229</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(19,147)	(39,535)
Interest received		77	326
Net cash provided by (used in) investing activities		<u>(19,070)</u>	<u>(39,209)</u>
Change in cash and cash equivalents in the reporting period		<u>103,262</u>	<u>149,020</u>
Cash and cash equivalents at the beginning of the reporting period		<u>782,736</u>	<u>633,716</u>
Cash and cash equivalents at the end of the reporting period		<u><u>885,998</u></u>	<u><u>782,736</u></u>

The notes form part of these financial statements

Alpha Preparatory School Limited

Notes to the Cash Flow Statement
for the Year Ended 31 July 2017

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net income for the reporting period (as per the statement of financial activities)	83,239	155,866
Adjustments for:		
Depreciation charges	23,587	35,522
Interest received	(77)	(326)
Decrease/(increase) in debtors	2,727	(4,047)
Increase in creditors	12,856	1,214
Net cash provided by (used in) operating activities	<u>122,332</u>	<u>188,229</u>

Alpha Preparatory School Limited

Notes to the Financial Statements for the Year Ended 31 July 2017

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Sports equipment	- 100% on cost
Fixtures and fittings	- 100% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 30% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Alpha Preparatory School Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2017**

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

Pensions Benefits

Retirement benefits to the teaching staff of the school are provided by the Teachers' Pension Scheme ('TPS') This is a defined benefit scheme and the assets are held separately from those of the school. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employerscheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

Non-teaching staff contributions are paid into a defined contribution scheme where contributions payable to the scheme are charged as an expense in the period to which they relate.

2. DONATIONS AND LEGACIES

	2017 £	2016 £
Donations	<u>2,460</u>	<u>5,813</u>

3. OTHER TRADING ACTIVITIES

	2017 £	2016 £
Catering loyalty bonus	<u>-</u>	<u>20,000</u>

4. INVESTMENT INCOME

	2017 £	2016 £
Deposit account interest	<u>77</u>	<u>326</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2017 £	2016 £
Tuition, entrances and lunches	Educational activities	1,550,030	1,548,441
Early years supplements	Educational activities	7,845	11,885
		<u>1,557,875</u>	<u>1,560,326</u>

Alpha Preparatory School Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2017**

5. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	2017	2016
	£	£
Other grants	<u>7,845</u>	<u>11,885</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 7)	Totals
	£	£	£
Welfare	138,243	-	138,243
Teaching costs	848,952	-	848,952
Premises	78,689	-	78,689
Grants, awards and prizes	4,772	3,530	8,302
Charitable donations	2,210	-	2,210
Management and administration of the school	354,926	-	354,926
Governance costs	-	45,851	45,851
	<u>1,427,792</u>	<u>49,381</u>	<u>1,477,173</u>

7. SUPPORT COSTS

	Governance costs £
Grants, awards and prizes	3,530
Governance costs	<u>45,851</u>
	<u>49,381</u>

Support costs, included in the above, are as follows:

Governance costs

	Grants, awards and prizes £	Governance costs £	2017 Total activities £	2016 Total activities £
Bursary fund expense	3,530	-	3,530	-
Auditors' remuneration	-	3,594	3,594	3,400
Accountancy fees	-	18,670	18,670	16,658
Legal fees	-	-	-	2,797
Depreciation of tangible fixed assets	-	23,587	23,587	35,522
	<u>3,530</u>	<u>45,851</u>	<u>49,381</u>	<u>58,377</u>

Alpha Preparatory School Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2017**

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2017	2016
	£	£
Auditors' remuneration	3,594	3,400
Depreciation - owned assets	23,587	35,522
Other operating leases	3,456	3,566
	<u>3,456</u>	<u>3,566</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2017 nor for the year ended 31 July 2016.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2017 nor for the year ended 31 July 2016

10. STAFF COSTS

	2017	2016
	£	£
Wages and salaries	848,952	850,523
Social security costs	85,244	67,909
Other pension costs	118,489	108,127
	<u>1,052,685</u>	<u>1,026,559</u>

The average monthly number of employees during the year was as follows:

	2017	2016
Office and management	4	4
Teaching staff	22	22
	<u>26</u>	<u>26</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2017	2016
£70,001 - £80,000	1	1
	<u>1</u>	<u>1</u>

The above employee is Mr C Trinidad, the headteacher of the school. Remuneration for this staff member was £75,181 (2016: £72,714). He participated in The Teacher's Pension scheme. During the year ended 31 July 2017 employer pension contributions were £12,390 (2016: £11,811).

Alpha Preparatory School Limited

Notes to the Financial Statements - continued
for the Year Ended 31 July 2017

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	5,813
Charitable activities	
Educational activities	1,560,326
Other trading activities	20,000
Investment income	326
Total	1,586,465
EXPENDITURE ON	
Charitable activities	
Welfare	129,608
Teaching costs	854,352
Premises	81,709
Grants, awards and prizes	4,717
Charitable donations	363
Governance costs	58,377
Management and administration of the school	301,473
Total	1,430,599
NET INCOME	155,866
RECONCILIATION OF FUNDS	
Total funds brought forward	517,846
TOTAL FUNDS CARRIED FORWARD	673,712

Alpha Preparatory School Limited

Notes to the Financial Statements - continued
for the Year Ended 31 July 2017

12. TANGIBLE FIXED ASSETS

	Freehold property £	Sports equipment £	Fixtures and fittings £
COST			
At 1 August 2016	481,928	9,887	122,145
Additions	-	-	330
At 31 July 2017	<u>481,928</u>	<u>9,887</u>	<u>122,475</u>
DEPRECIATION			
At 1 August 2016	339,944	9,887	122,145
Charge for year	4,926	-	330
At 31 July 2017	<u>344,870</u>	<u>9,887</u>	<u>122,475</u>
NET BOOK VALUE			
At 31 July 2017	<u>137,058</u>	<u>-</u>	<u>-</u>
At 31 July 2016	<u>141,984</u>	<u>-</u>	<u>-</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 August 2016	39,382	157,991	811,333
Additions	-	18,817	19,147
At 31 July 2017	<u>39,382</u>	<u>176,808</u>	<u>830,480</u>
DEPRECIATION			
At 1 August 2016	35,556	107,093	614,625
Charge for year	957	17,374	23,587
At 31 July 2017	<u>36,513</u>	<u>124,467</u>	<u>638,212</u>
NET BOOK VALUE			
At 31 July 2017	<u>2,869</u>	<u>52,341</u>	<u>192,268</u>
At 31 July 2016	<u>3,826</u>	<u>50,898</u>	<u>196,708</u>

Alpha Preparatory School Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2017**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Prepayments and accrued income	<u>29,537</u>	<u>32,264</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	30,134	12,473
Social security and other taxes	44,966	43,593
Other creditors	107,293	116,382
Accruals and deferred income	<u>48,771</u>	<u>39,048</u>
	<u>231,164</u>	<u>211,496</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Other creditors	<u>119,688</u>	<u>126,500</u>

The above represents deposits repayable when the pupils concerned leave the school more than twelve months after the balance sheet date.

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017	2016
	£	£
Within one year	15,420	15,420
Between one and five years	<u>4,940</u>	<u>20,360</u>
	<u>20,360</u>	<u>35,780</u>

Alpha Preparatory School Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2017**

17. MOVEMENT IN FUNDS

	At 1.8.16 £	Net movement in funds £	Transfers between funds £	At 31.7.17 £
Unrestricted funds				
General fund	658,165	83,239	3,280	744,684
Bursary fund	15,547	-	(3,280)	12,267
	<u>673,712</u>	<u>83,239</u>	<u>-</u>	<u>756,951</u>
TOTAL FUNDS	<u>673,712</u>	<u>83,239</u>	<u>-</u>	<u>756,951</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,560,412	(1,477,173)	83,239
TOTAL FUNDS	<u>1,560,412</u>	<u>(1,477,173)</u>	<u>83,239</u>

The Bursary Fund is set aside to assist parents and pupils in the event of hardship, at the discretion of the Governors.

18. GOVERNORS INTERESTS AND INDEMNITY INSURANCE

Fees are paid on a normal commercial basis for professional services rendered from time to time by firms in which certain Governors have interests. These amounted to £5,305 (2016: £5,802) to Nunn Hayward LLP, a firm in which Mr I M Nunn is a partner, for accountancy work. At 31 July 2017: £nil was due to Nunn Hayward LLP (2016: £nil).

The school has taken out a policy to cover itself against any negligent act by any of its Governors. The cover is up to £2 million for any one claim or aggregate thereof in any one period of insurance.

Alpha Preparatory School Limited

Notes to the Financial Statements - continued for the Year Ended 31 July 2017

19. PENSION AND SIMILAR OBLIGATIONS

The school's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and a defined contribution scheme for non-teaching staff.

The TPS is a defined-benefit scheme. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012.

Contributions amounting to £32,277 (2016: £31,518) were payable to the scheme at 31 July 2017 and are included within creditors.

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £116,272 (2016: £107,027).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.