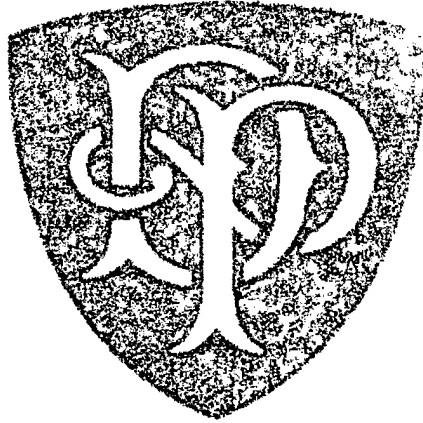
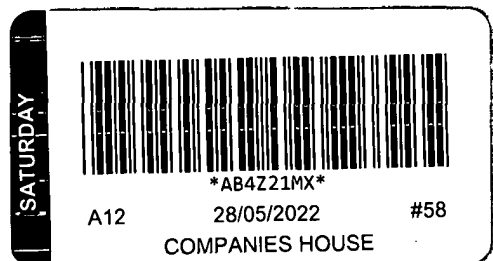


Company No. 10814894
Registered in England
Charity No. 1174356



DULWICH PREP LONDON

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**



DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS
YEAR ENDED 31 AUGUST 2021

The Governors present their annual report together with the audited financial statements of Dulwich Prep London ("the School") for the year ended 31 August 2021.

The Governors confirm that the annual report and financial statements of the School comply with the current statutory requirements, the requirements of the School's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (Charities SORP FRS102).

Status and administration

The School is a company limited by guarantee (Company Number 10814894) and is registered with the Charity Commission under Charity Number 1174356. The School, together with Dulwich Prep Cranbrook, is a subsidiary of Dulwich Preparatory Schools Trust ("the Trust"), which is also a company limited by guarantee and a registered charity, from which the School leases its property.

Governors' responsibilities

The Governors (who are also directors of the School for the purposes of company law) are responsible for preparing the Governors' report (including the strategic report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the School and of the incoming resources and application of resources, including the income and expenditure, of the School for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the School will continue in operation.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the School's transactions and disclose with reasonable accuracy at any time the financial position of the School 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 School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the persons who is a Governor at the time when this Governors' report is approved has confirmed that:

- so far as each Governor is aware, there is no relevant audit information of which the School's auditor is unaware; and
- each Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the School's auditor is aware of that information.

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

The School was created as an independent charity governed by its Articles of Association with effect from 1st September 2017. The Articles reflect the Companies Act 2006 and the Charities Act 2011 and were approved by the Charity Commission and passed by written resolution on 16th June 2017. Prior to that date the School was part of the Trust. At the School's inception, the Trust donated to the School under a Transfer of Undertakings Agreement dated 1st September 2017 the assets and undertakings necessary to fulfil its objects. The School is supported in the provision of education by the Trust from which the School leases its facilities. The Trust, Dulwich Prep London and Dulwich Prep Cranbrook make up the Group ("the Group").

Governing Body

The Governors are the trustees of the School under charity law and the directors of the School under company law. All Governors are "members" of the Trust and the School's Chairman and one other Governor also serve as Trustees of the Trust.

The members of the Governing Body who served in office as Governors during the year and subsequently are detailed below:

C C Randell		Retired 31 August 2021
E K Kelleher	T (from 1 September 2020)	Chairman (from 1 September 2020)
L P H Carling		
A F Crow		
L M Davidson		
Dr H C A Deasy		
J R Elzinga		
H Humphreys		Appointed on 9 June 2021
Dr A Lall		
M S Shale	P F	Vice Chairman
J D H Steel	T	

T	Trustee of the Trust
P	Trustee of the Trust Pension Scheme
F	Member of the Trust Finance Committee

Key Management Personnel

Head Master:	L A Davidson, BA (Hons), PGCE
Bursar & Clerk to the Governors:	C A Skillings, ACA, LLB (Hons)

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Professional Advisers

Bankers: NatWest Bank plc, 120-122 Fenchurch Street, London EC3M 5BA

Solicitors: Farrer & Co LLP, 66 Lincoln's Inn Fields, London WC2A 3LH

Stone King, Boundary House, 91 Charterhouse Street, London, EC1M 6HR

Auditors: Crowe U.K. LLP, 55 Ludgate Hill, London EC4M 7JW

Management Structure

The Governing Body meets a minimum of three times a year and, since 1 September 2020, at least twice every term. Sub-committees for specific purposes are established as and when needed. The Head Master and Bursar/Clerk to the Governors attend the Governing Body meetings and any sub-committees as required. The day-to-day management of the School is delegated to the Head Master and Bursar/Clerk to the Governors who collectively comprise the key management personnel and are supported by the School's Senior Leadership Team. The Head Master has overall responsibility for the appointment and supervision of all staff, but delegates this function to the Bursar and HR Director for non-academic staff.

Remuneration is set by the Governing Body with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools, to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere. During 2021 there has been an external review of pay and benefits for all staff. The School aims to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the School's charitable vision and purpose is primarily dependent on the senior leadership. Staff costs are the largest single element of the charitable expenditure.

Governing Body Recruitment & Training

New Governors are identified by the existing Board, supported by the Head Master and Clerk to the Governors, and appointed by the Board following agreement by the Trust. Governors serve for an initial term of four years, but may offer themselves for re-election for a second term of four years and then a final term of two years, making ten years in total, which may only be exceeded in exceptional circumstances.

New members of the Governing Body are elected on the basis of the candidates' professional qualities, experience, personal competence and the specific needs of the School. New Governors are inducted into the management and ethos of the School via a programme organised by the Head Master and Clerk to the Governors. The Clerk to the Governors also notifies members of the Governing Body of relevant external trustee training and information courses and seminars designed to keep them informed and updated on current issues in the sector and regulatory requirements.

Charity Code of Governance

The School's Board takes its governance responsibilities seriously and aims to have a governance framework that is fit for purpose, compliant and efficient. The Board has established a solid foundation in governance in which all of its Governors are clear about their roles and legal responsibilities, are committed to supporting the School in delivering its objects most

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

effectively for the benefit of its beneficiaries and to contributing to the School's continued improvement.

The Charity Governance Code has seven principles: Organisational Purpose, Leadership, Integrity, Decision making, risk and control, Board effectiveness, Diversity and Openness and accountability. Complying with the Code is not a legal or regulatory requirement and the Code describes its aims as 'deliberately aspirational'. The Board of Governors meets a very significant proportion of the recommended and best practice for governance contained within the Charity Governance Code across the seven areas.

Employment policy

The School is an equal opportunities employer. Full and fair consideration is given to job applications from persons with disabilities and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the School.

Employees are also aware of the public benefit necessarily provided by the School as a charity and of their part in supporting the School's contribution to the local community.

Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to make staff aware of current issues.

STRATEGIC REPORT

The remainder of the report of the Governors also constitutes the strategic report for the purposes of the Companies Act 2006.

Principal activity and objects of the School

The objects of the charitable company are the advancement of education of children in the United Kingdom and elsewhere for the public benefit principally through the operation of Dulwich Prep London and support of the Trust.

The Governing Body is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Governing Body has monitored closely the guidance on public benefit produced by the Charity Commission, together with its supplemental guidance on advancing education and on fee-charging.

Aim

The Governors' aim is that pupils should have every opportunity to fulfil their potential - academic, artistic, dramatic, musical, sporting, social and moral - by providing a rich and dynamic curriculum, inspirational teaching, opportunities to build their self-confidence and support for their emotional, physical and intellectual needs. The School inculcates a desire to contribute to the wider community and provides the pupils with a launch pad for the opportunities, responsibilities and experience of later life. The School supports this by using its values as a basis around which the curriculum and pastoral care are developed.

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Primary objectives

The School seeks to achieve its aim through the following primary objectives:

- To welcome pupils and staff from all backgrounds: economic status, ethnicity, race, religion or disability do not form part of the selection process.
- To be committed to safeguarding and promoting the welfare of the pupils and to expect all staff and volunteers to share this commitment. The School places great importance on pastoral care, fostering a sense of community and good citizenship.
- To provide pupils with the opportunity to gain new experiences and take advantage of a variety of co- and extra-curricular activities to develop all aspects of their character.
- To set the fees at a level to ensure the financial viability of the School and at a level that is consistent with the aim of providing a first class education to boys and girls.
- To provide financial support to enable children whose parents would not otherwise be able to afford the fees to benefit from an education at the School.
- To maintain a clear and effective management structure and the necessary support framework to meet the needs of staff and pupils alike.

Strategies to achieve the primary objectives

The School's Strategic Development Plan (the "Plan") is updated and reviewed annually with input from the Governing Body.

The Plan defines investment initiatives and major projects in pursuit of the primary objectives. During 2021 the main developments were: (i) the Pre-Prep extension, which provided two additional classrooms; and (ii) surrender of the lease of Brightlands, which was used as a wrap around care facility, and establishment of a wrap around care facility at the main school site.

Public benefit

The School remains committed to the aim of providing public benefit in accordance with its founding principles.

The School actively supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards. We co-operate with local schools and educational bodies in ongoing endeavours to widen public access to the schooling provided, to optimise the use of the cultural and sporting facilities and to awaken in the pupils an awareness of the social context of the all-round education they receive at the School.

During the periods of closure or partial closure of schools due to COVID-19, the School continued to provide on-site education for the children of key workers and for those children identified as vulnerable.

Bursaries

This year the School awarded means-tested bursaries totalling approximately £286,856 to 21 pupils (2020: £275,608 to 23 pupils), including 15 for 70% or more of full fees. The School continues to refine means-testing through a rigorous and detailed process which includes a home visit. During the year the School awarded hardship bursaries of approximately £65,990 (2020: £46,425) in total to families who were affected by COVID-19.

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Sharing our facilities and resources

The School has engaged in a range of partnerships with local maintained schools, making facilities available to those schools and including them in teaching and educational events. During this year there has been limited possibilities of having our regular French and Italian language and cultural schools on Saturdays but we are delighted to see them returning in the academic year 2021/22.

The School is currently involved in several initiatives, including support of a primary school, Paxton Green School, part of the Gypsy Hill Federation, with the involvement of senior management, the recruitment and training of teachers and the provision of a music outreach programme. Local schools and sports clubs also use the playing fields, swimming pool (and swimming teacher) and sports hall on a regular basis.

During lockdown the School provided its kitchens and worked in partnership with its catering provider Thomas Franks to support Social Kitchen, which provided lunches to vulnerable children around London.

Charitable fundraising

Pupil fundraising for charitable causes is encouraged and is strongly underlined by the School's values. During 2020/21 the traditional methods of fundraising were curtailed due to COVID-19 but the boys did, along with the Friends of Dulwich Prep London (the "Friends") and staff: (i) wrap individual gift parcels for elderly neighbours and deliver them (as an alternative to the Harvest festival and the Christmas Party); and (ii) set up an online Advent Calendar to show the boys achievements and to encourage a Christmas fundraising push (<http://www.dpladvent.online>). The School also ran clothes collections to help raise funds and donate in kind for the Aegis Trust and the Southwark Day Centre for Asylum seekers.

The Friends raised funds through two second hand uniform sales and donated funds to the School for the bursary fund and different areas of the School. The School is very grateful to the Friends for all that they do.

The School does not engage with any external third party fundraisers. There have been no complaints in the period regarding inappropriate or intrusive contact in relation to fundraising activities.

Pensions

Following an increase in the employers' contribution to the Teachers' Pension Scheme ("TPS") in September 2019, the Governors commenced consultation with employee representatives on potential withdrawal from the TPS and joining of the Aviva Pension Trust for Independent Schools in April 2020. The consultation was concluded in January 2021 and the decision was made to leave the TPS with effect from 1 September 2021.

Changes to facilities

In September 2020 the Trust signed agreements for 50 year lease extensions until 2081 for the school sites at 38-42 Alleyn Park, Grange Lane and the Early Years with the Dulwich Estate.

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Part of the agreement was that the Trust would hand back Brightlands to the Dulwich Estate. As a condition of the surrender of Brightlands and the grant of the new leases, the Trust carried out substantial work to build a new entrance into the Early Years car park, which completed towards the end of January 2021 and the new leases between the Dulwich Estate and the Trust were signed on 16th February 2021.

Safeguarding

The School has its own designated Safeguarding Governor and there is regular communication between this Governor and the School's Designated Safeguarding Lead ("DSL"). The DSL reports to the Board once a term and there is also an annual safeguarding audit. All Governors receive full safeguarding training when they join the Board. All are required to scrutinise and approve the School's Safeguarding Policy annually.

Whilst the Governors are respectful of the boundary between governance and management, they normally exercise appropriate oversight of safeguarding and are deliberately more visible to staff and parents, by attending many school events and getting to know not just the Head Master and Senior Leadership Team, but staff in all areas of the School. The Safeguarding Governor met regularly with the Designated Safeguarding Lead. During the academic year 2020/21 school activities have been very limited and access to the site has been restricted due to the pandemic with a reduction in school events and opportunities for the Governors to attend them. The academic year 2021/22 has seen a reversion to previous activity. In the national lockdowns the school was closed to all except keyworker children and safeguarding meetings between the safeguarding governor and the DSL took place remotely twice a term during this period.

As well as modelling a culture of greater openness, Governors have in recent years prioritised changes to make the School not only compliant but, on broader practical and cultural levels, a safer place for the pupils.

During the pandemic the School updated the Safeguarding (Child Protection) Policy, the Behaviour, Rewards and Sanctions Policy and the Anti-bullying Policy, adding appendices to reflect the remote teaching and learning provision. Online safety, 1:1 tuition and live streaming all required consideration and revision to protect staff and pupils. Staff were trained to be vigilant through online lessons. Monitoring absence, attendance and engagement was imperative for pupil safety and wellbeing. Key worker pupils were monitored by those staff on site taking into consideration hours attending, parent job anxiety, general health and wellbeing.

Emotional well-being and mental health

The School places great importance on the quality of its pastoral support and now has a full-time counsellor on site. The Counsellor provides child mental health awareness to parents and staff. The School has developed a well-being suite to provide a calm and relaxing space for the children to visit. The Counsellor runs 1:1 sessions with a few pupils as the need is identified. The School has trained a number of staff as mental health first aiders to support both the pupils and their colleagues. There is wide reaching pastoral support led by the Senior Deputy Head, Sarah Brownsdon.

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

ACHIEVEMENTS AND PERFORMANCE

In 2021, 81 Year 8 boys went on to 25 different senior schools (2020: 92 and 22): all destinations can be seen on the School website. A further 22 boys left at the end of Year 6 going to 19 different schools. The Year 5 to 8 leavers of 2021 received a total offer of 75 (2020: 85) scholarships and awards. The School has always considered the importance of a broad education alongside academic achievement and over half of the awards offered by these senior schools were for art, design and technology, music or sport.

The Independent Schools Inspectorate ("ISI") visited in October 2018 to conduct a Focused Compliance and Educational Quality Inspection on the School. All eight standards required under the compliance section were met; in respect of the educational quality element of the Inspection, the School achieved the highest grade: 'Excellent'.

The School opened in September 2020 with a detailed risk assessment for COVID-19. The pupils were taught up to Year 5 in classroom bubbles and Year 6 to 8 were taught in year group bubbles. Throughout the year the set up was varied depending on government guidance. In January 2021 the School prepared for COVID-19 testing of the Year 7 and 8s. The School closed except to key worker children in January 2021 and the whole school moved to the online learning platforms where lessons were delivered through a mixture of formats including live lessons, pre-recorded messages and pre-set work with teachers commenting as work was submitted. During this time a number of staff, mainly support, were furloughed. The School reopened in early March and COVID-19 testing for the Year 7 and 8s was carried out.

Internal sport at the School was very energetic, the pupils competed against each other where they could and sports days went ahead for all year groups. However, there were no external matches during the year due to the restrictions in place. During the Spring Term sport was hindered by the pandemic, but live Zoom keep fit sessions were held by the sports department for the boys and their families, as well as Mind Gym, which consisted of a series of lessons and podcasts which are designed to help to improve mental strength and wellbeing.

Drama performances were done and recorded for parents. They showed a fantastic range of skills, including the Pre-Prep children using sign language instead of singing in their Harvest festival. There were also a range of performances including the Year 4 doing "A Charlie Brown Christmas" and the Year 8 drama projects.

Music remains very strong at the School. Throughout the periods of home schooling, class music continued using Music Technology projects and most boys were able to continue instrumental lessons via Zoom. In those periods where bubbled schooling was allowed, we managed a virtual Christmas Concert, involving bubbled groups and orchestras, a somewhat premature End of (first) Lockdown Concert and there were virtual pupils' concerts recorded in school for each year group for Years 5 – 8. The Lower School had an end of year voluntary concert where virtual submissions were made from home. The Abrahams Piano Competition took place with Classes 1 & 2 submissions coming from home and Class 3 participants being recorded in School. The competition was adjudicated remotely by the Head of Keyboard Studies at Dulwich College and then the recordings were released as concerts. In the Summer term we used the outdoor stage for some live music including a Pre Prep Strings Concert. Doorstep musicians from Years 3 - 8 offered a morning instrumental greeting on the steps at the front of school on most mornings when the School was open. Two sessions of face to face ABRSM and Trinity College music exams were able to take place with a near 100% pass rate and a high percentage of merit and distinction passes.

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

The Year 8 boys were able to do their residential trips at the end of the Summer Term. The other year groups took part in Challenge days where they worked as teams and these worked very well.

FINANCIAL REVIEW

The income for the year was £14,358,019 (2020: £14,658,903) and expenditure of £13,864,041 (2020: £13,797,724). The net book value of fixed assets amounted to £976,816 (2020: £786,376). Income and expenditure in the year were lower as a result of the pandemic. The Governors agreed to reduce fees for the Spring term by £465 per pupil for pupils in Reception and above (Nursery year group was not required to close). There was a further reduction in the Summer term of £95 for all pupils in Reception and above and also a reduction in fees for pupils in years 4 to 7 to reflect the changes to the school residential trips.

In addition to the income it receives in respect of school fees the School seeks to enhance its income through letting its facilities and through rents received for residential property. Besides casual lettings of sports facilities, classrooms and halls, the School also operates a holiday activity club, AVP, which provides a wide variety of holiday activities for children between the ages of 4 and 11. During 2020/21 there were significant restrictions on what the School could offer to hire and run with a consequential drop in income.

Reserves

The Governors aim to maintain a positive level of overall reserves and for the unrestricted reserves, excluding the pension reserve, to be maintained at the approximate level of at least one month's expenditure to meet the day to day running costs of the School and the costs associated with the maintenance of the fabric of its buildings. This will allow the School to ensure sufficient liquidity for normal operations.

Funds held by the School at the year-end totalled £3,419,019 (2020: £2,875,841). At the year end funds were sufficient to cover two months' expenditure of the day to day running costs of the School. Following the end of the academic year the School operates an ongoing policy of donating any excess surplus to the Trust to permit capital expenditure in support of the Trust's schools.

The Governors have considered the reserves policy in light of the COVID-19 pandemic and have concluded that no adjustments to the policy need to be made.

Having assessed the School's financial position, its plans for the foreseeable future, the risks to which it is exposed and the support available from the parent Trust, the Governors are satisfied that it is appropriate to prepare the statements on a going concern basis.

Post balance sheet events

In November 2021, following the extension of the leases between the Dulwich Estate and the Trust in February 2021, new leases were entered into between Dulwich Prep London and Dulwich Preparatory Schools Trust. This included the surrender of the lease for the Betws Building and Sports Hall dated 1st September 2017 due to expire in 2067 and the grant of a new lease, so that all leases held by the School will expire in 2081. The new leases took into account the building works that had been carried out on the Lower School (circa £14m) and the Pre-Prep (£0.5m) which were completed in August 2021.

DULWICH PREP LONDON
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors consider (i) the current economic and political turbulence, especially that arising from the COVID-19 crisis, (ii) the affordability of fees for parents and (iii) senior school entrance procedures across the independent sector to be the principal risks faced by the School. Pupil numbers were marginally lower in 2020/21 than in 2019/20 and there is therefore no room for complacency. In order to continue to deliver an excellent standard of education the Governors increased fees in September 2021 by 4.0%. Fees had been frozen for the year beginning September 2020.

Health and Safety is always a significant area for risk management. The risks range from pandemic, fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions). The level and breadth of activity at the School is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment.

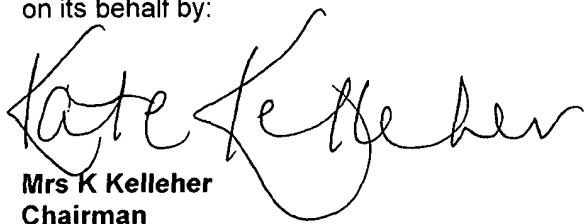
Detailed consideration of risk is undertaken for the School by the Governors, in conjunction with the Head Master, Bursar and Senior Leadership Team. A risk register is maintained, reviewed termly by the Governors and updated as necessary. The risk management process and the resulting register identify risks, assess their impact and likelihood and, where necessary, recommend controls to mitigate and monitor those risks which are assessed as high. In particular the threat arising from the increased level of terrorist activity in London is being kept under close review.

The generic controls used by the School to minimise risk include:

- detailed terms of reference together with formal agendas for Board activity;
- strategic development planning, reviewed annually by the Board;
- comprehensive budgeting and management accounting;
- established organisational structures and lines of reporting;
- formal written policies including clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for the School.

Approved by the Governing Body of Dulwich Prep London, including, in their capacity as company directors, approving the Directors' and Strategic Report contained therein, and signed on its behalf by:


Mrs K Kelleher
Chairman

Date: 3rd May 2022

DULWICH PREP LONDON
INDEPENDENT AUDITORS REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Independent Auditor's Report to the Members of Dulwich Prep London

Opinion

We have audited the financial statements of Dulwich Prep London, the 'charitable company' for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 trustee's 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 contained within the annual report. 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

DULWICH PREP LONDON
INDEPENDENT AUDITORS REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an

DULWICH PREP LONDON
INDEPENDENT AUDITORS REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, Data Protection Regulation (GDPR), Health and safety legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing any regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited

**DULWICH PREP LONDON
INDEPENDENT AUDITORS REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date 26 May 2022

DULWICH PREP LONDON
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021
(Incorporating an income and expenditure account)

	Notes	Total 2021 £	Total 2020 £
Income from:			
Charitable activities:			
School fees receivable	2	13,601,078	13,248,691
Other educational income	3	323,597	304,234
Ancillary income	4	72,894	255,832
Other trading activities			
Non-ancillary trading income	5	85,851	106,417
Investments			
Bank and other interest		301	5,048
Voluntary sources			
Donations and legacies		19,582	18,912
Job retention scheme grant		254,716	719,769
Total income		14,358,019	14,658,903
Expenditure on:			
Raising funds			
Financing costs	6	(91,306)	(10,485)
Total costs of raising funds		(91,306)	(10,485)
Charitable activities			
Education	6	(13,772,735)	(13,787,239)
Total expenditure		(13,864,041)	(13,797,724)
Net income		493,978	861,179
Pension scheme actuarial gain/(loss)	15	46,000	(15,300)
Net movement in funds for the year		539,978	845,879
Fund balances brought forward at 1 September 2020		2,754,741	1,908,862
Fund balances carried forward at 31 August 2021		3,294,719	2,754,741


The notes on pages 18 to 30 form part of these financial statements

**DULWICH PREP LONDON
BALANCE SHEET
AS AT 31 AUGUST 2021**

	Notes	2021	2020
		£	£
FIXED ASSETS			
Tangible assets	9	976,816	786,376
CURRENT ASSETS			
Debtors	10	3,722,674	3,967,663
Cash at bank and in hand		<u>2,344,870</u>	<u>1,416,420</u>
		6,067,544	5,384,083
CREDITORS: Amounts falling due within one year	11	<u>(3,606,681)</u>	<u>(3,260,853)</u>
NET CURRENT ASSETS		<u>2,460,863</u>	<u>2,123,230</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,437,679	2,909,606
CREDITORS: amounts falling due after more than 1 year	12	<u>(18,660)</u>	<u>(33,765)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY		3,419,019	2,875,841
Defined benefit pension scheme liability	15	<u>(124,300)</u>	<u>(121,100)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY		<u>3,294,719</u>	<u>2,754,741</u>
CHARITY FUNDS			
Unrestricted funds excluding pension reserve	14	3,419,019	2,875,841
Pension reserve	15	<u>(124,300)</u>	<u>(121,100)</u>
TOTAL FUNDS		<u>3,294,719</u>	<u>2,754,741</u>

The financial statements were approved by the Governors on 3 May 2022 and signed on their behalf, by:


Mrs K Kelleher
Chairman of Board


Mrs M S Shale
Vice Chairman of Board

The notes on pages 18 to 30 form part of these financial statements

Company Number: 10814894

**DULWICH PREP LONDON
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
Net cash inflow from operations			
Net cash provided by operating activities	(i)	1,240,730	1,105,206
Cash flows from investing activities:			
Additions to fixed assets	(312,581)	(333,855)	
Investment income and bank interest received	301	5,048	
Net cash (used in) investing activities		<u>(312,280)</u>	<u>(328,807)</u>
Change in cash and cash equivalents in the reporting period		928,450	776,399
Cash and cash equivalents at the beginning of period		<u>1,416,420</u>	<u>640,021</u>
Cash and cash equivalents at the end of the reporting period	(ii)	<u>2,344,870</u>	<u>1,416,420</u>

The notes on pages 18 to 30 form part of these financial statements

**DULWICH PREP LONDON
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 AUGUST 2021**

	£	2021 £	£	2020 £
(i) Reconciliation of net income to net cash flow from operating activities				
Net incoming resources		493,978		861,179
Elimination of non-operating cash flows:				
Depreciation and amortisation charges	122,141		129,667	
Investment income and bank interest received	(301)		(5,048)	
Decrease in debtors	244,989		143,650	
(Decrease)/Increase in creditors (excluding fees in advance scheme and deposit)	139,646		(159,927)	
Increase in fees in advance scheme creditors	72,877		71,935	
Increase in parents' deposits	118,200		95,150	
Difference between pension contributions paid and charges made	49,200		(31,400)	
		<u>746,752</u>		<u>244,027</u>
Net cash inflow from operations		<u>1,240,730</u>		<u>1,105,206</u>
		2021 £		2020 £
(ii) Analysis of cash and cash equivalents				
Cash at bank and in hand		<u>2,344,870</u>		<u>1,416,420</u>

**DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1 ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the 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). The accounts are drawn up on the historical cost basis of accounting.

The School is a Public Benefit Entity registered as a charity in England and Wales (charity number: 1174356 and a company limited by guarantee, (company number: 10814894). Its registered office is 42 Alleyn Park, Dulwich, London SE21 7AA. The charitable company started trading on 1 September 2017.

The ultimate parent company and controlling party of Dulwich Prep London is Dulwich Preparatory Schools Trust ("the Trust"), a charitable company incorporated in the United Kingdom (company number: 00579923). The accounts of the School have been consolidated into the ultimate parent entity's financial statements. Copies of these financial statements can be obtained from the registered office, 42 Alleyn Park, Dulwich, London SE21 7AA. Control is exercised by the parent company by virtue of board representation.

The principal activity of the Trust is the operation of preparatory schools at Dulwich London and at Cranbrook Kent. The objects of the Trust are the advancement of education primarily by the provision and conduct of schools in Dulwich and Cranbrook for boys and girls and by ancillary or incidental educational activities and other associated activities for the benefit of the communities.

1.2 Going Concern

Having reviewed the cash position of the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Schools's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

1 ACCOUNTING POLICIES (CONTINUED)

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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

The School's liability for the Non-Teaching Staff defined benefit pension scheme involves number of assumptions as disclosed in note 16.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements. In the view of the Governors, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

1.4 Income

All income is included in the statement of financial activities when the School has entitlement to the funds, receipt is probable and the amount can be measured with sufficient reliability. Fees consist of charges for the school year ending August, less bursaries and allowances. Fees received in advance are deferred and released to income in the period to which the fees relate. Grant income is recognised as and when entitlement arises, when it can be reliably quantified and benefit is probable.

1.5 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities, and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs include all costs relating to management, administration and running the functions of the School. Governance costs are those incurred in connection with administration of the charitable company and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets

Fixed assets costing more than £500 are capitalised. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases.

Leasehold improvements	-	2% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	10% straight line
Computer equipment	-	25-50% straight line

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

1 ACCOUNTING POLICIES (continued)

1.7 Fund accounting

General Funds are the accumulated surplus on the School's income and expenditure account which is available for use at the discretion of the Governors in furtherance of the general objectives of the charity including supporting the Trust.

1.8 Pension costs

Retirement benefits to employees of the School were provided in the year through two pension schemes, one defined benefit and one defined contribution and the employer's pension costs are charged in the period in which the salaries they relate to are payable.

In addition the School has a legacy defined benefit scheme "the Dulwich Preparatory Schools Pension Scheme".

The two schemes are as follows:

(a) The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, the School accounts for the scheme as if it were a defined contribution scheme. The Trust's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

In January 2021 the School decided to withdraw from this scheme with effect from 1 September 2021.

(b) The Dulwich Preparatory Schools Trust Non Teaching Staff Group Personal Pension Plan - This is a defined contribution group personal pension plan with Aviva. Employer's pensions costs are charged in the period in which the salaries to which they relate are payable.

The Dulwich Preparatory Schools Pension Scheme - This is an occupational defined benefit scheme for non-teaching staff. The scheme is closed so there are no current service costs, other than administration expenses which are borne directly by the Schools. The expected return on the scheme assets less the scheme interest costs are credited within other interest. The scheme actuarial gains and losses are recognised immediately as other recognised gains and losses. The defined benefit scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

1 ACCOUNTING POLICIES (continued)

1.9 Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term.

1.10 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

1.11 Taxation

The School is a registered charity No. 1174356 and as such is not liable to United Kingdom income tax or corporation tax on charitable activities.

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

2 FEES RECEIVABLE	2021	2020
	£	£
Fees receivable consist of:		
School fees	14,070,524	13,714,413
Less: total awards and concessions	(469,446)	(465,723)
	<u>13,601,078</u>	<u>13,248,691</u>

Included within awards and concessions are means-tested bursaries totalling £286,856 which were paid to 21 pupils (2020: £275,608 for 23 pupils). During the year, Covid hardship bursaries totalling £65,990 were awarded to 11 pupils (2020: £46,425 for 23 pupils).

3 OTHER EDUCATIONAL INCOME	2021	2020
	£	£
Entrance and registration fees	42,500	39,950
Extra-Curricular activities	124,442	113,650
Courses and sub-lettings	48,045	85,245
AVP sports activities income	108,610	65,389
	<u>323,597</u>	<u>304,234</u>

4 ANCILLARY AND OTHER INCOME	2021	2020
	£	£
School trips, School shop, and Other income	<u>72,894</u>	<u>255,832</u>

5 OTHER TRADING ACTIVITIES	2021	2020
	£	£
Rents receivable	<u>85,851</u>	<u>106,417</u>

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

6 ANALYSIS OF EXPENDITURE

	Staff costs (Note 7) £	Depreciation (Note 9) £	Other costs £	Total 2021 £	Total 2020 £
Raising funds					
Financing costs	82,900	-	8,406	91,306	10,485
Total costs of raising funds	82,900	-	8,406	91,306	10,485
Charitable expenditure					
Teaching	7,358,423	-	614,903	7,973,326	8,240,885
Welfare	70,862	-	998,564	1,069,426	954,626
Premises	467,244	122,142	2,317,251	2,906,637	2,803,047
Support costs	1,239,520	-	583,826	1,823,346	1,788,682
Donations to parent entity	-	-	-	-	-
Total charitable expenditure	9,136,049	122,142	4,514,544	13,772,735	13,787,239
Total expenditure	9,218,949	122,142	4,522,950	13,864,041	13,797,724

Financing costs include a past service cost of £81,300 in respect of pension equalisation which is not expected to recur, as detailed in note 15.

Governance included in support costs:	2021	2020
	£	£
Governor costs	6,931	5,684
Legal & Consultancy fees	4,932	3,780
Remuneration paid to auditor for audit services	16,000	15,120

7 STAFF COSTS	2021	2020
	£	£
The aggregate payroll costs for the year were as follows:		
Wages and salaries	7,123,632	7,202,426
Social security costs	732,328	748,483
Other pension costs	1,362,989	1,300,852
	9,218,949	9,251,760

The total employment costs of key management personnel, who are considered to consist of the Headmaster and the Bursar (Director of Finance from December 2019 until December 2020) was £253,587 (2020: £277,776) including pension contributions of £30,672 (2020: £27,552).

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

7 STAFF COSTS (CONTINUED)

	2021	2020
Number of higher paid employees in bands of:		
£60,001 to £70,000	11	14
£70,001 to £80,000	4	2
£100,001 to £110,000		
£120,001 to £130,000	1	1
 The number with retirement benefits accruing		
- in Defined Contribution schemes was	2	2
of which the contributions amounted to	£18,720	£15,844
- in Defined Benefit schemes was	14	15

The average number of the School's employees during the year, calculated on headcount, was:

	2021	2020
Teaching	110	118)
Domestic and estates	16	21
Administrative	75	63
	<u>201</u>	<u>202</u>

During the year there were redundancy or termination payments which amounted to £15,000 (2020 £36,893) of which £nil was outstanding for payment at the year end.

8 TRUSTEE COSTS AND RELATED PARTY TRANSACTIONS

During the year, no Governors received any remuneration.

During the year one Governor received reimbursement of expenses for travel and subsistence totalling £78 (2020: one Governor received £36).

In the year there was £0 paid to any governors (£0 in 2020 to any governors).

In 2020/21 the School donated £0 (2020: £0) to the Trust. The School donated staff time to the Trust totalling £21,145 (2020: £48,618) which has been recognised in these accounts as other costs. The School paid rental income of £1,164,733 (2020: £1,235,600) for the use of its premises. Cash resources for the Group are managed centrally by the Trust and as a consequence at 31st August 2021 £3,345,310 (2020: £3,587,422) was owed by the Trust.

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

9 Tangible Fixed Assets

	Leasehold Improve ment	Furniture Fixtures and Equipment	Computer Hardware	Vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2020	284,180	1,404,667	731,038	73,397	2,493,282
Additions	118,082	64,837	138,437	-	321,356
Disposal in the year	-	(8,775)	-	-	(8,775)
At 31 August 2021	402,262	1,460,729	869,475	73,397	2,805,863
Depreciation					
At 1 September 2020	2,564	1,050,214	586,946	67,182	1,706,906
Charged in year	6,516	44,320	69,334	2,703	122,873
Disposal in the year	-	(732)	-	-	(732)
At 31 August 2021	9,080	1,093,802	656,280	69,885	1,829,047
Net book values					
At 31 August 2020	281,616	354,453	144,092	6,215	786,376
At 31 August 2021	393,182	366,927	213,195	3,512	976,816

10 DEBTORS

	2021	2020
	£	£
Fee debtors	47,511	31,062
Sundry debtors	171,195	205,281
Prepayments and accrued income	158,658	144,393
Amounts due from parent undertaking	3,345,310	3,586,927
	3,722,674	3,967,663

11 CREDITORS: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	414,996	230,796
Social security and other taxation	188,265	187,170
Fees in advance	1,334,133	1,246,151
Other creditors	93,831	232,508
Fee deposits	1,404,415	1,286,215
Accruals and deferred income	171,041	78,013
	3,606,681	3,260,853

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

12 FEES IN ADVANCE	2021	2020
	£	£
Within one to two years	<u>18,660</u>	<u>33,765</u>
<u>Movements in fees in advance</u>		
Opening fees in advance	33,765	78,204
Amount released to income during the year	(33,765)	(44,439)
Amount deferred during the year	<u>18,660</u>	<u>-</u>
	<u>18,660</u>	<u>33,765</u>

13 OPERATING LEASE COMMITMENTS

At 31 August 2021 the Company had future minimum lease payments under non- cancellable operating leases as follows:

	Land and Buildings	Other	Land and Buildings	Other
	2021	2021	2020	2020
	£	£		
Within 1 year	1,122,850	132,114	1,250,225	164,455
Between 2 and 5 years	4,451,400	145,819	4,939,400	258,196
After more than 5 years	<u>31,644,350</u>	<u>-</u>	<u>33,599,200</u>	<u>-</u>

The charge in the year was £1,318,067 (2020: £1,395,434).

14 SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	At 1 September 2020	Incoming resources	Resources expended	Gains	At 31 August 2021
Unrestricted Funds	<u>2,754,741</u>	<u>14,358,019</u>	<u>(13,864,041)</u>	<u>46,000</u>	<u>3,294,719</u>

15 PENSION SCHEMES

Teachers' Pension Scheme

Dulwich Prep London participated in the Teachers' Pension Scheme ("the TPS") for their teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,084,953 (2020: £1,201,184) and at the year-end £0 (2020: £132,709) was accrued in respect of contributions to this scheme. The school left the TPS with effect from 1 September 2021.

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

15 PENSION SCHEMES (Continued)

Defined benefit scheme

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

DULWICH PREP LONDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2021

15 PENSION SCHEMES (CONTINUED)

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results to those contained in the Actuarial Valuation.

Until the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Defined contribution scheme

The pension cost charge in the year in respect of the non-teaching staff defined contribution scheme was £167,424 (2020: £156,129).

Non-teaching defined benefit scheme

The parent Trust operated this Scheme (the Dulwich Preparatory Schools Pension Scheme), which was closed to new entrants from 1 January 2005, both in respect of new members and accrual for existing members.

On 1st September 2017 the Trust transferred the obligations to contribute to the Scheme to each of the Schools in proportions determined by the actuary based on the staff who participated in the scheme. The valuation in these accounts uses that proportion and has been derived by projecting the results of the last comprehensive actuarial valuation of the Scheme as at 1 January 2018 and has been prepared by an independent qualified actuary.

Following the latest actuarial valuation a revised Schedule of Contributions was agreed between the Trust, the Schools and the Scheme Trustees with the aim of eliminating the deficit over a period of 5 years from 1 January 2021. Under this Schedule of Contributions the School expects to contribute £36,810 to the Scheme in 2021/22 (£33,663 2020/21). The school has recognised a past service cost in respect of equalisation estimated at £81,300.

The amounts recognised in the balance sheet are as follows		2021	2020
		£	£
Present value of funded obligations		(725,300)	(670,600)
Fair value of scheme assets		601,000	549,500
Net (Liability)		<u>(124,300)</u>	<u>(121,100)</u>

DULWICH PREP LONDON
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15 PENSION SCHEMES (CONTINUED)

b) Changes in the present value of the defined benefit obligation	2021	2020
	£	£
Opening defined benefit obligation	670,600	663,500
Interest cost	10,500	11,700
Past service cost	81,300	-
Actuarial (gains)/losses	(31,100)	8,900
Benefits paid	(6,000)	(13,500)
Closing defined benefit obligation	<u>725,300</u>	<u>670,600</u>
 c) Changes in the fair value of the scheme assets	 2021	 2020
	£	£
Opening fair value of scheme assets	549,500	526,300
Interest income	8,900	9,400
Return greater/(lower) than the discount rate	14,900	(6,400)
Contributions by employer	33,700	33,700
Benefits paid	(6,000)	(13,500)
Closing fair value of scheme assets	<u>601,000</u>	<u>549,500</u>
 d) The amounts included within the Statement of Financial Activities	 2021	 2020
	£	£
Interest on obligation	10,500	11,700
Interest income	(8,900)	(9,400)
Past service cost	81,300	-
Total amount charged to the Statement of Financial Activities	<u>82,900</u>	<u>2,300</u>
 Net actuarial gains/(losses) recognised in the year	 <u>46,000</u>	 <u>(15,300)</u>
 e) Principal actuarial assumptions at the balance sheet date	 2021	 2020
Financial Assumptions		
Discount rate	1.7%	1.6%
RPI inflation assumption	3.4%	3.0%
Rate of increase of pensions in payment	3.7%	3.3%
Rate of increase of pensions in deferment	2.6%	2.2%
 Assumed life expectancy in years at age 65:		
<i>Non Pensioners</i>		
Females	26.2	25.4
Males	23.7	23.4
<i>Pensioners</i>		
Females	24.4	23.9
Males	<u>22.0</u>	<u>21.9</u>

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16 POST BALANCE SHEET EVENT

In November 2021 Dulwich Prep London signed new leases, effective from 1 September 2021, with the Dulwich Preparatory Schools Trust. The rent will increase over the next 5 years. In 2021-22 the rent will be £1,715,988 and this will increase to £2,018,810 in 2025-26.