

NEWELLS SCHOOL TRUST LIMITED
(A Charitable Company Limited by Guarantee)

GOVERNORS' REPORT

AND

ACCOUNTS

YEAR ENDED 31 JULY 2023

Company number: 932584
Charity number: 307038

NEWELLS SCHOOL TRUST LIMITED

GOVERNORS

Mr G. Bush DL, MSc (Resigned 15 November 2022)
Mrs W. Challen Cert. Ed
Mrs. E. Dobson MA, CIMA
Mr A. Ford BA QTS
Mrs. J. Hamblett-Jahn MA QTS
Mrs. S. Harris BEd
Mrs. J. Riley MA QTS
Lady S. Soames MA (Oxon)
Mr. R. Soni FCA
Mr. M. Templeman (Chairman)

HEADMASTER

Mr R.C. Brown M.A. (Resigned 31 August 2023)
Mr J. Besley BA (Appointed 1 September 2023)

BURSAR AND CLERK TO THE GOVERNORS

Ms. F. Thomson MA, FCCA

REGISTERED OFFICE

Brighton College
Eastern Road, Brighton
East Sussex BN2 0AL

AUDITORS

Haysmacintyre LLP
Chartered Accountants
10 Queen Street Place
London
EC4R 1AG

BANKERS

HSBC Bank PLC
38 – 42 South Street
Haywards Heath
West Sussex RH16 4LU

Bank of Scotland PLC
600 Gorgie Road
Edinburgh
EH11 3XP

REGISTERED COMPANY NUMBER: 932584

REGISTERED CHARITY NUMBER: 307038

NEWELLS SCHOOL TRUST LIMITED

GOVERNORS' REPORT

YEAR ENDED 31 JULY 2023

The Governors present their annual report and financial statements for the year ended 31 July 2023. The Governors confirm that the financial statements comply with current statutory requirements, those of the governing documents and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" 2nd Edition, effective 1 January 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Newells School Trust Limited is a company limited by guarantee and a registered charity and is governed by its Memorandum and Articles of Association. It operates as Handcross Park School. It has 100% ownership of a subsidiary: Handcross Park Commercial Services Limited which incorporates all the commercial trading activities of the School and the net surplus is transferred to the School annually by way of a gift aid donation.

Governors

The present Governors of the School, who are also the charity trustees and the directors of the Company for Companies Act purposes, who served during the year and since as indicated are:

Mr G. Bush DL, MSc (Resigned 15 November 2022)

Mrs W. Challen Cert. Ed

Mrs. E. Dobson MA, CIMA

Mr A. Ford BA QTS

Mrs. J. Hamblett-Jahn MA QTS

Mrs. S. Harris BEd

Mrs. J. Riley MA QTS

Lady S. Soames MA (Oxon)

Mr. R. Soni FCA

Mr. M. Templeman (Chairman)

The Board of Governors meets at least 3 times a year and is joined by the Headmaster and Bursar.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the Governors are required to:

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

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

So far as each of the Governors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

NEWELLS SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

YEAR ENDED 31 JULY 2023

Organisation

The day-to-day management of the School is delegated to the Headmaster, Bursar and the Senior Management Team:

Headmaster	Mr. R. C. Brown MA (Hons) (Resigned 31 August 2023) Mr J. Besley BA (Appointed 1 September 2023)
Bursar and Company Secretary	Ms. F. Thomson MA (Hons), FCCA
Senior Management Team	Mr. E. Johnson BA (Hons) QTS (Senior Deputy Head) Mr. R. Clark BSc (Hons) MEd (Deputy Head Academic) Mr. C. Cripps MSc (Deputy Head Pastoral) (Resigned 31 December 2022) Mr. A. Costello BSc QTS (Deputy Head Pastoral) (Appointed 17 April 2023) Mrs. P. Parry BA QTS (Head of Pre Prep) Mr. M. Carter BA (Hons) QTS (Head of Boarding)(Appointed 1 September 2022) Ms. M Bliss BA (Hons) QTS (Head of Teaching & Learning)

The Governors would like to thank Richard Brown for his successful leadership as Headmaster of the School from September 2016 to August 2023. Under his guidance the School has continued to see growth in pupil numbers, worked effectively to keep the Handcross Park Community safe through the Covid challenges and has continued to invest in significant improvements in facilities including the Astro, Art and Design Centre, refurbished dining room and most recently the Owton teaching building. He leaves the school with strong foundations and economically secure to face the challenges ahead.

Remuneration is set by the Board 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 benchmarks produced for the sector to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere.

The School aims to recruit, subject to experience, on a salary scale, providing scope for rewarding excellence. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

STRATEGIC REPORT

OBJECTIVES AND ACTIVITIES

Handcross Park School is a full and weekly boarding and day, co-educational school for children aged between 2 and 13 years, providing them with high quality education enabling them to move on to a top independent senior school for the next stage of their education.

The School has continued to operate Preparatory, Pre-Preparatory and Nursery departments.

The objectives of the School are to provide high quality education for children up to the age of 13 years within a friendly, fulfilling and caring environment, for the public benefit and are specifically as follows:

- To provide a wealth of forward thinking educational opportunities for each individual member of the School
- To establish opportunities for each child to reach their individual academic potential
- To teach and encourage kindness and mutual respect within the community and the wider world
- To encourage each child to communicate with confidence and provide them with opportunities to develop this confidence
- To encourage a love of learning and to stimulate, stretch and challenge the pupils through excellent teaching
- To teach children to respect one another and one another's belongings
- To foster a high level of good behaviour and personal manners
- To encourage a harmonious working relationship between pupils and staff

NEWELLS SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

YEAR ENDED 31 JULY 2023

- To encourage each individual to make the most of all the opportunities on offer at Handcross Park, both in and out of the classroom
- To equip each child with a sound knowledge of the past and wisdom for the future
- To prepare each individual for the next stage in their education and future lives
- To maintain sound financial management
- To be a supportive and caring employer

Handcross Park School believes that above all, a happy child is a productive child and the School is proud to be a very friendly, family orientated School. The curriculum is broad and varied in order to give each child the opportunity to thrive.

PUBLIC BENEFIT

The Governors have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Additional opportunities for public benefit have been integrated into the School development plan and successfully implemented throughout the year. Specific examples are referenced throughout the report and include providing means tested bursaries to families who may otherwise be unable to pay the school fees.

The School was pleased to be able to support families facing continuing financial hardship following the pandemic and continues to actively support the local Handcross village foodbank. The School provides Mandarin teaching to the local primary school and allows it to utilise the school grounds for its sporting events and swimming lessons.

Use of Facilities

The School has continued its commitment to contribute to the community and permits extensive use of the School's facilities to be made by outside sports clubs and community entities such as Scouts and the Samaritans, especially welcoming the local primary schools to use the swimming pool and the village's junior football teams to use our grass pitches every week free of charge. Local residents from the community have been invited to enjoy the School Fireworks event and local teams utilise the All-Weather Pitch for football training.

The School makes available all its buildings, including the main house where the rooms are let out during the weekends and holidays for wedding receptions and other engagements.

In the summer 2022, autumn 2022 half term, Easter 2023 and summer 2023 holidays a national firm, Active Education Ltd, used School facilities to provide both outdoor and indoor holiday activities to both pupils of the School and children from elsewhere in the local community. East Grinstead Hockey Academy has also used the All-Weather Pitch in the past year to coach local pupils and two weekly swimming academies coached children in the School pool.

A number of educational projects have been undertaken to share best practice with local schools from both the State and Independent sector. There has been shared educational experience in particular around ICT with Google training seminars. Close links have been formed with Handcross Primary School which has used the School pool for swimming lessons, together with the pitches for their sports days. This relationship will continue and the sharing of resources encouraged.

ACHIEVEMENTS AND PERFORMANCE

The School has continued to attract a strong pupil base from a diverse range of backgrounds, including international families from around the world. The success of the Google Classroom remote learning platform during the Government lockdown due to the Coronavirus pandemic has continued to attract pupils and the School is proud to lead as a Google Reference School. The School applies the latest technology, including Chromebooks and other ICT tools, to enhance the learning experience of all our pupils.

The School's reputation remains very strong – locally, nationally and internationally. The School was delighted to be shortlisted for PRE PREP OF THE YEAR 2024 at the Independent Schools of the Year Awards 2023, having also received a number of awards over recent years, including: the PREP SCHOOL OF THE YEAR at the Independent Schools of the Year Awards 2019, BEST PREP FOR INNOVATION (2020), BEST PREP FOR PASTORAL CARE (2021) and BEST PREP FOR BOARDING (2022) by The Week Independent Schools Guide.

NEWELLS SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

YEAR ENDED 31 JULY 2023

Once again, the School appears in the prestigious Tatler Schools Guide 2023 and the Good Schools Guide 2023/2024.

The School successfully met all regulations in the last ISI Compliance Inspection in November 2022. This was a full inspection and as such reports whether the School meets all its regulatory standards including the National Minimum Standards for Boarding. The Independent Schools Inspectorate gave Handcross Park a perfect score in every category in their Inspection Report. In addition to meeting every point in the Regulatory Compliance Inspection, the Educational Quality Inspection gave the highest rating of 'Excellent' on the two key areas assessed – the quality of pupils' achievements and the quality of personal development. The School was delighted with the outcome.

Academically, all the Year 8 leavers gained places at their first-choice senior schools, with 32% (2022:47%) of the leavers achieving scholarships.

Handcross Park is keen to ensure that all pupils are 'future ready' and the School incorporates a robust leadership programme within the curriculum that focuses on the skills of collaboration, communication, creativity, problem solving and teamwork.

The School offers a full fixtures programme to all pupils in years 3 to 8 and is fielding 15 boys and 16 girls teams each term, with all pupils able to access fixtures against local school teams most weeks. There are a number of County and Regional team players in the pupil body in football, hockey, athletics and cross country (boys and girls), plus some individuals competing at a good level in golf, table tennis and horse riding.

The Arts continue to play a major role in the life of the School, and successful drama productions are performed at every age group with all children involved. Drama continues to build in popularity both with pupils and parents who understand its importance and the skills that it helps to develop. As well as the termly Drama Showcases our successful drama productions allow all pupils to take part. Highlights last year included the Year 7 pupils performing *Elf Jnr*, the Middle School performing the musical 'What's the Crime Mr. Wolf' and the Lower School production of the musical *Shakespeare Rocks*, all of which were performed to full houses.

The School continued to run 3 separate drama clubs for pupils from Year 3 to Year 8 and also introduced a Tech Team Club training the pupils on the lighting and sound equipment, with them running the sound, lights and projections for the Lower School production.

There are currently 84 pupils participating in LAMDA lessons across the School from year 2 to year 8 and last year saw 110 pupils take examinations with a 100% pass rate, 85% of those being distinctions and the remaining being merits. Last year also saw a number of theatre trips and a visiting theatre company provide a stage combat workshop for the Year 7 pupils and attendance at a Family of Schools Drama Festival.

Pupils performed a music concert in the summer term which was performed live to a full audience. Weekly drama and music showcases were shown to Prep pupils during Friday morning tutor times. Around 45% of school pupils took peripatetic music lessons, and of those 35 (2021:42) pupils took ABRSM and Trinity music exams from grades 1 to 7, with a 98.5% pass rate.

The Modern Foreign Languages department continues to flourish and is gaining a reputation for excellence. Handcross Park is one of very few schools nationally to teach the top three spoken languages in the world – Spanish, Mandarin and English. With French and Latin also available, the pupils are being prepared for an increasingly globalised world.

The School benefits from the generosity of Friends of Handcross Park School (the Parent Association), which is independently run, and whose continuing support we greatly appreciate. The Friends' main events were the very popular annual bonfire evening and the summer fayre. The Pre Prep pupils greatly enjoyed the Christmas Fayre in the autumn term which was organised by the Friends Association and which raised funds for the purchase of Pre Prep library books. During the year the Friends also purchased a new microphone system for school productions, a glockenspiel, pre prep wooden building blocks, an honours board for the Boarding House and a cricket bowling machine.

The School Shop trades through the subsidiary company and continues to enable the parents to purchase school uniform at reasonable prices. It has continued to expand its range of items on sale during the year to sell the whole range of school

NEWELLS SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

YEAR ENDED 31 JULY 2023

uniform and ancillary equipment. Sales have been fulfilled following individual fitting appointments and email orders. Post the pandemic demand for residential lets has not yet returned. However other site facility lets such as the swimming pool hire and facility hire for holiday day camps remains strong.

The School has undertaken extensive repairs and development works, with continuing investment in the facilities and infrastructure across the whole site. Within the year the School undertook capital improvement works to replace the old English Terrapin classrooms with a 3 storey English Resource Centre. This increases the teaching room capacity and provides valuable additional office and breakout teaching space. One classroom is an Immersive Teaching room which offers an exciting new environment to enhance pupil learning. Project expenditure has included refurbishment of the nursery playground and prep school playgrounds, chimney repairs and refurbishment of boarding areas.

FINANCIAL REVIEW AND RESULTS FOR THE PERIOD

The Governors regularly review the finances, budgets and cash flows as part of the effective stewardship of the School. The financial results of the School for the year ended 31 July 2023 are shown on page 12, and disclose a surplus for the period of £415,831 (2022: surplus of £327,831) which is in line with Governors' expectations. The current surplus reflects the strong pupil numbers, robust reaction to financial uncertainty and tight cost control following strategic decisions which include:

- i) expensing significant improvement works in modernising operational spaces at both the Prep and the Pre-Prep;
- ii) a commitment to balance the needs for excellent education with parent affordability; and
- iii) the impact of offering means tested bursaries as a demonstration of the School's regard to public benefit.

Donations were received to the Restricted Funds during the year of £16,764 (2022: £3,347). There were no complaints in relation to fundraising activities.

There were additions to fixed assets of £1,162,602 during the year (2022: £286,621); which comprised of work in progress for the new English Resource Centre, now named the Owton Building.

The Governors are keen for the School to both attract and retain the best teaching and key support staff and set salaries and other remuneration in order to achieve this. Terms for the most senior management are considered by the Finance and Development Committee annually. The total amount of remuneration, benefits and pensions paid to key management was £287,351 (2022: £267,870).

New Governors are appointed to the Board after careful consideration for the key skills and experience that they can offer to the School. The Chairman in conjunction with the Headmaster at Brighton College and the Headmaster consider new appointments and each new Governor undertakes full Safeguarding Training and a thorough induction process including site visits and meetings with senior staff.

Key Performance Indicators

The key performance indicators used by the management and Governors when considering the strategy for the School include: pupil demand; academic and extra-curricular success against anticipated outcomes; forecast cash flow and facility headroom; and prioritised areas of spending.

The School has prepared a number of scenarios that consider the School's cash position, sources of income and planned expenditure. These include estimates of possible impacts relating to political and economic uncertainty, increases in energy costs and inflationary pressures on operations. These scenarios consider reduced pupil numbers, delayed fee payment, reduced fees and potential bad debts as well as the impact on costs from the measures taken so far. Sensitivity around these assumptions has also been considered in our forecasting.

Having regard to the above, the trustees believe that the School has adequate resources to continue its activities in the foreseeable future and have therefore considered it appropriate to adopt the going concern basis of accounting in preparing these financial statements.

NEWELLS SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

YEAR ENDED 31 JULY 2023

Bursaries

The School provided financial assistance to parents, who would not otherwise have been able to send their children to the School, amounting to £180,386 (2022: £201,694).

Total fee remission including sibling discounts and agency fees amounted to £525,066 (2022: £447,478). It is the policy of the School that all new applicants for financial assistance are means-tested, and that existing recipients submit an application form each year for the School to ascertain the level of support available for the ensuing year. The School welcomes pupils from all backgrounds and provides financial assistance to gifted children from poorer economic backgrounds to allow them access to this excellent education.

Borrowings

Borrowings consisted of a loan with HSBC for the purchase of 2 College Close for staff accommodation in October 2020. This loan facility was for £279,375 repayable over 10 years and secured on the property. Repayments are made monthly and the capital balance owed by the School at 31 July 2023 was £212,423 (2022: £235,204), as disclosed in note 9. This facility is provided at a rate of 1.97% over the Base rate.

An overdraft facility of £250,000 is provided by the School's bankers but was not utilised in the year.

Reserves Policy

At 31 July 2023, the total unrestricted funds of the School amounted to £4,224,599 (2022: £3,787,848). The total restricted Fee Support Funds amount to £Nil (2021: £21,370).

Free reserves, defined as total unrestricted funds having eliminated the net book value of unrestricted fixed assets, are a deficit of (£538,140) (2022: (£555,596)). The charity does not use free reserves to manage the business but focuses on cash and the governors monitor this via management accounts and regular cash flow forecasts prepared by the Bursar. At the year end, the governors are satisfied that given the current pupil numbers and the budget forecasts, the operating cash flow and reserves held are appropriate and in line with the longer-term strategy of the School.

In recent years, significant expenditure has been made to improve and modernise facilities at the School. This has been financed from the General Fund and through appeals, loans and working capital. It is the School's policy to finance a continued programme of investment in the School's facilities through a combination of donations, borrowings and operational surpluses. The analysis of assets attributable to the Funds is shown in note 11 to the accounts. These assets are sufficient to meet the School's obligations. The reserves policy is reviewed on an annual basis by the Governors.

Freehold properties

In the opinion of the Governors, the value of the freehold land and permanent buildings is substantially more than the book value but no useful purpose would be served by undertaking a revaluation.

Principal Risks and Uncertainties

The Governors have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the School, and are satisfied that procedures and insurance are in place to mitigate exposure to known risks.

The School has created a risk register which is reviewed annually by the Governors, listing likely risks and assigning a numeric quantifier based on the likelihood after control and the impact of the risk. Plans to reduce the likelihood and then mitigate the impact are identified for each risk described and further actions put in place where required.

A high risk identified is that of economic recession (both UK and global) which could impact pupil numbers. The current cost of living crisis and high energy costs continue to cause uncertainty. This is mitigated by the promotion of the School as a premium place of learning, adding value to the children's development together with its caring culture, location and beautiful site. Pupil numbers for both day and boarding places continue to remain healthy in the following academic year 2023-24.

NEWELLS SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

YEAR ENDED 31 JULY 2023

The potential change in political climate following the next election could have a significant impact on the Independent School Sector and directly Handcross Park School. Detailed scenario planning has been undertaken to seek to mitigate against the impact. The School continues to promote itself as a market leader in the Prep School sector, attracting high quality teachers and provides children with a rounded educational experience allowing children to reach their full potential. Pupil numbers remain strong and new infrastructure will enable increased capacity that will help protect against possible future financial pressures.

PLANS FOR THE FUTURE

Future plans for the development of the school are exciting. A five-year development plan has been put in place which includes further significant investment in classrooms, high quality Boarding Accommodation, Pre Prep additional classroom space and a new Performing Arts Centre. The replacement of the Terrapin English Classrooms with a 3-storey brick building has added valuable additional classroom space for the new academic year 2023 and provides an exciting immersive, 360 degree interactive classroom.

Further refurbishments of existing boarding areas are also planned together with the creation of additional dormitories, comfortable common room space and new bathroom facilities. Additional investment in IT will be undertaken, maintaining and enhancing the first class provision of technology available at the School. There is an ongoing maintenance plan around the site including upgrading fixed wiring and enhancing playground facilities.

All of the improvements have been and continue to be facilitated by maintaining pupil numbers and fee income enabling greater investment in facilities, pupil welfare and the highest quality teaching staff.

The Governors intend to build on the successful relationships with local schools to further widen the contribution to the local community. This will include developing new links with the community for the use of the School grounds and facilities. A continuing relationship with a local nursing home has allowed pupils to develop social community links and future events for pupils to entertain elderly residents are planned. The School is also proud to be involved with the Handcross Pantry food bank scheme and continues to support.

The School is keen to further develop the environmental green agenda and to encourage both staff and pupils to do as much as possible to foster green credentials including the use of green energy, refurbish and build using only environmentally friendly building designs and to encourage pupils as part of their day to day activities to reuse, recycle and respect the environment. A tree is planted within the grounds for every new pupil that joins the School as part of the popular 'Grow with Me' policy. The School has created a new pupil led 'Eco' Council who are striving with support to achieve the Eco-Schools Green Flag award.

AUDITORS

Haysmacintyre LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

The Governors' Report incorporating a Strategic Report, was approved by the Board of Governors at its meeting on 14 November 2023 and signed on its behalf by:



M. Templeman
Chairman

Handcross Park School,
Handcross
West Sussex
RH17 6HF

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

NEWELLS SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Newells School Trust Limited for the year ended 31 July 2023 which comprise Statement of Financial Activities, the Charity Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of 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 July 2023 and of the charitable company's net movement in funds, including the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Governors' Report. 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.

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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report (which includes the directors' 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 directors' report included within the Governors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the strategic report and the directors' report).

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

NEWELLS SCHOOL TRUST LIMITED (Continued)

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 accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement (set out on page 8), 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations such as Independent Schools Inspectorate regulations, safeguarding regulations, health and safety requirements, GDPR, employment law and Charity Commission's general guidance, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006 and the Charities Act 2011 and consider other factors such as payroll tax and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition, in particular in relation to voluntary and other income and management override of controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations or postings with unusual descriptions;
- Reviewing the income recognition around the year end to assess whether income had been recognised in the correct accounting period; and

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

NEWELLS SCHOOL TRUST LIMITED (Continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

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.

Steven Harper (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor
Date:

10 Queen Street Place
London
EC4R 1AG

NEWELLS SCHOOL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME & EXPENDITURE ACCOUNT

YEAR ENDED 31 JULY 2023

	Notes	Unrestricted Funds General £	Designated £	Restricted £	Total 2023 £	Total 2022 £
INCOME FROM:						
Charitable activities						
School fees	1	6,761,771	-	-	6,761,771	6,310,185
Extras and disbursements		457,585	-	-	457,585	332,332
Registration fees		31,890	-	-	31,890	33,864
Additional Grants		3,600	-	-	3,600	3,600
Voluntary income						
- Development Fund income		-	-	360	360	360
- General Donation Income		91,784	-	16,404	108,188	61,456
Other trading activities						
- Other income		26,384	-	-	26,384	703
Interest receivable		17,056	-	-	17,056	403
Total Income		<u>7,390,070</u>	<u>-</u>	<u>16,764</u>	<u>7,406,834</u>	<u>6,742,903</u>
EXPENDITURE ON:						
Charitable Expenditure						
School operating costs						
- Teaching costs		3,132,404	-	16,473	3,148,877	2,802,370
- Welfare costs		612,845	-	-	612,845	572,905
- Premises costs		1,527,894	-	291	1,528,185	1,429,443
- Support costs		1,674,109	-	-	1,674,109	1,588,349
		<u>6,947,252</u>	<u>-</u>	<u>16,764</u>	<u>6,964,016</u>	<u>6,393,067</u>
Raising Funds						
Other Expenditure					-	360
Finance costs		27,437	-	-	27,437	21,645
Total Expenditure	3	<u>6,974,689</u>	<u>-</u>	<u>16,764</u>	<u>6,991,453</u>	<u>6,415,072</u>
NET INCOME		415,381	-	-	415,381	327,831
Transfer between funds		(415,381)	436,751	(21,370)	-	-
NET MOVEMENT IN FUNDS		-	436,751	(21,370)	415,381	327,831
Balance brought forward at 1 August 2022		-	3,787,848	21,370	3,809,218	3,481,387
Balance carried forward at 31 July 2023		-	4,224,599	-	4,224,599	3,809,218

The notes on pages 15 to 25 form part of these accounts.

BALANCE SHEET

AS AT 31 JULY 2023

	Notes	31 July 2023		31 July 2022	
		£	£	£	£
INVESTMENTS	5		100		100
TANGIBLE FIXED ASSETS	6		4,762,739		3,911,050
CURRENT ASSETS					
Debtors	7	422,208		333,649	
Cash at bank and in hand		1,597,789		2,000,117	
		<u>2,019,997</u>		<u>2,333,766</u>	
CREDITORS - due within one year	8	<u>(1,644,836)</u>		<u>(1,570,906)</u>	
NET CURRENT ASSETS			375,161		762,860
			<u>5,138,000</u>		<u>4,674,010</u>
CREDITORS - due after more than one year	9		<u>(913,401)</u>		<u>(864,792)</u>
NET ASSETS			<u>4,224,599</u>		<u>3,809,218</u>
RESTRICTED FUND	10		-		21,370
UNRESTRICTED FUNDS					
- Designated	10		4,224,599		3,787,848
- General Fund	10		-		-
TOTAL FUNDS	10		<u>4,224,599</u>		<u>3,809,218</u>

Approved and authorised for issue by the Board of Governors at its meeting on 14 November 2023 and signed on its behalf by:

M. Templeman



E. Dobson



The notes on pages 15 to 25 form part of these accounts

NEWELLS SCHOOL TRUST LIMITED

CASHFLOW STATEMENT

AS AT 31 JULY 2023

	Note	2023		2022	
		£	£	£	£
Net cash inflow from operating activities	12		778,442		604,112
Cash flows from investing activities					
Interest received		17,056		403	
Purchase of tangible fixed assets		(1,162,602)		(286,621)	
Investment in Subsidiary		-		-	
Loss on disposal of tangible fixed assets		-		-	
Net cashflow from investing activities			(1,145,546)		(286,218)
Financing					
Repayment of loans		(22,781)		(25,150)	
Interest paid		(12,443)		(7,584)	
Net cashflow from financing activities			(35,224)		(32,734)
(Decrease)/Increase in cash			(402,328)		285,160
Cash and cash equivalent at the beginning of the period			2,000,117		1,714,957
Cash and cash equivalent at the end of the period			1,597,789		2,000,117

Reconciliation of net debt	01/08/2022	Cashflows	Non-Cashflows	31/07/2023
	£	£	£	£
Cash at bank and in hand	2,000,117	(402,328)	-	1,597,789
Loans due less than 1 year	(27,938)	22,781	(22,781)	(27,938)
Loans due more than 1 year	(207,266)		22,781	(184,485)
	<u>1,764,913</u>	<u>(379,547)</u>	<u>-</u>	<u>1,385,366</u>

The notes on pages 15 to 25 form part of these accounts

NEWELLS SCHOOL TRUST LIMITED

ACCOUNTING POLICIES

YEAR ENDED 31 JULY 2023

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 functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

At the time of approval of the annual report, there are political uncertainties and economic pressures and the long-term impact on the charity, in common with other businesses, is unknown. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. The charity currently holds significant cash balances supplemented, if need be, by an overdraft facility. Demand for school places at Handcross Park School remains strong, with historically high numbers enrolled for the academic year 2023/24. Conservative cash flow modelling with sensitivity analysis indicates that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

The School is a Public Benefit Entity Registered as a charity in England and Wales and a Company limited by guarantee. It was incorporated on 23 May 1968 (company number 00932584) and registered as a charity on 5 June 1969 (charity number 307038).

As at 31 July 2023 the School had one wholly owned subsidiary, Handcross Park Commercial Services Limited which traded during the year. Consolidation is prepared at a higher level within Brighton College and therefore the School does not prepare consolidated accounts.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Governors 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.

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.

In the view of the Governors, no 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.

a. Basis of Accounting

The accounts have been prepared under the historical cost convention.

b. Income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income is accounted for on an accruals basis.

Rental income (including incentives received or paid) for operating leases are recognised in profit or loss on a straight line basis over the lease term.

Voluntary incoming resources are accounted for as and when entitlement arises and the amount can be reliably quantified.

NEWELLS SCHOOL TRUST LIMITED

ACCOUNTING POLICIES (continued)

YEAR ENDED 31 JULY 2023

c. Expenditure

Expenditure is accounted for on an accruals basis. Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Central costs which cannot be directly allocated are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit, any legal advice for the School's Governors, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

d. Fixed assets and depreciation

Tangible fixed assets are capitalised and included at cost, including any incidental expenses of acquisition.

Depreciation is provided on fixed assets to write off their cost over estimated useful lives at the following rates:

Freehold buildings	- 2% on cost per annum
Site Facilities	- 5% on cost per annum
New buildings, fixtures & fittings	- 8% on cost per annum
Motor vehicles	- 20% on cost per annum

e. Funds

Unrestricted: these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated: these are funds set aside by the trustees out of unrestricted general funds for specific purposes or projects.

Restricted: these are funds that can only be used for particular restricted purposes within the objects of the charity.

f. Pension Schemes

The School operates two pension schemes. Contributions to the schemes are charged to the income and expenditure account as they are incurred. Further details are given in note 16.

Unless teaching staff elect to opt out, they join the Teachers Pension Scheme administered by the Teachers' Pension Agency. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with FRS 102 therefore, the Scheme is accounted for as a defined contribution scheme.

The School operates a defined contribution pension scheme for teaching and non-teaching personnel whereby the assets of the schemes are held separately from those of the School in an independently administered fund.

The School's contributions, are charged in the period which the salaries to which they relate are payable.

g. Operating Lease Rentals

Rentals paid in respect of assets held under operating leases are charged to the statement of financial activities as they fall due.

NEWELLS SCHOOL TRUST LIMITED

ACCOUNTING POLICIES (Continued) and NOTES TO ACCOUNTS

YEAR ENDED 31 JULY 2023

h. Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently amortised. 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. The School has an advance fees scheme whereby parents and others may make advance payments which provide for a set contribution each term towards the pupils' fees. The capital portion outstanding is recognised as a liability and the amount of any discount crystallised in the year is included in the Statement of Financial Activities.

NOTES TO ACCOUNTS

1. SCHOOL FEES			2023	2022	
			£	£	
Gross fees receivable			7,286,837	6,757,663	
Less sibling discounts, scholarships and bursaries			(473,119)	(410,500)	
Less agency commission			(51,947)	(37,228)	
Add bursaries from restricted funds			-	250	
			<u>6,761,771</u>	<u>6,310,185</u>	
Net fees receivable					
2. OPERATING EXPENDITURE			2023	2022	
			£	£	
Charitable expenditure includes:					
Auditor's remuneration			13,080	12,600	
Operating leases			30,443	23,087	
Depreciation			310,913	315,115	
			<u>310,913</u>	<u>315,115</u>	
3. ANALYSIS OF TOTAL EXPENDITURE					
	Staff Costs	Other	Depreciation	2023	2022
	£	£	£	Total	Total
				£	£
Charitable activities					
Teaching costs	2,652,284	496,593		3,148,877	2,802,370
Welfare	49,824	563,021		612,845	572,905
Premises	416,389	800,883	310,913	1,528,185	1,429,443
Support costs	1,209,105	465,004		1,674,109	1,588,349
	<u>4,327,602</u>	<u>2,325,501</u>	<u>310,913</u>	<u>6,964,016</u>	<u>6,393,067</u>
Raising Funds					
Other expenditure				-	360
Finance costs		27,437		27,437	21,645
	<u>4,327,602</u>	<u>2,352,938</u>	<u>310,913</u>	<u>6,991,453</u>	<u>6,415,072</u>

Finance costs include interest payable on loans of £12,443 (2022: £7,584).

One (2022: One) Governor was reimbursed travel expenses of £208 (2022: £71).

NEWELLS SCHOOL TRUST LIMITED

NOTES TO ACCOUNTS (continued)

YEAR ENDED 31 JULY 2023

3. ANALYSIS OF TOTAL EXPENDITURE (continued)

	Staff Costs £	Other £	Depreciation £	2022 Total £	2021 Total £
Charitable activities					
Teaching costs	2,447,820	354,550	-	2,802,370	2,603,712
Welfare	71,523	501,382	-	572,905	477,930
Premises	397,689	716,639	315,115	1,429,443	1,201,884
Support costs	1,086,287	502,062	-	1,588,349	1,306,181
	<u>4,003,319</u>	<u>2,074,633</u>	<u>315,115</u>	<u>6,393,067</u>	<u>5,589,707</u>
Raising Funds					
Other expenditure	-	360	-	360	2,856
Finance costs	-	21,645	-	21,645	28,619
	<u>4,003,319</u>	<u>2,096,638</u>	<u>315,115</u>	<u>6,415,072</u>	<u>5,621,182</u>

Support Costs comprise:

	2023 £	2022 £
Staff costs	1,209,105	1,086,287
IT costs	127,432	124,888
Motor Vehicle costs	45,189	44,535
Marketing costs	65,164	65,470
Governance costs	13,288	12,671
Other costs	213,931	254,498
	<u>1,674,109</u>	<u>1,588,349</u>

4. EMPLOYEE INFORMATION

	2023 £	2022 £
Staff costs:		
Salaries and wages	3,424,216	3,185,365
Social security costs	341,722	302,821
Pension contributions	561,664	515,133
	<u>4,327,602</u>	<u>4,003,319</u>

During the year there were no termination payments made (2023: £Nil). There was £Nil (2022: £Nil) outstanding at the year end.

Remuneration of key management personnel was £287,351 (2022: £267,870).

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

	2023 No.	2022 No.
Teaching	48	46
Teaching assistants and sports coaches	45	39
Administrative, welfare and premises support	46	43
	<u>139</u>	<u>128</u>

NEWELLS SCHOOL TRUST LIMITED

NOTES TO ACCOUNTS (continued)

YEAR ENDED 31 JULY 2023

4. EMPLOYEE INFORMATION (Continued)

	2023	2022
	No.	No.
The number of full-time equivalent employees during the year was made up as follows:		
Teaching	41	40
Teaching assistants and sports coaches	29	27
Administrative, welfare and premises support	32	31
	<u>102</u>	<u>98</u>
The number of higher paid employees was:		
£80,000-£90,000	1	1
£120,000-£130,000	-	1
£130,000-£140,000	1	-
	<u>2</u>	<u>2</u>

The number with retirement benefits accruing in defined contribution schemes was 1 (2022: 1) and defined benefit schemes was 1 (2022: 1).

5. INVESTMENTS

	Investment in subsidiary company £
Cost	100
Additions	-
	<u>-----</u>
Net Book Value at 31 July 2023	100
	<u>=====</u>

The following was a subsidiary undertaking of the charitable company:

	Country of incorporation	Class of share capital	Holding	Principle activity
Handcross Park Commercial Services Limited	England & Wales	Ordinary	100%	Facilities hire

The summary financial performance of the subsidiary is:

	2023	2022
	£	£
Turnover	262,140	215,929
Cost of sales and administrative costs	(171,815)	(163,074)
	<u>90,325</u>	<u>52,855</u>
Net Profit	90,325	52,855
Profit retained from 2022	609	-
Amount Gift aided to the charity	(90,934)	(52,246)
	<u>-----</u>	<u>-----</u>
Retained in the subsidiary	<u>-----</u>	<u>609</u>
	<u>=====</u>	<u>=====</u>

NEWELLS SCHOOL TRUST LIMITED

NOTES TO ACCOUNTS (continued)

YEAR ENDED 31 JULY 2023

5. INVESTMENTS (Continued)

	2023	2022
	£	£
The assets and liabilities of the subsidiary were:		
Fixed assets	-	12,641
Current assets	113,426	100,245
Current liabilities	(113,326)	(112,177)
	<u>100</u>	<u>709</u>
Total net assets	<u>100</u>	<u>709</u>
Capital and Reserves	<u>100</u>	<u>709</u>

6. TANGIBLE FIXED ASSETS

	Freehold land and buildings	Furniture, fittings equipment and Computers	Motor Vehicles	Total
	£	£	£	£
COST				
At 1 August 2022	6,505,578	298,095	66,025	6,869,698
Additions	1,136,834	25,768	-	1,162,602
	<u>7,642,412</u>	<u>323,863</u>	<u>66,025</u>	<u>8,032,300</u>
At 31 July 2023	<u>7,642,412</u>	<u>323,863</u>	<u>66,025</u>	<u>8,032,300</u>
DEPRECIATION				
At 1 August 2022	2,715,267	185,331	58,050	2,958,648
Charge for the year	283,484	23,328	4,101	310,913
	<u>2,998,751</u>	<u>208,659</u>	<u>62,151</u>	<u>3,269,561</u>
At 31 July 2023	<u>2,998,751</u>	<u>208,659</u>	<u>62,151</u>	<u>3,269,561</u>
NET BOOK VALUE				
At 31 July 2022	<u>3,790,311</u>	<u>112,764</u>	<u>7,975</u>	<u>3,911,050</u>
At 31 July 2023	<u>4,643,661</u>	<u>115,204</u>	<u>3,874</u>	<u>4,762,739</u>

The Additions in the year of £1,162,602 consist of work in progress costs for the build of the new Owton Teaching Building.

7. DEBTORS

	2023	2022
	£	£
Fees and extras in arrears	129,978	102,700
Intercompany amounts due from subsidiary undertaking	77,818	69,129
Other debtors and prepayments	214,412	161,820
	<u>422,208</u>	<u>333,649</u>

NEWELLS SCHOOL TRUST LIMITED

NOTES TO ACCOUNTS (continued)

YEAR ENDED 31 JULY 2023

8. CREDITORS: - due within one year	2023 £	2022 £
Bank loans and overdraft	27,938	27,938
Trade creditors	371,165	245,269
Amount due to Brighton College	44,291	35,363
Other creditors	691,766	777,256
Accruals	420,741	357,438
Composition fees paid in advance	88,935	127,642
	<u>1,644,836</u>	<u>1,570,906</u>
	<u><u>1,644,836</u></u>	<u><u>1,570,906</u></u>
9. CREDITORS: - due after more than one year	2023 £	2022 £
<i>Bank loans</i>		
Amounts due after five years	72,735	95,516
Amounts falling due within five years	139,688	139,688
Less amounts falling due within one year	(27,938)	(27,938)
	<u>184,485</u>	<u>207,266</u>
	<u><u>184,485</u></u>	<u><u>207,266</u></u>
<i>Amounts due to Brighton College</i>		
Amounts falling due within five years	44,291	35,363
Less amounts falling due within one year	(44,291)	(35,363)
	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>
<i>Composition fees</i>		
Amounts falling due within five years	88,935	134,937
Less amounts falling due within one year	(88,935)	(127,642)
	<u>-</u>	<u>7,295</u>
	<u><u>-</u></u>	<u><u>7,295</u></u>
<i>Pupil deposits</i>	<u>728,916</u>	<u>650,231</u>
	<u><u>728,916</u></u>	<u><u>650,231</u></u>
Total creditors due after more than one year	<u>913,401</u>	<u>864,792</u>
	<u><u>913,401</u></u>	<u><u>864,792</u></u>

Bank loan

The bank loan with HSBC for the purchase of 2 College Close is secured by a charge on that freehold property, repayable over a ten year period to 20 October 2030.

NEWELLS SCHOOL TRUST LIMITED

NOTES TO ACCOUNTS (continued)

YEAR ENDED 31 JULY 2023

9. CREDITORS: - due after more than one year (Continued)

Composition fees

Parents may enter into a contract to pay a lump sum towards the payment of future School tuition fees. The money may be returned subject to specific conditions on the receipt of one term's notice. On the basis pupils remain in the School, advance fees will be applied against future fees as follows:

	2023	2022
	£	£
Within one year	88,935	127,642
Due between one to two years	-	7,295
	<u>88,935</u>	<u>134,937</u>
Summary of movements in liability:		£
Balance at 1 August 2022		134,937
New contracts		242,421
Amounts used to pay fees		(288,423)
Balance at 31 July 2023		<u><u>88,935</u></u>

10. RESERVES

	B/fwd	Income	Expenditure	Transfers	C/fwd
	01 August 2022				31 July 2023
	£	£	£	£	£
Restricted Funds					
Development Appeal	-	360	(360)		-
Fee Support Funds	21,370			(21,370)	-
General Fund	-	16,404	(16,404)		-
Designated Funds	3,787,848	-	-	436,751	4,224,599
Unrestricted Funds	-	7,390,070	(6,974,689)	(415,381)	-
	<u>3,809,218</u>	<u>7,406,834</u>	<u>(6,991,453)</u>	<u>-</u>	<u>4,224,599</u>

Donations and other income relating to the General School appeals are added to the Development Fund. Donations that are to be used to support the children of families who are otherwise unable to pay the fees are held in the Fee Support funds until applied to identified pupil fee accounts. Donations received from the Friends Association to purchase specific items are added to the General Fund.

Designated funds are used for the charity's purposes to enhance the School's facilities and to make resources available to enable the pupils' learning.

The movement in the prior year individual funds can be found within the 2022 Financial Statements.

NEWELLS SCHOOL TRUST LIMITED

NOTES TO ACCOUNTS (continued)

YEAR ENDED 31 JULY 2023

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS 2023	Investments & fixed assets £	Net current Assets £	Creditors due after more than one year £	2023 Total £
Designated funds	4,762,839	375,161	(913,401)	4,224,599
Restricted Funds	-	-	-	-
	<u>4,762,839</u>	<u>375,161</u>	<u>(913,401)</u>	<u>4,224,599</u>
 ANALYSIS OF NET ASSETS BETWEEN FUNDS 2022				
	Investments & fixed assets £	Net current Assets £	Creditors due after more than one year £	2022 Total £
Designated funds	3,911,150	741,490	(864,792)	3,787,848
Restricted Funds	-	21,370	-	21,370
	<u>3,911,150</u>	<u>762,860</u>	<u>(864,792)</u>	<u>3,809,218</u>

12. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2023 £	2022 £
Net movement in funds	415,381	327,831
Depreciation	310,913	315,115
Interest receivable	(17,056)	(403)
Interest payable	12,443	7,584
Increase in debtors	(88,559)	(60,249)
Increase in creditors	145,320	14,234
Net cash inflow from operating activities	<u>778,442</u>	<u>604,112</u>

13. RELATED PARTY TRANSACTIONS

Neither the Governors nor persons connected with them received any remuneration or other related party transaction from the School.

The School has obtained Governors indemnity insurance cover at a cost of £120 (2022: £110).

At the balance sheet date an amount of £44,291 (2022: £35,363) was owed to Brighton College by the School, being the Group Fund contribution of £44,291 (2022: £35,363). During the year ended 31 July 2023 interest was paid on the paid up loan of £Nil (2022: £1,563) being the charge for 2023 (2022: includes charge for 2022).

At the balance sheet date an amount of £77,818 (2022: £69,129) was owed to the School by Handcross Park Commercial Services Ltd.

14. FRIENDS OF HANDCROSS PARK

The Friends donated equipment and other facilities during the period amounting to £15,704 (2022: £2,487).

15. TAXATION

Newells School Trust Limited is a charity and is entitled for the current year to the exemptions provided by Section 505 Income and Corporation Taxes Act 1988.

NEWELLS SCHOOL TRUST LIMITED

NOTES TO ACCOUNTS (continued)

YEAR ENDED 31 JULY 2023

16. PENSION SCHEME

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £460,266 (2022: £427,856) and at the year-end £34,397 (2022 - £32,283) was accrued in respect of contributions to this 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 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68

The School also makes contributions to a money purchase scheme for non-teaching staff. The School's contributions for the period were £101,398 (2022: £87,277).

17. OPERATING LEASE COMMITMENTS

Total minimum lease payments under operating leases: -

	Total 2023 £	Total 2022 £
Less than one year	32,605	29,815
Between 2 – 5 years	28,613	58,323
	<u>61,218</u>	<u>88,138</u>

18. ULTIMATE PARENT UNDERTAKING

The company is controlled by Brighton College, a charity registered in England and Wales (No. 307061) and a company limited by guarantee (No. 7663). The Governors consider Brighton College to be the company's ultimate parent undertaking. The smallest and largest group in which the results of the company are consolidated is that headed by Brighton College. The statutory accounts of Brighton College are available from the registered office of the company at Brighton College, Eastern Road, Brighton, BN2 0AL

19. CAPITAL COMMITMENT

At the year-end 2023 the School had commenced works to refurbish the English classroom block. The amount that was contracted for but not paid at the year-end was £195,642 (2022: £nil).

NEWELLS SCHOOL TRUST LIMITED

NOTES TO ACCOUNTS (continued)

YEAR ENDED 31 JULY 2023

20. STATEMENT OF FINANCIAL ACTIVITIES FOR THE 2022 YEAR END

	Notes	Unrestricted Funds General £	Designated £	Restricted £	Total 2022 £
INCOME FROM:					
Charitable activities					
School fees	1	6,310,435	-	(250)	6,310,185
Extras and disbursements		332,332	-	-	332,332
Registration fees		33,864	-	-	33,864
Additional Grants		3,600	-	-	3,600
Voluntary income					
- Development Fund income		-	-	360	360
- Fee support Funds		-	-	-	-
- General Donation Income		58,469	-	2,987	61,456
Other trading activities					
- Other income		703	-	-	703
Interest receivable		403	-	-	403
Total Income		<u>6,739,806</u>	<u>-</u>	<u>3,097</u>	<u>6,742,903</u>
EXPENDITURE ON:					
Charitable Expenditure					
School operating costs					
- Teaching costs		2,800,383		1,987	2,802,370
- Welfare costs		572,905			572,905
- Premises costs		1,428,693		750	1,429,443
- Support costs		1,588,349			1,588,349
		<u>6,390,330</u>	<u>-</u>	<u>2,737</u>	<u>6,393,067</u>
Raising Funds					
Other Expenditure				360	360
Finance costs		21,645			21,645
Total Expenditure	3	<u>6,411,975</u>	<u>-</u>	<u>3,097</u>	<u>6,415,072</u>
NET INCOME		327,831	-	-	327,831
Transfer between funds		(327,831)	403,900	(76,069)	-
NET MOVEMENT IN FUNDS		-	403,900	(76,069)	327,831
Balance brought forward at 1 August 2021		-	3,383,948	97,439	3,481,387
Balance carried forward at 31 July 2022		-	3,787,848	21,370	3,809,218