

Charity Registration No. 307066

Company Registration No. 00544254 (England and Wales)

**HAMILTON LODGE (BRIGHTON)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

# HAMILTON LODGE (BRIGHTON)

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr Paul Newbury - Chair Mr Martin Redshaw Mr Steve Kent Ms Gail Pilling Mr Martyn Abbott Mrs Sarah Dewar
<b>Principal</b>	Mr B McNally
<b>Company Secretary and Business Manager</b>	Mr T Taylor
<b>Charity number</b>	307066
<b>Company number</b>	00544254
<b>Registered office</b>	9 Walpole Road Brighton East Sussex BN2 0LS
<b>Auditor</b>	Knill James LLP One Bell Lane Lewes East Sussex BN7 1JU
<b>Bankers</b>	HSBC Bank PLC 153 North Street Brighton East Sussex BN1 1SW  National Westminster Bank PLC 8-11 Pavillion Buildings Castle Square Brighton East Sussex BN1 1DP  Barclays Bank Plc North Street Brighton East Sussex BN1 1SF
<b>Solicitors</b>	Griffith Smith LLP 47 Old Steine Brighton East Sussex BN1 1NW

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# HAMILTON LODGE (BRIGHTON)

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# HAMILTON LODGE (BRIGHTON)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 JULY 2021

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The Trustees present their report and financial statements for the year ended 31 July 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

### **Objectives and activities**

The objects of the Charity are to advance the education and development of deaf children and young people, to support their integration into the community and to assist them in growing to full maturity as individuals and members of society. The objects of the Charity are carried out through the activities of Hamilton Lodge School and College (HLSC).

All the Trustees of Hamilton Lodge (Brighton) are Governors of Hamilton Lodge School and College. The Governing Body is also made up of members of the Leadership Team, staff, parents, ex-student representative's and others as decided by the Governors.

HLSC aims for every child and young person coming to Hamilton Lodge are to:

- Develop a full language to support memory & learning
- Achieve their academic and vocational potential
- Be safe and confident in the modern world
- Have happy memories of their childhood and lasting friendships
- Be healthy and resilient both physically and emotionally

Our school has educated and cared for deaf children for over 70 years. In recent years we have developed our college provision ensuring that deaf teenagers have the best access to further education at local colleges.

Most students are drawn from the South of England and London, but we are available to children from across England and Wales (and occasionally beyond). We also support parents of deaf children to learn British Sign Language in order to have more options in communicating with their child and to enable their child to access deaf peer groups and friendships. This is done both online and in person.

We work collaboratively with Local Authorities and parents/carers to ensure that our school and college is the best fit for the child before any decision is made and that we can provide a safe, enjoyable childhood and a full education they can access.

Our class sizes are small and we teach in British Sign Language and English. Children are supported to learn both English and British Sign Language. We have a team of specialists to support each child, including children with additional special educational needs.

There is a Speech and Language Therapist, Audiologist, Occupational Therapist, Physiotherapist and Health Care Practitioner within the staff team to ensure that each child has structured support designed to keep them healthy and able to access their education and their friendships. We increased the number of hours provided by the OT as more pupils arrived with OT identified within their EHCPs. We have also ensured the Physiotherapist and OT have opportunity to work alongside one another and have joint sessions within PE with the PE coordinator for integrated working.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

# HAMILTON LODGE (BRIGHTON)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2021**

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The school profile sets out how well the school is doing, how its performance compares locally and nationally and its strengths and plans for improvement.

A school's profile contains the following information:

- What have been our successes this year?
- What are we trying to improve?
- Pupil Accreditations and Achievements?
- How are we making sure that every child receives teaching to meet their individual needs?
- How are we working with parents, carers and the community?
- What have students told us about the school and what have we done as a result?
- How do we make sure our students are healthy, safe and well supported?
- What activities and options are available to students?
- What do our students do after leaving the school?
- What have we done in response to our Ofsted reports?

### **Strategic report**

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

### **Achievements and performance**

#### **What have been our successes this year?**

- Education Ofsted report in July 2019 which judged HLSC to be 'good'.
- Ofsted Care Standards report in March 2020 which judged our provision to be 'Outstanding'
- Students successfully attended year 10 work experience placements.
- Our Further Education (FE) Department had a very successful year with students successfully completing their courses at Brighton MET & Plumpton Agricultural College. One learner at Plumpton gained special accreditation for her hard work on the Equine Studies course.
- Work Experience placements in the FE dept. were restricted due to COVID. We did utilise our maintenance team for learners to work alongside them developing a car washing service. One learner was placed at a mainstream primary for a week working as a TA prior to the pandemic outbreak. Our Independent Careers Advisor works with our pupils on a weekly basis and her weekly input has been useful in providing a more consistent pathway for advice. She has also undertaken a development plan for the careers service.

## **HAMILTON LODGE (BRIGHTON)**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2021**

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#### **What are we trying to improve?**

- Subject leaders make more impact on improving the quality of teaching so that more is outstanding by improving teaching and learning through a rigorous schedule for monitoring the quality of teaching and learning by senior and middle leaders.
- Improve pupil progress tracking from their starting points to ensure consistent book scrutinies and the ability to track small steps made by pupils easily across all subjects. Target setting to be more streamlined and the Principal is developing a cohesive tracking system for reports and targets to include EHCP outcomes.
- Ensure that pupils, especially the most able, are routinely challenged to achieve at the highest standards. (OFSTED, July 2019).
- Maintain high quality of safeguarding to make sure all students feel safe and secure.
- Examination of impact of interventions across provision mapping.
- Consolidate FE data to track students more easily.

#### **Students' Accreditations and Achievements**

- Learners work towards a limited range of GCSEs as well as a wide range of Entry Levels, Unit Award courses, Award Scheme Development and Accreditation Network, Arts Award and Signature's Levels 1-3 qualifications.
- Learners are expected to achieve appropriate accreditations across all areas of the curriculum at GCSE, BTECs, Entry Level, Functional Skills or AQA UAS levels based upon teacher expected outcomes.

#### **How are we making sure that every child receives teaching to meet their individual needs?**

- Before entry to HLSC students and their parents/carers visit the school, students attend the school/college for an assessment which may include an overnight stay, a visit may be made to the student in their primary/secondary school/college and background information is studied. In this way a picture can be built up to help each young person to settle successfully into HLSC and to determine fee costs.
- Curriculum development has particularly focused on accreditations which can specifically match the needs of individual students.
- We continue to offer our students a range of GCSE, Entry Level and Unit Award courses.
- We have an established work experience programme which particularly focuses on individual students having opportunities to build their independence skills, confidence and self-esteem. We have also introduced a before and after questionnaire to allow students to see improvements in confidence and communication whilst on placements.
- Our pupil support team ensures that students have focussed support including careful deployment of teaching assistants both to individual students and to particular teaching groups.

# **HAMILTON LODGE (BRIGHTON)**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2021**

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- Teachers are able to access in-service training to help them to further develop their teaching skills. Generally, we have one Teacher accessing the Teacher of the Deaf course (mandatory training) and one who will attend the course next year. The current member of staff who is training is the Specialist Provision Coordinator. We have a long-standing member of staff who is undergoing advanced training in social and emotional intervention.
- Learners have direct access to their individual targets so that they can monitor their progress through discussions with their class tutor.

### **How are we working with parents/carers and the community?**

- Our website and social media platforms are updated regularly with contributions from students, staff & parents/carers keeps parents/ carers informed of activities within HLSC and individual and group achievements.
- Parents/carers are able to email or phone HLSC directly and receive a response the same day.
- Many parents/carers have an ongoing dialogue with tutors and keyworkers to ensure that we are working together to promote individual student's academic and social/emotional development. This is done through weekly phone calls, homework diaries and weekly contact.
- Parents/carers were sent a summary of the topics that students would be studying within each curriculum area.
- Annual reviews are held at the school and there are two parent/carer consultation meetings held during the year and additionally there is an annual review meeting for each pupil to ensure that we are meeting their needs as specified in their individual education plan.
- Prior to the pandemic, our secondary drama production gave an extra performance which was attended by local schools and colleges for students with special needs
- We are developing access to pupil blogs by parents and hope this will be available this term through Yammer.

### **What have students told us about the school and what have we done as a result?**

All learners have the opportunity to be school & college council representatives which meets weekly and is also attended by the Head of School & College, Business Manager and Head of Care. Every week HLSC takes action to address issues raised at the school council.

Residential students are consulted on their environment as part of our ongoing redecoration programme.

## **HAMILTON LODGE (BRIGHTON)**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2021**

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#### **How do we make sure our Students are healthy, safe and well-supported?**

- Our Care Standards reports of March 2020 found the provision to be 'Outstanding' across all areas and stated that safeguarding is Outstanding.
- Risk Assessments are carried out prior to any activity that poses a potential risk to health & safety. This applies especially to off site visits.
- There is always a good exchange of information between parents/carers, tutors and key workers to ensure that students are well supported and that we are meeting their social and emotional needs.
- We have an Assistant-Head for Support for Learning whose role includes meeting with students who are either referred or self-refer to discuss issues related to their personal development.
- We have a formally established link with NDCAMHS services providing consultative support for staff, parents/carers and individual counselling for students around issues related to social, emotional development and mental health issues.
- We access a range of services such as Physiotherapy & Occupational Therapy to meet individual needs.
- We work closely with the school caterers to ensure that healthy food options are available.
- All students take part in an active sports programme with competitions held throughout the year. Excellent use of local facilities such as Hove lagoon, Hind leap Warren and swimming pools is made.
- Assemblies are also held which address healthy eating and the Food Studies curriculum supports pupils to learn how to cook and make healthy food choices.

#### **What activities and options are available to students?**

- Learners take part in a variety of sports activities in the community including competitions and workshops. This includes archery, Hove Lagoon water sports, climbing walls and outdoor activities at Hindleap Warren.
- The Secondary Department offers a range of activities to suit individual interests including motor vehicle studies, childcare, work experience.
- Residential learners can access a range of activities including sports, drama, training courses, cookery, shopping, theatre & cinema including specially signed or subtitled performances.

# HAMILTON LODGE (BRIGHTON)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2021**

### What do our students do after leaving this school?

- The majority of learners who left the school in July 2021 went on to courses at Colleges of Further Education either at another specialist college or a local provision. One learner went into employment.
- The majority of the learners stay on within our FE Department, it is unusual for pupils to leave HLSC in year 11.
- Many ex-learners come back to visit us and are given the opportunity to meet with our students to talk about their experiences since leaving school, which includes college, in some cases University and employment across a wide range of occupations.

Destination Data.	2014- 15.	2015- 16.	2016 - 17.	2017 - 18.	2018 - 19.	2019 - 20.	2020-21.
University/Higher Education.						3	
Local College.	9	10	7	7	3	4	
Early Leaver.	0	0	1	1	0	0	1
HLSC.	2	0	1	4	2	1	2
Residential Deaf School/College.	0	1	1	0	2	2	5
Residential Specialist College.	0	0	1	0	1	0	1
Employment or Apprenticeship.	0	1	3	1	2	1	2
Supported Living Provision.					1	0	1
Not in Education, Employment.					0	1	
Total Leavers.	11	12	14	13	11	12	12

### Financial review

The main bulk of the Charity's income and expenditure arises from the provision of educational services for Hamilton Lodge School and College. The principal funding sources are fee income from Local Authorities, The Education and Skills Funding Agency plus grants from the Department for Education.

Notwithstanding the COVID pandemic and the savings made on overtime payments, materials etc., the anticipated £244K deficit was managed effectively throughout the year.

Despite setting this deficit budget we were able to post a surplus of £133.7K.

COVID continued to present many challenges in spite of which, we maintained the delivery of high quality, care, teaching and learning throughout.

We face continuing financial challenges going into the 2021/22 academic year and have made the necessary financial adjustments which are reflected in the budget.

However, we do anticipate in-year learners to be placed with us in line with previous years. Our predicted numbers for September 22 are encouraging and we could show a net increase in the school population.

The Senior Leadership Team at Hamilton Lodge have in place robust strategies to reduce operating costs and more effectively allocate staff resources whilst maintaining the high levels of provision.

The Trustees continue to be confident that Hamilton Lodge School and College is able to offer a high-quality provision to deaf children and increasingly those with additional special needs.

# HAMILTON LODGE (BRIGHTON)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2021**

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### Definition of Reserves

The Trustees endorse the Charity Commission's definition:

"Reserves" are the resources the charity has or can make available to spend, for any or all of the charity's purposes, once it has met its commitments and covered its planned expenditure.' And more specifically 'income which becomes available to the charity and is to be spent at the trustees' discretion in furtherance of any of the charity's objects (sometimes referred to as "general purpose" income); but which is **not** yet spent, committed or designated (ie, is "free").'

For this purpose, the Trustees have defined reserves as net current assets.

### Stated Reserves Policy and Review

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission and have set aside income to develop the reserves of the Charity. The reserves will be used to:

- a. Safeguard the Charity's service commitment in the event of delays in receipt of fee income or higher than expected running costs.
- b. Build funds for future development projects.
- c. Fund short term budget deficits to maintain staffing specialisms.
- d. To fund recovery and safeguard the Charity's service commitments should HLSC suffer delays in receipt of income whether by catastrophic or lesser but damaging events.

The Trustees will review the level of reserves on an annual basis and decide the amount of retained income for the forth-coming financial year. They will ensure that reserve levels remain realistic to the requirements of (a) (b) (c) and (d). The Trustees feel that free reserves equivalent to 6 months' overheads £1,820k to cover (a) (c) and (d) above would be sufficient to fund the above eventualities.

### Investment of reserves Policy

During the year the Charity has continued with the policy of investing in cash deposits and cash investments, to meet the requirements of the reserves policy. This policy requires that such investments can be made available at short notice in the event of the company being wound up. Investments are held to obtain the best financial return for the charity, given the above constraints. The returns achieved during the year are in line with this low risk policy.

### Risk Management

The Board of Trustees has assessed the major risks facing the Charity and considers that there are sufficient control measures in place to mitigate exposure. The Trustees have produced a Charity Risk Assessment document which contains details of these risks and the control measures in place. Contained within each risk area is an analysis of the likelihood and severity of the event happening. There is an overall assessment of whether the risk is low, medium or high to the Charity. From this assessment the Trustees plan what action to take.

The Board of Trustees considers this an ongoing process and they review this document on an annual basis or when any factor changes significantly. Any new risks that are highlighted during the year are built into the review process and document. The Trustees work with the Principal and Business Manager to produce the risk assessment document.

# HAMILTON LODGE (BRIGHTON)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2021**

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### Plans for the future

#### What are our plans for the future?

- We will continue to promote the school as a training venue for schools and organisations for the Deaf. This will raise the profile of the school as a placement option for some Deaf children.
- To continue to upgrade and improve our educational and residential facilities with a particular emphasis on making our educational facilities more accessible.
- To explore the possible addition of residential facilities.
- To develop collaborative practice and align interests with strategic development of the school.

### Structure, governance and management

The Charity's governing documents are its Memorandum and Articles of Association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Paul Newbury - Chair

Mr Martin Redshaw

Mr Steve Kent

Ms Gail Pilling

Mr Martyn Abbott

Mrs Sarah Dewar

Trustees retire and are eligible for re-election by rotation after three years. The election and rotation of Trustees takes place in the Autumn Trustees' meeting. Trustees are recruited to fill any vacancy as it arises in accordance with the requirements of the Articles of Association of the Charity. This is either by advertising and search or by individual selection where there is a need for a Trustee with a particular area of expertise.

The Chair, Principal and Business Manager all contribute to the induction of new Trustees. Potential Trustees are invited as observers to Trustees meetings. They are required to spend time with the Principal and Business Manager to ascertain the nature of the Charity and the responsibilities of a Trustee. Regular training events are held to update Trustees on relevant company and charity developments.

All our students have an Education, Health & Care Plan (EHCP) and are placed with us by around twenty Local Authorities. Applications for a child to attend the School and College are made by the placing authority, in close consultation with parents/carers of the individual child and Hamilton Lodge. The students at Hamilton Lodge are deaf with a growing number presenting with additional needs. The geographical, religious or financial circumstances of the child's parents have no determining factor as to whether the child obtains a place at the School/College. Fees are met by each child/student's Local Authority and the Education and Skills Funding Agency.

# HAMILTON LODGE (BRIGHTON)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2021**

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The Charity is organised through a Board of Trustees. The Trustees meet as a Board at least three times a year to determine the general policy of the Charity and review its overall management and control, for which they are legally responsible.

The Trustees have overall responsibility for the management and financial control of the Charity and Company which owns the school and college. The Board will make decisions over finance, premises, staffing and the strategic aims of the Charity. Day-to-day management of the school and college is delegated to the Leadership Team (LT); Principal, Business Manager, Head of School & College, and Head of Care. The Board of Trustees have delegated responsibility for the delivery of education and care within the school to the Board of Governors. The Board of Governors is made up of all members of the Board of Trustees, members of the Leadership Team and representatives from parents/carers, ex-students, staff, and others as decided by the Governors. Trustees and Governors are linked to different areas of the school and college to provide greater oversight.

### **Funds held as custodian trustee**

There are no arrangements where the Charity or the Trustees are acting as custodians.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Knill James LLP be reappointed as auditor of the company will be put at a General Meeting.

### **Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report, including the strategic report, was approved by the Board of Trustees.



Mr Paul Newbury - Chair

Trustee

Dated: 13/05/21

# **HAMILTON LODGE (BRIGHTON)**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 JULY 2021***

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The Trustees, who are also the directors of Hamilton Lodge (Brighton) for the purpose of company law, are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# HAMILTON LODGE (BRIGHTON)

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF HAMILTON LODGE (BRIGHTON)

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#### **Opinion**

We have audited the financial statements of Hamilton Lodge (Brighton) (the 'charitable company') for the year ended 31 July 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 2021 and of its incoming resources and application of resources, 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 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# HAMILTON LODGE (BRIGHTON)

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF HAMILTON LODGE (BRIGHTON)

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#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of 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 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 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 accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charitable company for the purpose 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.

# HAMILTON LODGE (BRIGHTON)

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF HAMILTON LODGE (BRIGHTON)

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Based on our understanding of the School, we identified that the principal risks of non-compliance with laws and regulations related to employment regulation and health and safety legislation, 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 financial statements such as the Companies Act 2006. 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 posting of inappropriate journal entries and management bias in accounting estimates. Audit procedures performed included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings;
- Performing audit procedures on the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and;
- Evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 is available on the Financial Reporting Council's website at: <https://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 2016. Our audit work has been undertaken so that we might state to the charitable company's members those matters which 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 that we have formed.



Mark Filsell FCA (Senior Statutory Auditor)  
for and on behalf of Knill James LLP

15 October 2021

Chartered Accountants  
Statutory Auditor

One Bell Lane  
Lewes  
East Sussex  
BN7 1JU

# HAMILTON LODGE (BRIGHTON)

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2021

### Current financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<b><u>Income and endowments from:</u></b>						
Donations and grants	3	77,652	-	-	77,652	40,427
School fees receivable	4	3,373,201	-	-	3,373,201	3,214,996
Investments	5	1,073	-	-	1,073	9,616
Other ancillary trading income	6	10,446	-	-	10,446	15,413
<b>Total income</b>		<b>3,462,372</b>	<b>-</b>	<b>-</b>	<b>3,462,372</b>	<b>3,280,452</b>
<b><u>Expenditure on:</u></b>						
Raising funds	7	4,816	-	-	4,816	2,180
Charitable activities	8	3,273,392	7,000	-	3,280,392	3,213,537
<b>Total resources expended</b>		<b>3,278,208</b>	<b>7,000</b>	<b>-</b>	<b>3,285,208</b>	<b>3,215,717</b>
<b>Net income for the year/ Net movement in funds</b>		<b>184,164</b>	<b>(7,000)</b>	<b>-</b>	<b>177,164</b>	<b>64,735</b>
Fund balances at 1 August 2020		5,063,768	637,000	4,092	5,704,860	5,640,125
<b>Fund balances at 31 July 2021</b>		<b>5,247,932</b>	<b>630,000</b>	<b>4,092</b>	<b>5,882,024</b>	<b>5,704,860</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# HAMILTON LODGE (BRIGHTON)

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2021

Prior financial year

	Notes	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £
<b><u>Income and endowments from:</u></b>					
Donations and grants	3	40,427	-	-	40,427
School fees receivable	4	3,214,996	-	-	3,214,996
Investments	5	9,616	-	-	9,616
Other ancillary trading income	6	15,413	-	-	15,413
<b>Total income</b>		<b>3,280,452</b>	<b>-</b>	<b>-</b>	<b>3,280,452</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	2,180	-	-	2,180
Charitable activities	8	3,206,113	7,000	424	3,213,537
<b>Total resources expended</b>		<b>3,208,293</b>	<b>7,000</b>	<b>424</b>	<b>3,215,717</b>
<b>Net income for the year/ Net movement in funds</b>		<b>72,159</b>	<b>(7,000)</b>	<b>(424)</b>	<b>64,735</b>
Fund balances at 1 August 2019		4,991,609	644,000	4,516	5,640,125
<b>Fund balances at 31 July 2020</b>		<b>5,063,768</b>	<b>637,000</b>	<b>4,092</b>	<b>5,704,860</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.


# HAMILTON LODGE (BRIGHTON)

## BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		3,617,993		3,662,746
<b>Current assets</b>					
Debtors	13	473,297		252,956	
Cash at bank and in hand		2,032,020		1,958,826	
		<u>2,505,317</u>		<u>2,211,782</u>	
<b>Creditors: amounts falling due within one year</b>	14	(241,286)		(169,668)	
Net current assets			<u>2,264,031</u>		<u>2,042,114</u>
<b>Total assets less current liabilities</b>			<u>5,882,024</u>		<u>5,704,860</u>
<b>Income funds</b>					
Restricted funds	17		4,092		4,092
Unrestricted funds - designated	18		630,000		637,000
Unrestricted funds - general			<u>5,247,932</u>		<u>5,063,768</u>
			<u>5,882,024</u>		<u>5,704,860</u>

The financial statements were approved by the Trustees on 13/07/21

  
Mr Paul Newbury - Chair  
Trustee

Company Registration No. 00544254

# HAMILTON LODGE (BRIGHTON)

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	21		166,550		(85,642)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(94,429)		(21,416)	
Investment income received		1,073		9,616	
<b>Net cash used in investing activities</b>			(93,356)		(11,800)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			73,194		(97,442)
Cash and cash equivalents at beginning of year			1,958,826		2,056,268
<b>Cash and cash equivalents at end of year</b>			<u>2,032,020</u>		<u>1,958,826</u>

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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### 1 Accounting policies

#### Charity information

Hamilton Lodge (Brighton) is a private company limited by guarantee incorporated in England and Wales. The registered office is 9 Walpole Road, Brighton, East Sussex, BN2 0LS.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. In arriving at their conclusions the Trustees have taken in to account the impact of Covid19 on their activities and finances. As a result the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Fees receivable and charges for services and use of premises are accounted for in the period to which the service is provided.

Income from grants received is set aside in accordance with the terms of the issuing organisation.

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is accounted for on an accruals basis and is analysed below:

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with school services and include both the direct costs and support costs relating to these activities.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements, including auditors remuneration.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources e.g. allocating property costs by floor area, staff costs by time spent and other costs by their usage.

The irrecoverable element of VAT is included with the item of expense to which it relates.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land is not depreciated	
Freehold buildings	2% & 10% straight line
Leasehold property	over the remaining term of the lease
Leasehold property improvements	2% straight line
Furniture & Equipment	10% straight line
Fixtures, fittings & equipment	33 1/3% straight line
Motor vehicles	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

All furniture and equipment items with a cost greater than £5,000 have been capitalised.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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### 1 Accounting policies

(Continued)

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

#### 1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

Teachers are members of the teachers superannuation scheme administered by the Teachers Pension Agency. The Charity operates a defined contribution scheme for some other employees whereby the assets of the scheme are held separately from those of the Charity in an independently administered fund. Contributions to both schemes are charged to the statement of financial activities as they fall due.

#### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

### 2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Key sources of estimation uncertainty**

#### **Depreciation**

The charity exercises judgement to determine useful lives and residual values of property, plant and equipment. The assets are depreciated down to their residual values over their estimated useful lives.

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 3 Donations and grants

	<b>Unrestricted funds general 2021 £</b>	<b>Unrestricted funds general 2020 £</b>
Donations and gifts	556	1,643
Grants receivable for core activities	77,096	38,784
	<u>77,652</u>	<u>40,427</u>

### 4 School fees receivable

	<b>Gross fees charged 2021 £</b>	<b>Gross fees charged 2020 £</b>
Gross fees charged	3,373,201	3,214,996
	<u>3,373,201</u>	<u>3,214,996</u>

#### **Charitable trading income**

Income for school fees comprise of £3,373,201 (2020 - £3,214,996) unrestricted income and £nil (2020 - £nil) restricted income.

### 5 Investments

	<b>Unrestricted funds general 2021 £</b>	<b>Unrestricted funds general 2020 £</b>
Rental income	1,049	1,975
Interest receivable	24	7,641
	<u>1,073</u>	<u>9,616</u>

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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### 6 Other ancillary trading income

	<b>Unrestricted funds general 2021 £</b>	<b>Unrestricted funds general 2020 £</b>
Other income	10,446	15,413

### 7 Raising funds

	<b>Unrestricted funds general 2021 £</b>	<b>Unrestricted funds general 2020 £</b>
<u>School financing costs</u>		
Other fundraising costs	4,816	2,180
	<u>4,816</u>	<u>2,180</u>

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 8 Charitable activities

	Teaching costs 2021 £	Welfare costs 2021 £	Premises costs 2021 £	Support costs 2021 £	Total 2021 £	Total 2020 £
Staff costs	1,426,665	627,123	61,839	268,926	2,384,553	2,459,277
Depreciation and impairment	50,368	345	88,469	-	139,182	113,223
Other costs	29,613	239,535	264,243	204,647	738,038	622,419
	<u>1,506,646</u>	<u>867,003</u>	<u>414,551</u>	<u>473,573</u>	<u>3,261,773</u>	<u>3,194,919</u>
Share of support costs (see note 9)	-	-	-	991	991	1,385
Share of governance costs (see note 9)	-	-	-	17,628	17,628	17,233
	<u>1,506,646</u>	<u>867,003</u>	<u>414,551</u>	<u>492,192</u>	<u>3,280,392</u>	<u>3,213,537</u>
<b>Analysis by fund</b>						
Unrestricted funds - general	1,506,646	867,003	407,551	492,192	3,273,392	3,206,113
Unrestricted funds - designated	-	-	7,000	-	7,000	7,000
Restricted funds	-	-	-	-	-	424
	<u>1,506,646</u>	<u>867,003</u>	<u>414,551</u>	<u>492,192</u>	<u>3,280,392</u>	<u>3,213,537</u>

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 8 Charitable activities

(Continued)

For the year ended 31 July 2020

	Teaching costs £	Welfare costs £	Premises costs £	Support costs £	Total 2020 £
Staff costs	1,487,634	648,407	58,262	264,974	2,459,277
Depreciation and impairment	31,080	345	81,798	-	113,223
Other costs	33,756	215,420	188,956	184,287	622,419
	<u>1,552,470</u>	<u>864,172</u>	<u>329,016</u>	<u>449,261</u>	<u>3,194,919</u>
Share of support costs (see note 9)	-	-	-	1,385	1,385
Share of governance costs (see note 9)	-	-	-	17,233	17,233
	<u>1,552,470</u>	<u>864,172</u>	<u>329,016</u>	<u>467,879</u>	<u>3,213,537</u>
<b>Analysis by fund</b>					
Unrestricted funds - general	1,552,470	863,748	322,016	467,879	3,206,113
Unrestricted funds - designated	-	-	7,000	-	7,000
Restricted funds	-	424	-	-	424
	<u>1,552,470</u>	<u>864,172</u>	<u>329,016</u>	<u>467,879</u>	<u>3,213,537</u>

### 9 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Bank charges	991	-	991	1,385	-	1,385
Audit fees	-	17,070	17,070	-	10,680	10,680
Governance costs	-	558	558	-	6,553	6,553
	<u>991</u>	<u>17,628</u>	<u>18,619</u>	<u>1,385</u>	<u>17,233</u>	<u>18,618</u>
Analysed between Charitable activities	991	17,628	18,619	1,385	17,233	18,618

Governance costs includes payments to the auditors of £5,154 (2020 - £5,460) in respect of non-audit services.

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but 5 of them were reimbursed a total of £558 travelling expenses (2020 - 5 were reimbursed £1,478).

Trustees liability insurance expenditure amounted to £994 (2020 - £1,356) in the year.

### 11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Teaching and learning	52	61
Residential care	22	23
Administration	7	8
Maintenance and cleaning	11	11
Total	92	103

Employment costs	2021 £	2020 £
Wages and salaries	2,001,948	2,059,905
Social security costs	183,294	188,516
Other pension costs	199,311	210,856
	2,384,553	2,459,277

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£60,000 to £70,000	2	2
£90,000 to £100,000	1	1

Of the employees whose emoluments exceed £60,000, 3 (2020 - 3) have retirement benefits accruing under defined benefit pension schemes. The pension contributions in respect of the individuals totalled £44,165 (2020 - £42,003).

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 12 Tangible fixed assets

	Freehold Land & Buildings	Leasehold Land & Buildings	Furniture & Motor vehicles Equipment		Total
	£	£	£	£	£
<b>Cost</b>					
At 1 August 2020	3,755,301	991,811	248,720	71,211	5,067,043
Additions	-	-	81,034	13,395	94,429
At 31 July 2021	3,755,301	991,811	329,754	84,606	5,161,472
<b>Depreciation and impairment</b>					
At 1 August 2020	1,083,557	109,464	140,065	71,211	1,404,297
Depreciation charged in the year	73,841	12,294	50,368	2,679	139,182
At 31 July 2021	1,157,398	121,758	190,433	73,890	1,543,479
<b>Carrying amount</b>					
At 31 July 2021	2,597,903	870,053	139,321	10,716	3,617,993
At 31 July 2020	2,671,744	882,347	108,655	-	3,662,746

The carrying value of land and buildings comprises:

	2021 £	2020 £
Freehold	2,597,903	2,671,744
Long leasehold	630,000	637,000
Short leasehold	240,053	245,347
	3,467,956	3,554,091

Freehold land & buildings includes land included at cost of £184,625 which is not depreciated. The freehold land & buildings are valued, for insurance purposes, at £11.3m.

### 13 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	416,738	194,763
Other debtors	1,989	6,784
Prepayments and accrued income	54,570	51,409
	473,297	252,956

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 14 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Other taxation and social security		51,565	47,155
Deferred income	15	-	34,290
Trade creditors		110,649	22,858
Other creditors		28,198	29,319
Accruals and deferred income		50,874	36,046
		<u>241,286</u>	<u>169,668</u>

### 15 Deferred income

	2021 £	2020 £
Other deferred income	-	34,290
	<u>-</u>	<u>34,290</u>

### 16 Retirement benefit schemes

#### Defined contribution schemes

The assets of the scheme are held separately from those of the School in an independently administered fund. Contributions to the scheme are charged to the Statement of Financial Activities as they fall due. Contributions payable by the company in the year amounted to £43,025 (2020 - £44,104). £4,866 (2020 - £4,802) was outstanding at the balance sheet date.

#### Defined benefit schemes

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in schools. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2021

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#### 16 Retirement benefit schemes

(Continued)

##### *Valuation*

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

##### *Other information*

The employer's pension costs paid to TPS in the year amounted to £156,337 (2020 - £166,751).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 August 2019	Resources Expended	Balance at 1 August 2020	Movement in funds Incoming Resources	Balance at 31 July 2021
	£	£	£	£	£
Pedal to the Pebbles Bike Ride	3,840	-	3,840	-	3,840
J Simister	676	(424)	252	-	252
	<u>4,516</u>	<u>(424)</u>	<u>4,092</u>	<u>-</u>	<u>4,092</u>

Pedal to the Pebbles Bike Ride - donations towards the sensory room and new bikes

J Simister- donations towards the purchase of new bikes

### 18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 August 2019	Resources expended	Balance at 1 August 2020	Resources expended	Balance at 31 July 2021
	£	£	£	£	£
34 Walpole Road	644,000	(7,000)	637,000	(7,000)	630,000
	<u>644,000</u>	<u>(7,000)</u>	<u>637,000</u>	<u>(7,000)</u>	<u>630,000</u>

34 Walpole Road - the school entered into a sale and leaseback arrangement in the 2011/12 financial year. In order to more appropriately show the unrestricted general funds available to the school the net book value of the leasehold has been reflected as a designated fund. The resources expended in the year relates to the depreciation charge.

**HAMILTON LODGE (BRIGHTON)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2021**

19 Analysis of net assets between funds

Fund balances at 31 July 2021 are represented by:

	Unrestricted funds		Designated funds		Restricted funds		Total Unrestricted funds		Designated funds		Restricted funds		Total	
	2021	£	2021	£	2021	£	2021	£	2021	£	2021	£	2021	£
Tangible assets	2,987,993		630,000		-		3,617,993		637,000		-		3,662,746	
Current assets/(liabilities)	2,259,939		-		4,092		2,264,031		2,038,022		4,092		2,042,114	
	5,247,932		630,000		4,092		5,882,024		637,000		4,092		5,704,860	

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 20 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	381,601	369,618

M Abbott, who was appointed as a trustee on 2nd July 2019, provides building project management and property surveying services to the charity under a service level agreement dated 20th June 2017 which was entered in to before his appointment. The Service Level Agreement will be reviewed after 3 years. The Chair of Trustees and the Business Manager review the terms of the agreement each year to ensure that it continues to represent fair value and is in line with market rates.

### 21 Cash generated from operations

	2021 £	2020 £
Surplus for the year	177,164	64,735
Adjustments for:		
Investment income recognised in statement of financial activities	(1,073)	(9,616)
Depreciation and impairment of tangible fixed assets	139,182	113,223
Movements in working capital:		
(Increase) in debtors	(220,341)	(128,592)
Increase/(decrease) in creditors	105,908	(118,255)
(Decrease) in deferred income	(34,290)	(7,137)
<b>Cash generated from/(absorbed by) operations</b>	<b>166,550</b>	<b>(85,642)</b>

### 22 Analysis of changes in net funds

The charitable company had no debt during the year.