

Charity registration number 307066

Company registration number 00544254 (England and Wales)

**HAMILTON LODGE (BRIGHTON)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023**

# HAMILTON LODGE (BRIGHTON)

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr Paul Newbury - Chair Ms Gail Pilling Mr Martyn Abbott Ms K Love Ms K Rowley	(Appointed 19 October 2022) (Appointed 19 October 2022)
<b>Principal</b>	Mr B McInally	
<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 2023

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The Trustees present their annual report and financial statements for the year ended 31 July 2023.

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 Memorandum and Articles of Association, 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-learners 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 charity has supported Deaf children through the school for over 70 years. In recent years the profile of the child placed with us has changed considerably. All children placed with us now have needs additional to their Deafness that need to be addressed.

Most Learners are drawn from the Southeast of England and London, though in the past we have accepted placements from further afield. Currently we are working with 17 different local Authority Partners.

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 families to ensure we can meet the full range of needs as highlighted in each child's Education Health and Care plan.

Our class sizes are small, and we teach using a range of communication methods from English to British Sign Language depending on the expressive and receptive communication preferences of each individual child. Learners 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 learners 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 Charity should undertake.

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.

# HAMILTON LODGE (BRIGHTON)

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

*FOR THE YEAR ENDED 31 JULY 2023*

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### **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**

Education Ofsted report in July 2019 which judged HLSC to be 'Good'.

Ofsted Care Standards report in March 2023 which judged our provision to be 'Good'

Our Further Education (FE) Department had a very successful year with learners 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 department. were restricted due to COVID, since restrictions have been lifted, we have been working on expanding our work experience placements. Learners have done work experience for a plumbing company, Brighton Toy museum, the Martletts, a hairdressing salon, a school based supported internship, a local digital games design company and charity shops. We also utilised our maintenance team for learners to work alongside them developing a car washing service.

Our Independent Careers Advisor works with our learners 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. As stated above, work experience placements expanded last year, and we were able to source some permanent placements as well as short term ones. We will continue to build upon this expansion.

What are we trying to improve?

We continue to focus our improvement planning on five areas

1. Strengthening further our safeguarding culture
2. Outcomes for learners
3. Teaching, Learning Assessment & progress of learners
4. Leadership and Management
5. Improving the estate

Learners Accreditations and Achievements

Learner's work towards a wide range of Entry Levels, Functional Skills, Unit Award courses, Award Scheme Development and Accreditation Network, Arts Award and BSL Signature's Levels 1-3 qualifications.

Learners are expected to achieve appropriate accreditations across all areas of the curriculum Commensurate with their abilities.

## **HAMILTON LODGE (BRIGHTON)**

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

***FOR THE YEAR ENDED 31 JULY 2023***

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Ensuring individual needs are met.

Before entry to HLSC learners and their parents/carers visit the school, learners attend the school/college for an assessment which may include an overnight stay, a visit may be made to the learner 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. All learners are sent a personalised welcome book prior to arriving. This book contains accessible information for learners and parents about what they can expect when they come to Hamilton Lodge.

Curriculum development has particularly focused on accreditations which can specifically match the needs of individual learners.

We continue to offer our learners a limited range of GCSEs and a wider range of Functional Skills, Entry Level and Unit Award courses.

We have an established work experience programme which particularly focuses on individual learners having opportunities to build on their independence skills, confidence, and self-esteem. We have also introduced a before and after questionnaire to allow learners to see improvements in confidence and communication whilst on placements.

Our learner support team ensures that learners have focussed support including careful deployment of teaching assistants both to individual learners and to particular teaching groups.

Teachers are able to access in-service training (INSET) 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. This year we have one member of staff completing her qualification and another starting hers. We have a long-standing member of staff who has qualified in 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 learners, staff & parents/carers keeps parents/ carers informed of activities within HLSC and individual and group achievements.

Parents/carers are able to email or phone into 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 learner's academic and social/emotional development. This is done through weekly phone calls, emails, video calls and weekly contact.

Parents/carers were sent a summary of the topics that learners 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 learner to ensure that we are meeting their needs as specified in their individual education plan.

We have developed access to learner SharePoint for families and pertinent professionals.

Learners Voice?

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 learners 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 2023**

How do we make sure our learners are healthy, safe, and well-supported?

- Our Care Standards reports of March 2023 found the provision to be 'Good' across all areas and stated that safeguarding is good.
- 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 learners 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 learners 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 learners 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 learners take part in an active sports programme with competitions held throughout the year. Excellent use of local facilities such as Hove Lagoon, Hindleap Warren and swimming pools is made
- Assemblies are also held which address online safety, safeguarding, mental health awareness and the healthy eating and the Food Studies curriculum supports learners to learn how to cook and make healthy food choices.
- What activities and options are available to learners?
- Learners take part in a variety of sports activities in the community including competitions and Workshops. After school activities include a specialist boxing club, off site basketball and regular swimming. Learners are encouraged to develop life skills via an individualised independence program which consists of a series of bespoke targets tailored to ensure learners can achieve to best of their ability. As a whole this program provides learners with a robust measurable document evidencing their progress which they can share with prospective employers.
- The Secondary Department offer a range of activities to suit individual interests including childcare and 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.

What do our learners do after leaving this school?

The majority of the learners stay on within our FE Department, it is unusual for learners to leave HLSC in year 11.

The majority of learners who left the school in July 2023 progressed to appropriate destinations, with 2 left still looking for employment.

Destination Data.	2014- 15.	2015 -16.	2016 -17.	2017 - 18.	2018 -19.	2019 -20.	2020-21.	2021-22	2022-23
University/Higher Education.						3		1	0
Local College/Provision	9	10	7	7	3	4		1	3
Early Leaver.	0	0	1	1	0	0	1	0	0
HLSC.	2	0	1	4	2	1	2		4
Residential Deaf FE College.	0	1	1	0	2	2	5	2	1
Residential Specialist College.	0	0	1	0	1	0	1		0
Employment/Apprenticeship/Internship.	0	1	3	1	2	1	2	1	2
Supported Living Provision.					1	0	1		0
Seeking Employment					0	1		0	2
<b>Total Leavers.</b>	<b>11</b>	<b>12</b>	<b>14</b>	<b>13</b>	<b>11</b>	<b>12</b>	<b>12</b>	<b>5</b>	<b>12</b>

## HAMILTON LODGE (BRIGHTON)

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

*FOR THE YEAR ENDED 31 JULY 2023*

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#### 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.

We set the 2022-23 budget with a £96,776 deficit. This was reduced by the arrival of 2 in-year starters for the Autumn term together with continued prudent financial management.

By year end we were showed a modest surplus of £139,683.

We face continuing financial challenges going into the 2023/2024 academic year and beyond. We have made the necessary financial adjustments which are reflected in the budget.

We do anticipate in-year learners to be placed with us in line with previous years.

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.

#### 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 (i.e., is "free").'

#### 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.
6. Build funds for future development projects.
7. Fund short term budget deficits to maintain staffing specialisms.
8. 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.
9. Support the long-term sustainability of the charity.

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 £1.55m to cover (a,c, d, and e 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.

## HAMILTON LODGE (BRIGHTON)

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

**FOR THE YEAR ENDED 31 JULY 2023**

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#### 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.

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 development of residential facilities
- To develop collaborative practice and align interests with strategic development of the school.
- To review options for the future of the charity, further develop strategic partnerships to ensure the medium to long term future of the charity and ensure its ability to support Deaf children in the long term

#### **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 Steve Kent

(Resigned 8 February 2023)

Ms Gail Pilling

Mr Martyn Abbott

Ms K Love

(Appointed 19 October 2022)

Ms K Rowley

(Appointed 19 October 2022)

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.

## HAMILTON LODGE (BRIGHTON)

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

**FOR THE YEAR ENDED 31 JULY 2023**

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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-learners, 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.

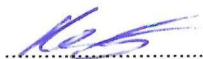
#### **Auditor**

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: ...8/12/23.....

# HAMILTON LODGE (BRIGHTON)

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 31 JULY 2023*

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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 MEMBERS 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 2023 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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### 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 for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, 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.

# HAMILTON LODGE (BRIGHTON)

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

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#### **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.

In identifying and assessing the risk of material misstatement in respect of irregularities, including fraud, we:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company complies with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

# HAMILTON LODGE (BRIGHTON)

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

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As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements, including the Trustees' report, remaining alert to new or unusual transactions which may not be in accordance with the governing document.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

We identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included, but were not limited to, testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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.

*Knill James LLP*

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

*12 December 2023*

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 2023

### Current financial year

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
<b><u>Income and endowments from:</u></b>						
Donations and grants	3	1,357	-	-	1,357	3,035
School fees receivable	4	3,207,348	-	-	3,207,348	3,169,811
Investments	5	19,111	-	-	19,111	3,145
Other ancillary trading income	6	2,544	-	-	2,544	5,177
<b>Total income</b>		<b>3,230,360</b>	<b>-</b>	<b>-</b>	<b>3,230,360</b>	<b>3,181,168</b>
<b><u>Expenditure on:</u></b>						
Raising funds	7	9,557	-	-	9,557	2,932
Charitable activities	8	3,074,120	7,000	-	3,081,120	3,195,115
<b>Total expenditure</b>		<b>3,083,677</b>	<b>7,000</b>	<b>-</b>	<b>3,090,677</b>	<b>3,198,047</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>146,683</b>	<b>(7,000)</b>	<b>-</b>	<b>139,683</b>	<b>(16,879)</b>
Fund balances at 1 August 2022		5,238,053	623,000	4,092	5,865,145	5,882,024
<b>Fund balances at 31 July 2023</b>		<b>5,384,736</b>	<b>616,000</b>	<b>4,092</b>	<b>6,004,828</b>	<b>5,865,145</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 2023

Prior financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
<b><u>Income and endowments from:</u></b>					
Donations and grants	3	3,035	-	-	3,035
School fees receivable	4	3,169,811	-	-	3,169,811
Investments	5	3,145	-	-	3,145
Other ancillary trading income	6	5,177	-	-	5,177
<b>Total income</b>		<b>3,181,168</b>	<b>-</b>	<b>-</b>	<b>3,181,168</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	2,932	-	-	2,932
Charitable activities	8	3,188,115	7,000	-	3,195,115
<b>Total expenditure</b>		<b>3,191,047</b>	<b>7,000</b>	<b>-</b>	<b>3,198,047</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>(9,879)</b>	<b>(7,000)</b>	<b>-</b>	<b>(16,879)</b>
Fund balances at 1 August 2021		5,247,932	630,000	4,092	5,882,024
<b>Fund balances at 31 July 2022</b>		<b>5,238,053</b>	<b>623,000</b>	<b>4,092</b>	<b>5,865,145</b>

# HAMILTON LODGE (BRIGHTON)


## BALANCE SHEET

AS AT 31 JULY 2023

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	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets			3,570,500		3,559,630
<b>Current assets</b>					
Debtors		65,054		331,130	
Cash at bank and in hand		2,540,467		2,184,489	
		<u>2,605,521</u>		<u>2,515,619</u>	
<b>Creditors: amounts falling due within one year</b>		<u>(171,193)</u>		<u>(210,104)</u>	
Net current assets			<u>2,434,328</u>		<u>2,305,515</u>
<b>Total assets less current liabilities</b>			<u><u>6,004,828</u></u>		<u><u>5,865,145</u></u>
<b>Income funds</b>					
Restricted funds			4,092		4,092
Unrestricted funds - designated			616,000		623,000
Unrestricted funds - general			5,384,736		5,238,053
			<u>6,004,828</u>		<u>5,865,145</u>

The financial statements were approved by the Trustees on 8/08/23

  
Mr Paul Newbury - Chair  
Trustee

Company Registration No. 00544254

## HAMILTON LODGE (BRIGHTON)

### STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2023

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations			465,547		235,334
<b>Investing activities</b>					
Purchase of tangible fixed assets		(128,680)		(86,010)	
Investment income received		19,111		3,145	
<b>Net cash used in investing activities</b>			(109,569)		(82,865)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			355,978		152,469
Cash and cash equivalents at beginning of year			2,184,489		2,032,020
<b>Cash and cash equivalents at end of year</b>			2,540,467		2,184,489

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# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

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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. Thus 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 2023

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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 the statement of financial activities.

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 2023

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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 2023

### 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 Charitable company operates a defined contribution scheme for some other employees whereby the assets of the scheme are held separately from those of the Charitable company in an independently administered fund. Contributions to both schemes are charged to the statement of financial activities as they fall due.

### 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.

### 3 Donations and grants

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Donations and gifts	1,357	3,035

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

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### 4 School fees receivable

	Gross fees charged 2023 £	Gross fees charged 2022 £
Gross fees charged	3,207,348	3,169,811

#### Charitable trading income

Income for school fees comprise of £3,207,348 (2022 - £3,169,811) unrestricted income and £nil (2022 - £nil) restricted income.

### 5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Rental income	1,282	2,605
Interest receivable	17,829	540
	<u>19,111</u>	<u>3,145</u>

### 6 Other ancillary trading income

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Other income	<u>2,544</u>	<u>5,177</u>

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

### 7 Raising funds

	<b>Unrestricted funds general 2023 £</b>	<b>Unrestricted funds general 2022 £</b>
School financing costs		
Other fundraising costs	9,557	2,932
	<u>9,557</u>	<u>2,932</u>

### 8 Charitable activities

	<b>Teaching costs 2023 £</b>	<b>Welfare costs 2023 £</b>	<b>Premises costs 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Staff costs	1,302,640	521,455	73,661	322,117	2,219,873	2,287,592
Depreciation and impairment	30,873	345	86,592	-	117,810	144,373
Other costs	41,930	211,509	237,854	231,490	722,783	742,870
	<u>1,375,443</u>	<u>733,309</u>	<u>398,107</u>	<u>553,607</u>	<u>3,060,466</u>	<u>3,174,835</u>
Share of support costs (see note 9)	-	-	-	1,087	1,087	1,113
Share of governance costs (see note 9)	-	-	-	19,567	19,567	19,167
	<u>1,375,443</u>	<u>733,309</u>	<u>398,107</u>	<u>574,261</u>	<u>3,081,120</u>	<u>3,195,115</u>
<b>Analysis by fund</b>						
Unrestricted funds - general	1,375,443	733,309	391,107	574,261	3,074,120	3,188,115
Unrestricted funds - designated	-	-	7,000	-	7,000	7,000
	<u>1,375,443</u>	<u>733,309</u>	<u>398,107</u>	<u>574,261</u>	<u>3,081,120</u>	<u>3,195,115</u>

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 8 Charitable activities (Continued)

For the year ended 31 July 2022

	Teaching costs £	Welfare costs £	Premises costs £	Support costs £	Total 2022 £
Staff costs	1,377,327	575,097	65,473	269,695	2,287,592
Depreciation and impairment	57,555	345	86,473	-	144,373
Other costs	40,254	239,510	257,422	205,684	742,870
	<u>1,475,136</u>	<u>814,952</u>	<u>409,368</u>	<u>475,379</u>	<u>3,174,835</u>
Share of support costs (see note 9)	-	-	-	1,113	1,113
Share of governance costs (see note 9)	-	-	-	19,167	19,167
	<u>1,475,136</u>	<u>814,952</u>	<u>409,368</u>	<u>495,659</u>	<u>3,195,115</u>
<b>Analysis by fund</b>					
Unrestricted funds - general	1,475,136	814,952	402,368	495,659	3,188,115
Unrestricted funds - designated	-	-	7,000	-	7,000
	<u>1,475,136</u>	<u>814,952</u>	<u>409,368</u>	<u>495,659</u>	<u>3,195,115</u>

### 9 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Bank charges	1,087	-	1,087	1,113	-	1,113
Audit fees	-	18,206	18,206	-	17,162	17,162
Governance costs	-	1,361	1,361	-	2,005	2,005
	<u>1,087</u>	<u>19,567</u>	<u>20,654</u>	<u>1,113</u>	<u>19,167</u>	<u>20,280</u>
Analysed between Charitable activities	<u>1,087</u>	<u>19,567</u>	<u>20,654</u>	<u>1,113</u>	<u>19,167</u>	<u>20,280</u>

Governance costs includes payments to the auditors of £4,646 (2022 - £5,400) in respect of non-audit services.

### 10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but 1 of them were reimbursed a total of £812 travelling expenses (2022 - 5 were reimbursed £1,848).

Trustees liability insurance expenditure amounted to £1,755 (2022 - £1,502) in the year.

## HAMILTON LODGE (BRIGHTON)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

#### 11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Teaching and learning	46	51
Residential care	18	19
Administration	7	7
Maintenance, cleaning and catering	13	8
Total	<u>84</u>	<u>85</u>

Employment costs	2023 £	2022 £
Wages and salaries	1,859,410	1,915,488
Social security costs	178,045	181,626
Other pension costs	182,418	190,478
	<u>2,219,873</u>	<u>2,287,592</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,000 to £70,000	2	2
£70,000 to £80,000	1	-
£90,000+	1	1

Of the employees whose emoluments exceed £60,000, 4 (2022 - 3) have retirement benefits accruing under defined benefit pension schemes. The pension contributions in respect of the individuals totalled £48,748 (2022 - £44,264).

#### 12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 13 Tangible fixed assets

	Freehold Land & Buildings	Leasehold Land & Buildings	Furniture & Motor vehicles Equipment		Total
	£	£	£	£	£
<b>Cost</b>					
At 1 August 2022	3,755,301	991,811	340,760	82,852	5,170,724
Additions	87,729	-	23,080	17,871	128,680
At 31 July 2023	3,843,030	991,811	363,840	100,723	5,299,404
<b>Depreciation and impairment</b>					
At 1 August 2022	1,229,243	134,052	172,984	74,815	1,611,094
Depreciation charged in the year	71,964	12,294	30,873	2,679	117,810
At 31 July 2023	1,301,207	146,346	203,857	77,494	1,728,904
<b>Carrying amount</b>					
At 31 July 2023	2,541,823	845,465	159,983	23,229	3,570,500
At 31 July 2022	2,526,058	857,759	167,776	8,037	3,559,630

The carrying value of land and buildings comprises:

	2023 £	2022 £
Freehold	2,541,823	2,526,058
Long leasehold	656,803	623,000
Short leasehold	188,661	234,759
	<u>3,387,287</u>	<u>3,383,817</u>

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 £11.4m.

### 14 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	-	258,534
Other debtors	2,733	6,817
Prepayments and accrued income	62,321	65,779
	<u>65,054</u>	<u>331,130</u>

# HAMILTON LODGE (BRIGHTON)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2023

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

	Notes	2023 £	2022 £
Other taxation and social security		42,388	56,021
Deferred income	16	-	28,456
Trade creditors		88,492	61,694
Other creditors		23,669	23,499
Accruals and deferred income		16,644	40,434
		<u>171,193</u>	<u>210,104</u>

#### 16 Deferred income

	2023 £	2022 £
Other deferred income	-	28,456
	<u>-</u>	<u>28,456</u>

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	-	28,456
	<u>-</u>	<u>28,456</u>
Movements in the year:		
Deferred income at 1 August 2022	28,456	-
Released from previous periods	(28,456)	-
Resources deferred in the year	-	28,456
	<u>-</u>	<u>28,456</u>
Deferred income at 31 July 2023	<u>-</u>	<u>28,456</u>

#### 17 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 £41,262 (2022 - £40,121). £6,463 (2022 - £7,422) 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 2023

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#### 17 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 2024.

##### *Other information*

The employer's pension costs paid to TPS in the year amounted to £141,155 (2022 - £150,357).

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 school has accounted for its contributions to the scheme as if it were a defined contribution scheme. The school 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 2023

#### 18 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:

	Movement in funds		Movement in funds		Balance at 31 July 2023 £
	Balance at 1 August 2021 £	Incoming Resources £	Balance at 1 August 2022 £	Incoming Resources £	
Pedal to the Pebbles Bike Ride	3,840	-	3,840	-	3,840
J Simister	252	-	252	-	252
	<u>4,092</u>	<u>-</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.

#### 19 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 2021 £	Resources expended £	Balance at 1 August 2022 £	Resources expended £	Balance at 31 July 2023 £
34 Walpole Road	630,000	(7,000)	623,000	(7,000)	616,000
	<u>630,000</u>	<u>(7,000)</u>	<u>623,000</u>	<u>(7,000)</u>	<u>616,000</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 2023**

20	Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Total Unrestricted funds		Designated funds		Restricted funds		Total	
		2023	£	2023	£	2023	£	2023	£	2022	£	2022	£	2022	£
	Fund balances at 31 July 2023 are represented by:														
	Tangible assets	2,954,500		616,000		-		2,936,630		623,000		-		3,559,630	
	Current assets/(liabilities)	2,430,236		-		4,092		2,301,423		-		4,092		2,305,515	
		5,384,736		616,000		4,092		5,238,053		623,000		4,092		5,865,145	

## HAMILTON LODGE (BRIGHTON)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 JULY 2023

#### 21 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2023 £	2022 £
Aggregate compensation	394,928	385,016

M Abbott, who was appointed as a trustee on 2 July 2019, provides building project management and property surveying services to the charity under a service level agreement dated 20 June 2017 which was entered in to before his appointment. 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.

Dr Kate Rowley, who was appointed as a Trustee on 19 October 2022 provides training to the school around language and cognitive development of deaf children.

22 Cash generated from operations	2023 £	2022 £
Surplus/(deficit) for the year	139,683	(16,879)
Adjustments for:		
Investment income recognised in statement of financial activities	(19,111)	(3,145)
Depreciation and impairment of tangible fixed assets	117,810	144,373
Movements in working capital:		
Decrease in debtors	266,076	142,167
(Decrease) in creditors	(10,455)	(59,638)
(Decrease)/increase in deferred income	(28,456)	28,456
<b>Cash generated from operations</b>	<b>465,547</b>	<b>235,334</b>

#### 23 Analysis of changes in net funds

The charitable company had no debt during the year.