

**HEATH MOUNT SCHOOL TRUST LIMITED**

**(A COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL)**

**ANNUAL REPORT  
AND FINANCIAL STATEMENTS  
YEAR ENDED 31 AUGUST 2023**

Company Registration No. 983758

Charity Registration No. 311069

**HEATH MOUNT SCHOOL TRUST LIMITED**  
**ANNUAL REPORT OF THE GOVERNORS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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# HEATH MOUNT SCHOOL TRUST LIMITED

## ANNUAL REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 AUGUST 2023

### GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

Heath Mount School (the “School”) is owned by Heath Mount School Trust Limited (the “Charitable Company” or the “Charity”), a registered charity. The Governors of the School serve as Directors of the Charitable Company and as Trustees of the Charity. All are non-executive. Details of the Governors who served during the year ended 31 August 2023 and up to the date of this report are set out below:

	(1)	(2)	(3)	(4)	(5)
Mrs Juliette Hodson (Chair)	•	•	•	•	•
Mr James Steel (Secretary)		•	•	•	•
Mr Edward Campbell-Gray		•	•		
Dr Richard Dent	•			•	•
Mrs Helen Rayfield		•		•	•
Mrs Karen Sallybanks	•			•	•
Mr Martin Collier	•				
Mr Alex Mitchell	•				
Mrs Sarah Capewell	•				
Mr Christopher Scrope			•		
Mr Ian Hodges-Jackson (appointed 3 October 2022)			•		
Mr Richard Fiddes (appointed 30 January 2023)			•		

(1) Member of Education Committee

(2) Member of Finance Committee

(3) Member of Buildings Committee

(4) Member of Strategy Committee

(5) Member of Governance Committee

### KEY MANAGEMENT PERSONNEL

Headmaster                      Mr C Gillam BEd  
Bursar                              Miss S A E Owen BSc

### ADMINISTRATIVE INFORMATION

Address:                              Heath Mount School, Woodhall Park  
    Watton-at-Stone, Herts. SG14 3NG

Website:                              www.heathmount.org

### ADVISERS

Auditors                              Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

Solicitors                              Hewitsons LLP, Shakespeare House, 42 Newmarket Rd, CB5 8EP

Bankers                                Lloyds Bank plc.

Insurance Brokers                  Hettle Andrews & Associates Limited, Eleven Brindley Place, 2 Brunswick Square,  
Birmingham. B1 2LP

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## GOVERNORS' REPORT

The Governors of Heath Mount School present the annual report and financial statements incorporating the Strategic Report for the year ended 31 August 2023. The Governors confirm that the financial statements comply with the Charity's governing documents, the Statement of Recommended Practice (SORP 2019) "Accounting and Reporting by Charities" and the Companies Act 2006.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### *History and structure*

Heath Mount School was founded in 1817 and moved to its current location in 1934. The house and grounds, comprising Woodhall Park, are leased from the Abel Smith Trust along with the girls' boarding house and the headmaster's house.

In 1970 the School incorporated as Heath Mount School Trust Limited, a company limited by guarantee registered in England and Wales with company number 983758. It is also registered as a charity with registration number 311069.

### *Governing Document*

The Charity is governed by the Memorandum of Association and Articles of Association of the Charitable Company.

### *Governing Body*

The Governing Body is self-appointing. The Governors aim to ensure access within the Governing Body both to educational experience and a range of other skills. New members of the Governing Body are selected based on their professional qualities, experience, personal competence and local availability. The Governors who served during the year are listed on page 3.

New Governors are inducted into the workings of the School through attendance at meetings with the Chair and executive officers. Governors also attend specialist external courses and have specific in-house training sessions throughout the year where appropriate.

### *Organisational Management*

The Governors, as Trustees of the Charity (and also as directors of Heath Mount School Limited for the purposes of company law), are legally responsible for running and developing the School as a Pre-Prep and Preparatory School for boys and girls. A full meeting of the Governors takes place once a term and the three main committees meet at least once a term. Further ad hoc meetings are held as required.

The Governors have established five sub-committees:

The **Education Committee** considers educational and pastoral policy including all safeguarding. The committee is chaired by Dr Richard Dent.

The **Finance Committee** scrutinises the revenue, budget and capital expenditure. This Committee also supervises the preparation of the annual report and financial statements for approval by the Governing Body. The committee is chaired by James Steel.

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The **Buildings & Infrastructure Committee** supervises and monitors capital building projects and maintenance, and IT infrastructure. It also oversees all Health and Safety matters. The committee is chaired by Edward Campbell-Gray.

The **Strategy Committee** meets a minimum of once a year to consider proposals for the development of the School. The committee is chaired by Juliette Hodson.

The **Governance Committee** meets a minimum of once a year to scrutinise and review all aspects of the running of the school underpinned by legislation or statutory regulation. The committee is chaired by Karen Sallybanks.

The Governors delegate the day-to-day running of the School to the Headmaster assisted by his Senior Management Team (SMT). The headmaster and appropriate members of the Senior Management Team attend meetings of the Governors.

Remuneration for the Headmaster and Bursar is set by the Finance Committee and approved by the Full Board. Remuneration for the remainder of the SMT is set by the Headmaster and Bursar and approved by the Finance Committee. Remuneration is set at levels to reward staff fairly and responsibly and is reviewed periodically with reference to comparison with other independent schools.

## OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

### *Charitable Objects*

The Objects of the Charity are set out in the Memorandum of Association of the Charitable Company and are to promote and provide for the advancement of education and in connection therewith to conduct, carry on, acquire and develop in the United Kingdom any boarding or day school or schools for the education of either sex or both sexes.

Within these Objects, the Governors aim to provide a first-class independent education for boys and girls aged 3 to 13 years in a community where all members are valued and to provide an excellent, well-resourced environment for teaching and learning in order to enable them to move on confidently to the senior school of their choice. Pupils from a wide ability range succeed in at least some area of the curriculum whether it is academic, art, music, design technology, sport, drama or outdoor pursuits.

### *Mission Statement*

The School aims to provide the best possible education within a friendly and nurturing environment which promotes well-being. It seeks to uncover and develop potential whilst maintaining a balance with traditional childhood experiences. The School wishes its pupils to develop self-confidence, self-discipline, and a strong values system.

### *Primary objectives*

In fulfilling its objectives, the School aims:

#### Educational

- To provide the best possible education for every child ensuring that value is added across the entire curriculum.
- To ensure that strong pastoral care is at the heart of the School and its values and that every child can develop as a happy, confident individual ready to realise their full potential;
- To ensure that every child is prepared for entry to an appropriate senior School;

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#### Staffing

- To employ and develop high quality teaching and support staff to ensure the best possible education for every child;

#### Financial

- To ensure that the School creates a healthy surplus to reinvest in the fabric of the site and maintain high teaching standards;
- To ensure that the School meets its charitable status targets;

#### Governance

- To achieve the highest standard of governance ensuring that the School fulfils its duty of care towards pupils and staff, meeting all regulatory requirements;

#### Engagement

- To ensure effective levels of communication between Governors, School staff, pupils, parents and prospective parents;

#### Buildings and Infrastructure

- To invest in new and existing facilities to enhance the School's educational offering and;
- To maintain and develop the School's relationship with the Woodhall Estate.

## **PUBLIC BENEFIT**

The Governors give careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary guidance on advancing education and on fee-charging.

The School remains committed to providing public benefit in accordance with its founding principles. Charity legislation includes a requirement to demonstrate that public benefit for any charitable purpose where it had hitherto been presumed in the absence of evidence to the contrary. This calls in turn for commensurate disclosure of our public benefit aims.

The Governors are committed to broadening access to the School by offering to eligible parents or guardians means-tested financial support with the payment of school fees. Such bursaries may be awarded in the form of a discount of up to 100% of tuition fees payable, depending on the financial, compassionate or other pertinent circumstances of applicants. During the year ended 31 August 2023, the School awarded bursaries worth £204,604 to 18 pupils.

In addition to bursaries, the School has engaged in other activities that provide benefit to the public. These include sharing our cultural and sporting facilities with local community groups, sharing ideas with local primary schools and staff involvement in supporting local community groups such as the Brownies and as a governor of a local pre-school.

### **Teaching links**

Specific projects with local schools include:

- Free provision of our facilities, resources and transport for local schools, including use of our swimming pool by pupils of a local school;
- Free teaching provision including access for pupils from a local primary school to food technology lessons and our food technology workshop;
- Free provision of Inset training for local schools and collaboration on knowledge sharing;
- Reciprocal agreement for training of NQT's with a local primary school; and
- Provision of work experience for teachers undergoing their training.

### Community engagement and charitable activities

Yet again, our Heath Mount family pulled together to support a range of brilliant causes this year.

We kicked off our fundraising calendar by hosting a mufti day for **'Jeans for Genes'** to raise awareness and funds for children with genetic conditions throughout the UK.

In October 2022, families and staff generously donated a bumper load of food and other essential items to **Knebworth Food Bank** and other local charities as we celebrated Harvest Festival

We fitted in another mufti day in the Michaelmas Term to support **Children in Need** and children's cancer charity **It's never You**, raising a total of £761.

Our poppy collection boxes raised hundreds of pounds for the **Royal British Legion** and a staff member raised a further £218 by selling her beautiful homemade poppies.

**Odd Socks Day** marked the start of Anti-Bullying Week (14<sup>th</sup>-18<sup>th</sup> November) and was a chance to celebrate what makes us all unique and promote kindness to all. This year's Anti-Bullying theme was *Reach Out*, with a focus on coming together to stop bullying. Across the School, teachers held special assemblies, form times and workshops to explore ways in which the children could identify signs that someone might be experiencing bullying and how to reach out to someone they trust.

In November our Heath Mount 'Bros' raised a 'Motastic' £1,410 for men's health charity **Movember**.

At Christmas, we were delighted to send over 70 shoeboxes of gifts to Ukraine as well as a bumper donation of food and gifts from the **Lower School's Reverse Advent Calendar** for **Haven First Homeless Charity** in Stevenage.

The year ended with our traditional **'Christmas Jumper Day'** which raised £562 for **Save The Children**.

In February 2023 we launched our new School charity partnership with Zambian NGO **Twende Education for All**. Twende was founded by Andrea Mwalula, an experienced teacher for over 25 years, who has set up two learning centres in the cancer and sickle cell anaemia children's wards of the largest hospital in Lusaka.

Around 70 children a week come to the Twende learning centres between treatments to continue their education and to enjoy play therapy with their peers. There is no government provision for these children's education and without Andrea and her team they would miss out on learning, playing and the opportunity to escape the wards to be in a homely and caring environment. The work that Andrea does also extends to the wider family, hosting workshops for the patients' mothers to help them gain employment skills and providing basic amenities to help the families during their children's often lengthy hospital stays.

The School launched its charity partnership with a fantastic concert held at All Saints' Church in Hertford where Bax Choir sang alongside The City of Cambridge Brass Band and our charismatic compère for the evening, Anthony Harris. We were thrilled to raise over £2,200 to help provide resources for the learning centres including new tables and chairs. We look forward to taking our first group of Year 8's out to Zambia in March 2024 to see some of the amazing work being done by Twende.

In the summer term Heath Mount's young triathletes came out in force at the **Knight Frank Schools' Triathlon** in Oundle to raise money for **Restless Development** and **It's Never You**. Children from Years 3 to 8 worked tirelessly in the pool, on the track and on their bikes and earned plenty of sponsorship money in the process. Heath Mount families raised an astonishing £9,175 (with £2,531 going to It's never You and the remainder to Restless Development).

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In June 2023 we held our first ever **Heath Mount Colour Run** in aid of Twende Education for All. Over 500 children, parents, grandparents and staff enjoyed a brilliant day out in the blazing sunshine. The Woodhall Estate generously provided the 5km course which took participants through scenic fields and across the river. Our keen teams of colour marshals did a fantastic job of coating everyone in bright paint powder, providing them with some memorable post-run shots. After completing the course, participants headed to our event village for ice creams, pizza, BBQ, sweets, cakes and lots of ice-cold drinks! We raised just over £5,000 for Twende which the charity will use to fund another full-time teacher.

The School does not currently subscribe to any specific fundraising standards or schemes for fundraising regulation but considers that it has set appropriate standards for the operation and management of its fundraising activities. In particular, the School considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion on a person's privacy and that no fundraising activities should be unreasonably persistent or place undue pressure on a person to give money or other property. The school has not received any complaints about its fundraising practices in the year."

#### **Du Maurier Society**

Our parents' association, the **du Maurier Society**, had a successful year of fundraising and bringing together our community through a variety of fun social events.

The first big social event of the academic year was our annual **Fun Day**. The sun shone as our pupils, staff and their families enjoyed the giant inflatables, craft activities and delicious refreshments. This year our Upper School pupils were given the chance to run their own stalls for the first time and they showed real entrepreneurial spirit.

Next up on the du Maurier calendar was **Fireworks Night**. Around 1,000 spectators filled the grounds at the front of School for the pyro-musical show which featured incredible volleys of fireworks to a soundtrack of hits by the likes of Queen, Harry Styles and Kate Bush! The Titanium crew, who are behind the fireworks at the Lord Mayor of London's New Year's Eve Show, pulled out all the stops to ensure this year's extravaganza was even more astounding than ever. The special evening also included a BBQ, mulled wine, sweet stall, and light-up toy stall.

To celebrate the end of Michaelmas term, the du Maurier team created an atmospheric Santa's Grotto for our Pre-Prep children. Each child was delighted to receive an early present from Father Christmas for being so good! The older children, meanwhile, were treated to an end of term disco in the Performing arts Centre where the newly purchased du Maurier disco ball certainly came into its own. Pupils also received a goody bag with light up disco glasses and sweets.

In the Lent term we were thrilled to resurrect our **Quiz Night** which we had been unable to host since 2019 due to Covid. Tables of 8 participants pitted their wits, balloon modelling skills, and singing voices against one another to win spot prizes as well the chance to take home the Quiz Trophy.

Just before the Easter holidays, the whole school gathered for the annual **Cross-Country** event and the du Maurier team happily provided an ice cream van to treat all the runners. They also provided a fun Easter Egg Hunt for our Pre-Prep children.

The final big event of the academic year was the du Maurier **Summer Party**. After welcome drinks on the Fountain Lawn everyone tucked into a delicious meal (including a full hog roast) before hitting the dance floor where the live band turned up the party spirit.

It was another busy and profitable year in the **second-hand uniform shop** run by du Maurier volunteers. The shop also provides a more sustainable approach to uniform and is seen as an important service for our parents.

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There are a number of short, medium and long-term projects which the du Maurier has supported this year. These included furnishing the renovated Beaton Library in the main mansion house and finishing Hugh's Garden in the Pre-Prep. The du Maurier also purchased a weather station to enhance Prep School geography lessons, as well as 24 Microsoft Pro's for the Middle School and a new disco ball for the Performing Arts Centre.

**EMPLOYMENT POLICIES AND SAFEGUARDING**

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

Employees are made aware of the financial and economic performance of the School. Communication with employees continues through normal management channels in a variety of forms.

The Governors are committed to safeguarding and promoting the welfare of the pupils and expect the staff and volunteers to share this commitment. All those who work or assist in the School undergo the necessary regulatory checks, and the panel that interviews them will contain at least one member who has successfully undertaken an appropriate course of Safer Recruitment.

## STRATEGIC REPORT

### ACHIEVEMENTS AND PERFORMANCE

At the end of August 2023, we had 500 pupils on roll.

#### Academic

Our Class of 23 headed to 17 different schools across the country after every child gained places at their first-choice senior school.

This year 50% of our Year 8 cohort were awarded scholarships by 11 senior schools across the country. Five pupils were awarded academic scholarships, our highest figure yet, and there were impressive results from our dedicated art, drama, sport and music scholarship programmes:

- 7 out of 8 art scholars who applied for senior school art scholarships were successful;
- 100% success for our music scholars;
- 6 out of 9 sports scholars who applied for senior school scholarships were successful; and
- 5 out of 7 drama scholars were successful.

Awarding schools included: Oundle, Millfield, Haileybury, Rugby School, Uppingham, Felsted, Ampleforth, The Leys, Bishop's Stortford College, Framlingham College and St Francis College

#### Sport

**Football:** Playing with your feet is one thing, but playing with your heart is another. That certainly rings true for our U13A football team this year who led the way in all their fixtures with pride and passion. They had a fantastic season, with many notable wins against local senior schools. The climax of the season was seeing the boys make it all the way to the ISFA Shield Quarter Finals in a thrilling cup run.

It was great to see the development in our football throughout the Prep School with both our U11A and U13A teams making the plate and cup knockout stages of their respective competitions at the IAPS regional finals. It was also a first of many seasons to come for the girl's football team, who represented the School at both the ISFA and the Presdales' Barclays Girls Football Tournament where they were crowned champions of the district. The development of girl's football is firmly on the Heath Mount agenda, and we look forward to the introduction of more fixtures next year.

**Hockey:** The children have enjoyed their various playing opportunities on the hockey fields this year. From indoor to outdoor styles, the pupils have relished the chance to play matches and take part in both lunch time and after school clubs. Both the boys' and girls' teams, proudly represented the school at IAPS finals, with the U12A girls' team finishing runners up in the National Bowl competition. The U11A girls' team also came runners up at the county finals, therefore making it to the regional finals where they lost on very close penalty flicks in the semi-finals. As well as the outdoor success, we have seen increasing momentum for indoor hockey, where new competitions are on the cards for both boys and girls next year. Our U10A girls' team have already enjoyed a taste of competitive and fast-paced indoor hockey, winning the U10 Haileybury indoor shield. A good stick season all round for our pupils.

### *Rugby*

It has certainly been one of our best seasons on record for Heath Mount rugby. Our U10A-U13A teams were all undefeated against fellow co-ed prep schools on the circuit, a fine achievement for Heath Mount. The boys thoroughly enjoyed getting stuck into 7s tournaments across the county which provided some invaluable experience and special memories to boot, especially at Richard Hale, Verulam and Haberdashers 7s competitions. The performance of the year had to be our U13A side's victory against an impressive Lochinver House team; it marked the first time that Heath Mount has won against this all-boys prep school in over 15 years.

### *Cricket*

All our pupils had the opportunity to represent the School in cricket this year in varying formats while constantly developing and refining their skills in games lessons. For the first time in the school's history, Heath Mount put out an U10A girls' hardball team which represented the school at the Bancroft's Hardball Tournament. The girls played up a year alongside the Year 5 boys' hardball team and both teams came a commendable 3<sup>rd</sup> and 5<sup>th</sup> respectively, competing against twelve other schools. Other highlights include many of our boys and girls being selected for county squads and our impressive U12A boys' team finishing as runners up in the St Albans cricket tournament.

In the boys' County Cup, Heath Mount enjoyed memorable victories against St. Columba's College and Aldenham School. Our Colts A cricket side enjoyed a fantastic season, winning every game when playing as a Year 5 and Year 6 combined 11-a-side team. There was more tournament success when our U11A girls finished 4<sup>th</sup> at the IAPS regional cricket finals and runners up at the Haileybury indoor tournament. Our U10A girls also achieved bronze medals at the Haileybury Super Sixes.

It was our U13A girls' indoor side, however, that had our most memorable cricket journey this year. They won the Hertfordshire County Indoor Heats and Finals before travelling to the home of Surrey Cricket to represent Hertfordshire at the Regionals where they made it all the way to the semi-final.

There have been various enrichment opportunities during the year with visiting professional cricketers and our senior boys and girls were lucky enough to enjoy masterclasses at Haileybury and Wellington College respectively, completing drills and gaining valuable insights.

### *Netball*

Heath Mount dared to dream the impossible dream on the netball courts this year. For a small prep school from Hertfordshire to be one of only two schools in the country to make it to 3 national finals, then for all three of our U11A, U12A and U13A teams to finish in the top 10, was quite simply a dream come true. Congratulations to our U13A girls who were also crowned National Plate Champions.

The U11A girls, who are the IAPS regional champions, also brought home the trophies from tournaments held by Beechwood Park and Millfield in what was an outstanding season for them. Further down the school our U10A girls seemingly had the Midas touch; winning the treble of the Belmont, Haileybury and Cheltenham College Tournaments.

Many of our netballers now play at county level and this year two of our Year 8 pupils were selected for U15 Saracens Mavericks Futures pathway.

At the Netball East ONE awards, we were proud that our Head of Girls' Games was awarded Teacher of the Year.

### *Athletics*

Once again we were proud to have pupils qualify for the National Athletics Finals. One Year 8 pupil, returned once again in the 1500m and finished in silver medal position whilst a Year 7 pupil, qualified for the high jump.

At the Eastern Area Championships for pupils in Years 4 and 5, the school teams performed brilliantly. It turned out to be a particularly superb afternoon for one pupil who won the 200m, finished 2<sup>nd</sup> in the 100m and was part of the Year 5 boys' team to win gold in the 4 x 100m relay. Two Year 5 pupils' also won gold in their 800m and 100m events. All three show huge potential to go to national level next year. Our Year 4 boys also came away with silver medals in their relay race.

Athletics has become increasingly popular at Heath Mount and we were delighted to see so many pupils turn up to Athletics Club throughout the summer term, all looking to run faster, jump higher and throw further!

### *Cross Country*

Early into the Lent term our runners produced many fine performances at local inter-schools' events. Heath Mount's U9 girls' team won the Beechwood Park annual event, with one pupil finishing in 1<sup>st</sup> place. A Year 8 pupil also stormed to victory in the U13 race. We enjoyed further successes at Westbrook Hay for the Herts Prep Schools' Championships with impressive individual winners both U9 boys and U11 girls winning in their age section and bringing home the shields.

At the Herts Schools' Championships at St Albans, our Year 5 boys finished 3<sup>rd</sup> in the team event with one pupil finishing 5<sup>th</sup> and thus qualifying for the Hertfordshire Cross Country team. He went on to finish a brilliant 15<sup>th</sup> out of 150 runners at the Nationals and took home a gold medal as part of the County team. Another pupil again ran well at St Albans to also run at National level in his age group. A fantastic cross-country season ended with Heath Mount's House Cross Country event on the spectacular Woodhall Estate just before Easter.

### *Swimming*

It was another busy and successful year in the pool. Pupils competed in various galas against other local independent schools and took part in House Swimming Galas throughout the year. This year a total of 12 pupils qualified for the IAPS Swimming Finals (one of our best years ever). The children enjoyed the opportunity to compete at the iconic London Aquatic Centre! Three pupils finished in the top 10: with a 2nd in the 50m mixed freestyle para event, a 5th in 25m U10 breaststroke, and an 8th in the 50m U11 butterfly.

### *Sport Alumni News*

We were thrilled to hear that former Heath Mount pupil Emilio Ballard-Matthews had signed a 4-year deal with Wolves (Wolverhampton Wanderers FC), including a one-year scholarship and two-year professional contract. Emilio has already made it onto the bench for the first team having just turned 15 and was also selected to represent England at U16 level playing against Italy this summer.

We were also proud to hear that former Heath Mount pupil and rugby star Sam Harris had won the Bath Rugby Breakout player of the season and was selected for the U20 England team for the World U20 championships in South Africa.

### *Sports Staff Hit the International Stage*

It's not just our pupils who made their mark in the sporting arena this year. A member of staff was selected to be part of the England team at the Hockey Masters World Cup in Tokyo, playing at the Olympic venue and returning to Heath Mount with a silver medal.

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In addition, shortly after joining us, a Year 3 form teacher was off to New Zealand as part of team USA in the Women's Rugby World Cup. She also captains the Women's Saracens team and zoomed in with her class from the other side of the world to let them know how she was getting on.

#### Music

This year the music department at Heath Mount has continued to go from strength to strength. Pupils have been offered an extensive range of performance opportunities including class concerts, scholar recites, ensemble concerts, charity performances and of course our epic Summer Concert which concluded the academic year.

We continue to be proud of the huge numbers of children making progress on their instruments and it is a privilege to encourage and inspire a new generation of outstanding musicians. Over 80% of our pupils currently learn a musical instrument in school. New this year is the opportunity to learn the oboe.

Key statistics include:

- 450 instrumental lessons take place each week;
- 80% of pupils learn at least one instrument;
- 16 visiting music teachers;
- 15 orchestras, choirs and ensembles to join in Years 3 – 8;
- 18 instruments available to learn;
- 9 children accepted into the National Youth Choir; and
- 4 pupils are currently part of the National Children's Orchestra or Concert Band.

Our newest ensemble is the fun and energetic **Percussion Ensemble**. This group encapsulates the energy and excitement of making music at Heath Mount. Additionally, we have been excited to introduce the **Heath Mount Symphony Orchestra**. This group has become our flagship ensemble and has performed larger works such as the famous four-movement *Peer Gynt Suite*.

Every December we have the opportunity to hold our Christmas Carol Service in the majestic surrounds of Haileybury Chapel. As ever, this year's service provided a reflective and joyful end to the Michaelmas term, with traditional readings, congregational carols as well as stunning choral pieces from the choirs. The service ended with a rousing Christmas arrangement from the Concert Band.

Orchestras and Ensembles Concert - The first concert opportunity for the Orchestras and Ensembles takes place every January. Heath Mount has 11 different instrumental groups ranging from our Intermediate Orchestra to the most advanced Chamber Strings, Concert Band and the Symphony Orchestra. There was a great sense of both collaboration and community throughout the evening. Playing in an ensemble helps musicians to further their progress and encourages all our children to grow into well rounded musicians.

The diverse programme included a regal performance of 'The Hallelujah Chorus', the technically challenging *Palladio* by Karl Jenkins and the *Star Wars Theme*. Our new Symphony Orchestra concluded the evening with an outstanding performance of Tchaikovsky's *Romeo and Juliet Overture*. This technically difficult work was played with incredible maturity and showed just how far these instrumentalists have come in their musical journey at Heath Mount.

Bax Choir were honoured to host a charity concert at All Saints Church in Hertford to launch the School's new charity partnership with **Twende Education For All**. It was a privilege to sing alongside the City of Cambridge Brass Band and professional singer Anthony Harris. Pupils sang popular classics with Anthony such as *You Raise Me Up*, *Go the distance* from *Hercules* and were part of the outstanding finale of *There Can Be Miracles* from *The Prince of Egypt*.

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As part of the Year 7 and 8 music scholarship programme, our music scholars headed to one of London's most famous landmarks to attend the final concert for the Music for Youth Proms. The thrilling concert included performances on steel pans and harps and songs from some outstanding pop and rock choirs.

29 eager Heath Mount musicians made their way to Uppingham for the 2023 Prep Schools Orchestral Day. This year's theme was 'Lights, Camera, Action!' The day started with sectional rehearsals before the whole orchestra (made up of 215 children) came together to perform classic film soundtracks including '*My Heart Will Go On*' (from *Titanic*) and '*The Great Escape*'.

At our Pre-Prep Summer Celebration, parents were treated to an uplifting programme of music in the Performing Arts Centre which reminded us of the amazing musical talent being nurtured within the Pre-Prep.

In the final week of the school year, parents were treated to a patriotic programme of music in the Performing Arts Centre. The Music Department Summer Concert, held over two evenings, showcased the talent and diverse repertoire of our musicians in Years 3-8. The number of children playing brass, wind and percussion instruments has grown considerably in recent years and this was evident in performances from Wind Band, Jazz Band and our Concert Band.

During the evening we were also entertained by our talented string ensembles. Junior Strings performed *Aeroplanes* complete with 'flying' choreography, Senior Strings gave the audience an impressive rendition of Holst's *The Planets* while Chamber Strings provided an inspiring and challenging performance of Vivaldi's *Spring*.

There was also beautiful singing from Heath Mount's four choirs. This year has seen the inclusion of lower male voices in our Bax Consort and Bax Choir which has added to the stunning range of harmonies on display. Our New Choral Director ensured a varied repertoire for our Chamber Choir, Bax and Bax Consort singers that encompassed impressive a capella singing, soaring anthems and satirical pieces, too. Bax Choir's Science Song featured the mind-bogglingly long word: paradichlorodiphenyltrichloroethane. Our award-winning singers also performed the joyous *Hine Ma Tov* in Hebrew and the soaring anthem, *Wings*, by Carl Strommen.

The whole evening was rounded off with all 250 instrumental players and singers coming together to perform *Long Live Heath Mount* (based on the tune of *Rule Britannia*) and a 'Last Night of the Proms' favourite, *Land of Hope and Glory*. The finale was full of pomp and circumstance and goes down as one of our most spectacular finales ever!

#### Art

We had a superlative Year 8 scholarship group this year resulting in some stunning portfolios and eight scholarship awards to different senior schools. Their artworks have been displayed and enjoyed by so many around the school including their wonderful anthropomorphic paintings.

Pupils across the school enjoyed the opportunity to work in a huge range of media from clay and modroc to animation and acrylics. They have studied a diverse selection of artists including Clementine Hunter, Kandinsky and Monet and our Year 7 art scholars even discovered the Japanese art of stone-wrapping. Our hugely popular range of after-school art clubs provided plenty of opportunity for the children to extend themselves and grow their passion for art.

The art department has enjoyed more competition success this year. We were thrilled that our Year 6 collaborative artwork 'Nice Weather for Ducks' was chosen to be displayed both online and at the Royal Academy of Arts Young Artists' Summer Show in Mayfair. Chosen from over 21,000 submissions, the ducks are one of just 250 artworks on display and one of 478 chosen for the online exhibition. It is the third time ceramic work from the School's classes has been chosen to feature at The Royal Academy.

## HEATH MOUNT SCHOOL TRUST LIMITED

### ANNUAL REPORT OF THE GOVERNORS

#### FOR THE YEAR ENDED 31 AUGUST 2023

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This year's competition theme from Hertfordshire's countryside charity (CPRE) was 'hedgerows up close,' encouraging primary school age children to think about all the things that live in the hedgerow and the benefits of being outside. One of our talented Year 5 artists won in her age group category.

Hertfordshire County Council ran an art competition for schoolchildren to create an artwork celebrating the completion of a new off-road cycle track as part of improvements to the A602 Ware Road. A Year 4 pupil won in her age category with her pop-up artwork, while another Year 4 pupil won second prize and a Year 3 pupil was highly commended. We were delighted to welcome Councillor Bibby to Heath Mount in the summer term to present them with their prizes.

Pupils in IAPS member schools were asked to draw, paint, make or create art that related to the theme of 'The Environment' and demonstrated their feelings about the natural world and sustainability. A Year 6 pupil was highly commended in the Years 5-6 category for her jigsaw-style piece 'Saving Wildlife – The Puzzle'.

#### **Drama**

As ever, our Pre-Prep Christmas shows spread plenty of festive cheer. Weekly drama lessons are now provided for children in Year 1 upwards and it was clear to see the children's growing confidence on stage.

Prep School productions this year included Year 4's Dragon Days, Year 5's Shakespeare Showcase, Year 6's musical *The Wind In the Willows*, Year 7's *The Lion the Witch And The Wardrobe*, and the poignant Year 8 drama scholars' production of *DNA*. These challenging and beautifully imagined ensemble productions allowed every child to gain a moment in the spotlight. In each of these performances, the children not only brought their characters to life but also played key roles in stage management – a responsibility that they relished.

This year was a very successful one for our Drama Scholarship Programme, with drama scholarships awarded by Rugby, Oundle, Haileybury and Millfield.

#### **Development**

There have been several major building projects completed by our in-house team this year to enhance our school environment. We are grateful for their superb and highly skilled craftsmanship, and to our dedicated grounds staff for bringing so many ambitious projects to life.

Class 4K were excited to start the year in a brand-new classroom. Perfectly in sync with the natural surroundings and existing Lower School site, the classroom is a fantastic addition to our modern, bright facilities. New pathways linking the Lower School area to the Prep School and extra car park lighting have also been added.

After many months of planning and detailed carpentry work, our renovated Beaton Library was completed to coincide with World Book Day. The focal point is a beautiful central table for reading, surrounded by curved bookcases. What a tranquil and inspiring space to disappear into a good book.

The Performing Arts Centre received a refresh in the form of a stunning oak-topped bar area which has been in regular use thanks to our busy programme of shows and concerts. A small office was also created for our Head of Drama.

A contemplative Reflection Area with water feature was built opposite the Performing Arts Centre to provide a dedicated space to sit and remember former pupils, staff and governors who have sadly passed away.

With a triple tower walkway, slide, tunnels, climbing wall, club house and more, Hugh's Garden is a fun-filled addition to our Pre-Prep play facilities and a wonderful tribute to former pupil Hugh-Menai Davis.

## HEATH MOUNT SCHOOL TRUST LIMITED

### ANNUAL REPORT OF THE GOVERNORS

#### FOR THE YEAR ENDED 31 AUGUST 2023

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In Forest School, a new sensory corner is in development. So far this includes a rustic water table which the children love to splash around in; creating dams and experimenting with different materials to see what can float and what sinks. The barefoot trail was a big hit from day one. Children can feel sand, stones, soil and more between their toes.

We also now have a bird hide for our budding ornithologists to spot native species, and a fabulous bespoke shelter where lessons can continue whatever the great British weather may bring.

#### **Marketing**

In September 2023 the School published its fifth annual School Magazine looking back at the achievements of the academic year. The magazine is shared with all prospective parents as well as current families.

The School's internal newsletter, The Griffin, is published weekly and averages around 1,000 views and is positively received by the parent body. The School has significantly increased the use of video footage to help engage with the parent body and increase their awareness of all that is being achieved both inside and outside of the classroom.

The School also has successful X (formerly known as Twitter), Facebook and LinkedIn pages.

We are proud to be included in the annual Tatler Schools Guide which only features the top prep and public schools in the UK. We also feature very favourably in the Good School's Guide.

#### **FINANCIAL REVIEW**

Total income for the year totalled £8,749,911 (2022: £8,234,415) and total expenditure amounted to £8,511,796 (2022: £7,907,322), resulting in a surplus of £238,115 (2022: £327,093).

The School endeavours to achieve best value for money through effective procurement and better use of school resources. Year on year we have seen a growth in income through increased pupil numbers, fees and hire of facilities.

As at 31 August 2023, the School had cash at bank and short term deposits of £2,777,918 (2022: £2,279,174).

The Governors continue to reinvest any surplus in facilities across the School and repaying the bank loans.

#### **RESERVES POLICY AND FINANCIAL VIABILITY**

The Governors carefully monitor the School's cash flow to ensure that it maintains sufficient working capital for its future operations. Their policy is normally to maintain minimum liquidity (defined as liquid assets plus undrawn credit facilities) equivalent to eight weeks' expenditure.

As at 31 August 2023 the Charitable Company had total reserves of £6,930,119 (2022:6,692,004).

## HEATH MOUNT SCHOOL TRUST LIMITED

### ANNUAL REPORT OF THE GOVERNORS

#### FOR THE YEAR ENDED 31 AUGUST 2023

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The Governors' policy is that General funds should ideally represent between four- and twelve-weeks' expenditure (£0.6m – £1.8m) but may vary outside this range depending on the status of new building development plans. As at 31 August 2023 the Charitable Company had General funds of £354,396 (2022: £1,987,391) which the Governors believe is sufficient to cover the purposes for which they are intended. The designated fund of £6,575,723 represents the reserves for Buildings and Capital expenditure.

At 31 August 2023 the School's free reserves, being total unrestricted undesigned funds less those held in fixed assets, were £354,396 (2022: £110,297)

### PRINCIPAL RISKS AND UNCERTAINTIES

The Governors consider economic and political uncertainties and the affordability of fees by parents, which affect pupil numbers across the independent sector, to be the principal risks faced by the School. The Governors believe the School remains in a strong position to withstand any short-term issues. The School focuses closely on delivering value for money to ensure that any fee rises can be kept to a minimum while continuing to deliver high educational standards. Increasing financial pressures include those from the potential Teachers Pension Scheme contribution rises, rising costs / inflation and the potential extension of Value Added Tax to school fees and create challenging times for the Independent sector. The School recognises the need to reduce costs where possible.

#### *Risk Management*

The Governors are satisfied that the major risks have been identified and mitigated through the established risk management processes. It is recognised that systems can only provide reasonable but not absolute assurance that the major risks have been adequately managed.

The Board of Governors has overall responsibility for the identification and management of risks. The School maintains a detailed risk register of the principal risks and uncertainties facing the Charity and this is regularly reviewed by the Governors. The key controls used by the Charity include:

- The Strategy committee's responsibility for reviewing the School's overall strategic direction and plan, and delegating to the Senior Management team for delivery;
- The Governance committee's oversight of the Schools's policies;
- Allocation of risks to individual sub committees for review;
- Use of agendas and minutes for all meetings of the Governing bodies and its sub-committees;
- Comprehensive strategic planning to inform the budget and development processes;
- Formal written policies; and
- A safer recruitment process which includes a Disclosure and Barring service check and references for all those who come into regular contact with our pupils.

### GOING CONCERN

The financial statements of the School have been prepared on the basis that the School is a going concern and will continue operations for the foreseeable future.

### FUTURE PLANS

The School continues to invest in its staff and infrastructure as well as working closely with the Woodhall Estate on our Landscape Masterplan which forms the basis of our long term Strategic Development Plan. The primary focus for next year involves the redevelopment of the 1<sup>st</sup> floor of the sports hall, changing the layout and creating

## HEATH MOUNT SCHOOL TRUST LIMITED

### ANNUAL REPORT OF THE GOVERNORS

#### FOR THE YEAR ENDED 31 AUGUST 2023

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a few self-contained changing facilities on the ground floor as well as new bag storage facilities behind the sports hall. We are also planning to redevelop the swimming pool complex, coinciding with the redevelopment of the loft space in the Pavilion. We are also planning to continue our rolling maintenance/upgrading program on the Main House, including the repair and reinstatement of the ground floor and first floor sash windows, and continued upgrades to the roads and pathways. This is in addition to other smaller projects to support the overall development of the School site.

The focus remains firmly on maintaining our academic expectations across the board to ensure that every pupil reaches his/her full potential. We will also be investing in upgrades to existing infrastructure and placing even more emphasis on targeting pastoral well-being.

#### STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governors (who are also the directors of Heath Mount School Trust Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards). The Governing Body members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period.

In preparing these financial statements, the Governing Body members are required to:

- select the most appropriate accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable 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 business.

The members of the Governing Body are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions, 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 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### *Relevant audit information*

Insofar as each of the Governors, as directors of the Charitable Company, at the date of approval of this report is aware there is no relevant audit information (information needed by the Charitable Company's auditor in connection with preparing the audit report) of which the Charitable Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Charitable Company auditor is aware of that information.

This report, which incorporates the Strategic Report, was approved by the Governors on 6 December 2023 and signed on its behalf by



Mrs Juliette Hodson  
Chair of Governors

## HEATH MOUNT SCHOOL TRUST LIMITED

### INDEPENDENT AUDITORS REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

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#### Opinion

We have audited the financial statements of Heath Mount School Trust Limited for the year ended 31 August 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 August 2023 and of the Charitable Company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Governors' 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 Governors with respect to going concern are described in the relevant sections of this report.

#### Other information

The Governors are responsible for the other information. The other information comprises the information included in the Annual Report of the Governors.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the

## HEATH MOUNT SCHOOL TRUST LIMITED

### INDEPENDENT AUDITORS REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

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work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- the information given in the Annual Report of the Governors (which includes the strategic report and the Directors' Report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Annual Report of the Governors has 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 Annual Report of the Governors (which incorporates the strategic report and the directors' 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 by the Charitable Company; or
- the Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

#### **Responsibilities of Governors for the financial statements**

As explained more fully in the Governors' responsibilities statement set out on page 13, the Governors (who are also the directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors 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 Governors 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 Governors 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:

**HEATH MOUNT SCHOOL TRUST LIMITED**

**INDEPENDENT AUDITORS REPORT**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulations 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Companies Act 2006 and consider other factors such as payroll taxes.

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 improper recognition of income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted at the year end; and
- Challenging assumptions and judgements made by management in their accounting 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 for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

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



**Jane Askew (Senior Statutory Auditor)  
for and on behalf of Haysmacintyre LLP, Statutory Auditor**

**10 Queen Street Place  
London EC4R 1AG**

**Date:** 12 December 2023

HEATH MOUNT SCHOOL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2023

(Incorporating Income & Expenditure Account)

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<b>INCOME FROM</b>					
<b>Charitable Activities</b>					
School fees	2	8,532,689	-	8,532,689	8,074,904
Ancillary trading income	3	152,133	-	152,133	142,628
<b>Other Trading Activities</b>					
Other income	4	16,174	-	16,174	16,539
<b>Investment Income</b>					
Bank and other interest	5	23,785	-	23,785	338
<b>Income from Donations and Grants</b>					
Government Grants and Donations	6	25,130	-	25,130	6
<b>TOTAL INCOME</b>		<u>8,749,911</u>	<u>-</u>	<u>8,749,911</u>	<u>8,234,415</u>
<b>EXPENDITURE</b>					
<b>Raising Funds</b>					
Financing Costs	7	65,864	-	65,864	44,530
<b>Charitable Activities</b>					
Education and grant making	8	8,445,932	-	8,445,932	7,862,792
<b>TOTAL EXPENDITURE</b>		<u>8,511,796</u>	<u>-</u>	<u>8,511,796</u>	<u>7,907,322</u>
<b>NET INCOME BEFORE TRANSFERS</b>		<u>238,115</u>	<u>-</u>	<u>238,115</u>	<u>327,093</u>
<b>Transfer between funds</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS AFTER TRANSFERS</b>		<u>238,115</u>	<u>-</u>	<u>238,115</u>	<u>327,093</u>
<b>RECONCILIATION OF FUNDS</b>					
Funds as at 1 September 2022		<u>6,692,004</u>	<u>-</u>	<u>6,692,004</u>	<u>6,364,911</u>
<b>FUNDS CARRIED FORWARD AT 31 AUGUST 2023</b>	16	<u><u>6,930,119</u></u>	<u><u>-</u></u>	<u><u>6,930,119</u></u>	<u><u>6,692,004</u></u>

The notes on pages 25 to 37 form part of these financial statements.

HEATH MOUNT SCHOOL TRUST LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023		2022	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	11		6,575,723		6,581,709
<b>CURRENT ASSETS</b>					
Stock		535		1,342	
Debtors	12	358,891		560,413	
Cash at bank and short-term deposits		2,777,918		2,279,174	
		<u>3,137,344</u>		<u>2,840,929</u>	
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(1,863,570)</u>		<u>(1,643,611)</u>	
<b>NET CURRENT ASSETS</b>			<u>1,273,774</u>		<u>1,197,318</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			7,849,497		7,779,027
<b>CREDITORS: amounts falling due after more than one year</b>	14		<u>(919,378)</u>		<u>(1,087,023)</u>
<b>NET ASSETS</b>			<u><u>6,930,119</u></u>		<u><u>6,692,004</u></u>
<b>FUNDS</b>					
Unrestricted funds:					
General fund	16	354,396		1,987,391	
Designated funds	16	6,575,723		4,704,613	
Restricted funds	16	<u>-</u>		<u>-</u>	
<b>TOTAL FUNDS</b>			<u><u>6,930,119</u></u>		<u><u>6,692,004</u></u>

The financial statements were approved and authorised for issue by the Board of Governors on 6 December 2023 and were signed below on its behalf by:



Juliette Hodson  
Chair of Governors



James Steel  
Chair of Finance Committee

The notes on pages 26 to 39 form part of these financial statements.

**HEATH MOUNT SCHOOL TRUST LIMITED**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

		2023		2022	
		£	£	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
<b>Net cash inflow from operations</b>					
Net cash provided by operating activities	18		1,128,362		749,559
<b>Cash flows from investing activities</b>					
Payments to acquire tangible fixed assets		(419,894)		(391,925)	
Investment income		23,785		338	
<b>Net cash used in investing activities</b>			(396,109)		(391,586)
<b>Cash inflow before financing</b>			732,253		357,972
<b>Cash flows from financing activities</b>					
Repayments and bank borrowing		(167,645)		(503,783)	
Finance costs paid		(65,864)		(44,530)	
<b>Net cash outflow from financing</b>			(233,509)		(548,313)
<b>Change in cash and cash equivalents in the reporting period</b>			498,744		(190,340)
<b>Cash and cash equivalents at the beginning of the reporting period</b>			2,279,174		2,469,515
<b>Cash and cash equivalents at the end of the reporting period</b>			2,777,918		2,279,174

<b>RECONCILIATION OF NET DEBT</b>	<b>1 September 2022</b>	<b>Cash-flows</b>	<b>Other Non-Cash changes</b>	<b>31 August 2023</b>
	£	£	£	£
Cash	2,279,174	498,744	-	2,777,918
Loans falling due within one year	(191,111)	-	-	(191,111)
Loans falling due after more than one year	(1,087,023)	167,645	-	(919,378)
<b>Total</b>	<b>1,001,040</b>	<b>666,389</b>	<b>-</b>	<b>1,667,429</b>

The notes on pages 25 to 37 form part of these financial statements.

# HEATH MOUNT SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice for Charities (SORP) (Second Edition, effective 1 January 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 3 July 1970 (company number: 983758) and is also registered as a charity number 311069.

##### **Critical accounting judgements and key sources of estimation uncertainty**

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

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

The Governors consider the following items to be areas subject to estimation and judgement:

##### ***Depreciation:***

The useful economic lives of tangible fixed assets are based on management's judgement and experience. When management identifies that actual, useful economic lives differ materially from the estimates used to calculate depreciation, that charge is adjusted prospectively. Although tangible fixed assets are significant, variances between actual and estimated useful economic lives will not have a material impact on the operating results. Historically, no changes have been required.

##### ***Bad debt provision:***

The recoverability of debtors is assessed and a provision against doubtful debts is included based on management's judgement and experience.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

##### 1.2 Going concern

At the time of approving the financial statements the Governors have assessed the Charity's forecasts and plans for the coming twelve months. They have concluded that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future. Thus the Governors continue to adopt the going concern basis of accounting in preparing the financial statements and have concluded that there are no material uncertainties at this time.

The following principal accounting policies have been applied:

##### 1.3 Income

All income is recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Interest is included on an accruals basis.

# HEATH MOUNT SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### **Donations and legacies and other voluntary income**

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Donations received for the general purposes of the School are credited to Unrestricted Funds. Donations subject to the specific wishes of the donors are credited to the relevant Restricted Funds.

Legacies are recognised when the School has entitlement to the funds, the amount can be reliably quantified and the economic benefit to the School is considered probable. Entitlement is the earlier of the School being notified of an impending distribution or the legacy being received.

Government revenue grants are recognised on a systematic basis over the periods in which the School recognises the related costs for which the grant is intended to compensate.

#### **Fees and similar earned income**

Fees receivable and charges for services and use of the premises are accounted for in the year in which the services are provided. Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the School.

Registration fees are non-refundable and are credited to income when received.

Deposits are included as a liability until refunded or, on ceasing to be refundable, are credited to income. Advance fees are credited to income as and when the fees fall due.

#### **1.4 Expenditure**

Expenditure is accounted for on an accruals basis where there is a legal and constructive obligation to make a payment to a third party and the amount of the obligation can be measured reliably. Expenditure is allocated to the appropriate headings relevant to the charitable activities on a direct basis. Support costs mainly represent office administration. Irrecoverable VAT is charged to the Statement of Financial Activities as incurred. Governance costs comprise the costs of running the School, including strategic planning for its future development, external audit, legal advice and all the costs of complying with constitutional and statutory requirements. Charitable expenditure represents the costs of running the School including salaries, catering, premises and welfare costs. Costs of raising funds include non-ancillary trading, financing, investment management and fundraising and development costs.

#### **1.5 Tangible fixed assets**

All fixed assets are initially recorded at cost. Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £5,000 together with expenditure on vehicles, furniture, machinery, ICT infrastructure and other equipment costing more than £500 is capitalised and carried in the balance sheet at historic cost.

#### **1.6 Depreciation**

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

Buildings	-	4-50 years
Leasehold improvements	-	4-50 years
Fixtures, fittings and equipment	-	2-10 years

#### **1.7 Operating lease agreements**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly amortised on a straight-line basis over the lease term.

## HEATH MOUNT SCHOOL TRUST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1.8 Fund accounting

The School has different types of funds;

- Restricted – where the purpose for which the funds may be used has been restricted by donors; and
- Unrestricted – where the fund is not restricted as to use other than in furthering the objects of the School. These include Designated Funds, where the funds are unrestricted but the Governors have designated them for a specific purpose.

#### 1.9 Financial instruments

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

##### Cash and cash equivalents

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

##### Debtors and creditors

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

##### Bank borrowing

Liabilities for borrowings which are subject to a market rate of interest are measured at the value of the amount advanced, less capital repayments.

#### 1.10 Advanced fee funds

The Charity has an advance fees scheme whereby parents and others make advance payments, which together with the discount accruing thereon, provide for a set contribution each term towards the pupils' fees. The capital portion outstanding is recognised as a liability and the amount of discount crystallised in the year is included in the Statement of Financial Activities.

#### 1.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the School a legal or constructive obligation that probably requires settlement by a transfer of economic benefits, and a reliable estimate can be made of the amount of the obligation.

#### 1.12 Staff benefits including pension costs

The School contributes to the following schemes:

- i. The Teachers' Pension Scheme. This is a multi-employer pension scheme and it is not possible to identify the School's share of the underlying assets and liabilities on a consistent and reasonable basis. As required by FRS 102, the School therefore accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.
- ii. A contributory Group Personal Pension Plan. This is a defined contribution scheme, contributions to the plan are made in accordance with the rules of the plan and are charged to expenditure when they are payable. Pension costs are charged as a percentage of salaries and paid over to the Pensions Trust on a monthly basis.

##### Short term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

##### Employee termination benefits

Termination benefits are accounted for on an accruals basis and in accordance with FRS 102.

HEATH MOUNT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

2. CHARITABLE ACTIVITIES – SCHOOL FEES	2023 £	2022 £
Fees	8,930,606	8,405,984
Boarding fees	107,823	111,338
	<u>9,038,429</u>	<u>8,517,321</u>
<b>Gross fees</b>	<b>9,038,429</b>	<b>8,517,321</b>
Bursaries	(204,604)	(176,062)
Scholarships	-	(3,883)
Other fee discounts	(301,136)	(262,473)
	<u>8,532,689</u>	<u>8,074,904</u>

Bursaries totalling £204,604 were paid to 18 pupils (2022: £176,062 to 20 pupils).

Scholarship payments totalling £Nil were paid to Nil scholars (2021: £3,883 to 5 scholars).

3. ANCILLARY TRADING INCOME	2023 £	2022 £
Registration fees	5,600	6,300
School trips and activities	106,367	102,534
Other income	40,166	33,793
	<u>152,133</u>	<u>142,628</u>

4. OTHER INCOME	2023 £	2022 £
Lettings	13,440	14,466
Transport (losses)/recoveries	2,050	1,424
Catering recoveries	684	649
	<u>16,174</u>	<u>16,539</u>

5. BANK AND OTHER INTEREST	2023 £	2022 £
Bank interest receivable	23,785	338
	<u>23,785</u>	<u>338</u>

HEATH MOUNT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

<b>6. GRANTS AND DONATIONS</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Donations	25,130	6

<b>7. FINANCE AND OTHER COSTS</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bank charges and interest	65,864	44,530

<b>8. ANALYSIS OF EXPENDITURE</b>				<b>2023</b>	<b>2022</b>
	<b>Staff costs</b>	<b>Other</b>	<b>Depreciation</b>	<b>£</b>	<b>£</b>
	<b>£</b>	<b>£</b>	<b>£</b>		
<b>Charitable expenditure:</b>					
School activities					
Teaching	4,696,839	223,683	34,572	4,955,094	4,836,094
Welfare	267,780	563,649	-	831,429	926,910
Premises	217,631	839,513	342,503	1,399,647	1,027,385
Support and governance costs	694,536	516,421	48,805	1,259,762	1,072,403
Total	5,876,786	2,143,266	425,880	8,445,932	7,862,792

Support costs include governance costs related to the one activity of running the School. Governance costs total £17,735 (2022: £18,343) and include the audit fee. Other support costs comprise:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Legal and professional fees	113,213	79,755
Telephones, postage, stationery and other costs	264,557	235,175
Advertising, marketing & PR expenditure	54,149	47,519
Transport, trips including related costs	79,907	62,368
Other costs	4,595	11,359
Total	516,421	436,176

**HEATH MOUNT SCHOOL TRUST LIMITED**

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

**COMPARATIVE FIGURES: ANALYSIS OF EXPENDITURE**

<b>Charitable expenditure:</b>	<b>Staff costs</b>	<b>Other</b>	<b>Depreciation</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
School Activities				
Teaching	4,597,532	205,000	33,561	4,836,094
Welfare	166,698	760,212	-	926,910
Premises	185,553	535,626	306,206	1,027,385
Support and governance	584,121	436,176	52,106	1,072,403
	<u>5,533,905</u>	<u>1,937,014</u>	<u>391,873</u>	<u>7,862,792</u>

**9. STAFF COSTS**

**Total staff costs comprised:**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,691,548	4,396,883
Social security costs	464,685	450,518
Pension contributions	720,553	686,504
	<u>5,876,786</u>	<u>5,533,905</u>

Total staff costs include £56,833 of redundancy and termination payments (2022: £nil).

One of the Governors received £781 remuneration in respect of teaching from the School or from any connected body. Total reimbursements of £Nil were made to Governors during the year (2022: £90). See note 17 for further details.

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
<b>Average number of employees in the year:</b>		
Teaching staff	108	105
Support staff	40	42
Number of staff	<u>148</u>	<u>147</u>
<b>Number of employees with emoluments in the following bands:</b>		
£60,000 - £69,999	4	2
£70,000 - £79,999	1	1
£120,000 - £129,999	1	1
	<u>6</u>	<u>4</u>

Employer pension contributions for the higher earners total £98,615 (2022: £81,718).

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Aggregate employee benefits of Key Management Personnel	<u>681,748</u>	<u>750,229</u>

HEATH MOUNT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

10. NET INCOME FOR THE YEAR		2023	2022
		£	£
This is stated after charging:			
Staff pension contributions		720,553	686,504
Depreciation		425,880	391,873
Auditors' remuneration:			
- audit of financial statements (excluding VAT)		16,675	14,500
-for other services (excluding VAT)		-	1,000

  

11. TANGIBLE FIXED ASSETS	Buildings	Short L/hold Improvements	Motor Vehicles	Furniture and Equipment	IT	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 September 2022	8,417,548	1,938,005	199,291	419,375	686,574	11,660,793
Additions	-	328,328	2,131	9,129	80,306	419,894
Written off	(278,858)	(1,191,454)	(113,426)	(235,104)	(556,795)	(2,375,637)
Disposals	-	-	-	-	-	-
At 31 August 2023	8,138,690	1,074,879	87,996	193,400	210,085	9,705,050
<b>Depreciation</b>						
At 1 September 2022	2,503,569	1,484,138	153,185	348,826	589,366	5,079,084
Charge for the year	223,563	105,758	13,182	34,572	48,805	425,880
Written off	(278,858)	(1,191,454)	(113,426)	(235,104)	(556,795)	(2,375,637)
Disposals	-	-	-	-	-	-
At 31 August 2023	2,448,274	398,442	52,941	148,294	81,376	3,129,327
<b>Net Book Value</b>						
At 31 August 2023	5,690,416	676,437	35,055	45,106	128,709	6,575,723
At 31 August 2022	5,913,979	453,867	46,106	70,549	97,208	6,581,709

  

12. DEBTORS	2023	2022
	£	£
School fees	138,809	433,938
Prepayments	120,455	101,541
Other debtors	99,627	24,934
	358,891	560,413

  

13. CREDITORS: amounts falling due within one year	2023	2022
	£	£
Bank loans	191,111	191,111
Trade creditors	124,122	115,939
Michaelmas fees received in advance	846,788	880,930
Advance fee payment schemes	36,093	33,014
Pupil deposits	411,115	373,005
Other creditors	67,891	33,112
Accruals	186,450	16,500
	1,863,570	1,643,611

HEATH MOUNT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

<b>14. CREDITORS: amounts falling due after more than one year</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bank loans	919,378	1,087,023
	<u>919,378</u>	<u>1,087,023</u>
	<u><u>919,378</u></u>	<u><u>1,087,023</u></u>

**Advanced fee payments:**

Parents may enter into a contract to pay to the School up to the equivalent of five years' tuition fees in advance and the amount received forms part of the School's working capital. It is treated as deferred income, until the pupil's fees become due where upon the fees for each school term are charged against the remaining balance and taken to income.

A discount rate is agreed at the contract's inception and this is treated as a deduction from the school fee income in the relevant period. The money may be returned subject to specific conditions on the receipt of one term's notice.

Assuming pupils will remain in the School, advance fees will be applied as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
After 5 years	-	-
Within 2 to 5 years	-	-
Within 1 to 2 years	-	-
	<u>-</u>	<u>-</u>
Within one year	36,093	33,014
	<u>36,093</u>	<u>33,014</u>
	<u><u>36,093</u></u>	<u><u>33,014</u></u>

The balance represents the accrued liability under the contracts, and the movements during the year were:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Balance at 1 September 2022	33,014	60,235
New contracts	-	36,444
	<u>33,014</u>	<u>96,679</u>
Amounts utilised in payment of fees	(24,970)	(63,665)
Amounts released in respect of prior years	28,049	-
	<u>(24,970)</u>	<u>(63,665)</u>
Balance at 31 August 2023	<u>36,093</u>	<u>33,014</u>
	<u><u>36,093</u></u>	<u><u>33,014</u></u>

HEATH MOUNT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

14. CREDITORS: amounts falling due after more than one year (continued)

Bank loans:

The bank loan creditor falling due within one year and after more than one year is secured by the company and is disclosed as follows:

	2023 £	2022 £
After 5 years	506,785	563,319
Within 2 to 5 years	240,000	352,593
Within 1 to 2 years	163,333	191,111
	<u>919,378</u>	<u>1,087,023</u>
Within one year	191,111	191,111
	<u>1,110,489</u>	<u>1,278,134</u>

The bank loans, are secured by a first legal charge over the leasehold of Heath Mount School Trust Limited as follows:

- A 1<sup>st</sup> legal charge over Commercial Leasehold Property known as Land/buildings at Woodhall Park, Watton-at-Stone, Hertfordshire SG14 3NG relating to an unlimited debenture dated 27 January 2017.
- An unlimited debenture incorporating a fixed and floating charge over all property and undertaking of the Charitable Company.

During the financial year 2019/20, the School took out a Coronavirus Business Interruption Loan (CBILS) to mitigate any potential downside scenario as a result of the COVID-19 pandemic. The loan was for £500,000 over a 6 year period, with a 6 month capital repayment holiday and the interest costs covered by a Business Interruption Payment (BIP) from the Government for a period of 12 months. The interest rate is now fixed at 2.32% for the remainder of the term.

As at 31 August 2023 the balance outstanding on the CBIL loan was £203,704 (2022:£314,815) and the balance outstanding on the bank loans were £906,785 (2022:£963,319).

15. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2023, the Charitable Company had annual commitments under non-cancellable operating leases as set out below.

	Assets other than land and buildings	
	2023 £	2022 £
<b>Operating leases which expire:</b>		
Within 1 year	150,560	186,180
Within 2 to 5 year	602,240	612,620
In more than 5 years	1,957,280	2,107,840
	<u>2,709,780</u>	<u>2,906,640</u>

HEATH MOUNT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

16. STATEMENT OF FUNDS	Balance at 1 September 2022	Transfers between funds	Income	Expenditure	Balance at 31 August 2023
Unrestricted funds	£	£	£	£	£
General funds	1,987,391	(1,871,110)	8,749,911	(8,511,796)	354,396
<b>Designated funds</b>					
Building and Capital improvement fund	4,704,613	1,871,110	-	-	6,575,723
Total Unrestricted funds	6,692,004	-	8,749,911	(8,511,796)	6,930,119
Total Restricted funds	-	-	-	-	-
<b>Total Unrestricted funds</b>	<b>6,692,004</b>	<b>-</b>	<b>8,749,911</b>	<b>(8,511,796)</b>	<b>6,930,119</b>

COMPARATIVE STATEMENT  
OF FUNDS

	Balance at 1 September 2021	Transfers between funds	Income	Expenditure	Balance at 31 August 2022
Unrestricted funds	£	£	£	£	£
General funds	1,660,298	-	8,234,409	(7,907,316)	1,987,391
<b>Designated funds</b>					
Building and Capital improvement fund	4,704,613	-	-	-	4,704,613
Total Unrestricted funds	6,364,911	-	8,234,409	(7,907,316)	6,692,004
Total Restricted funds	-	-	6	(6)	-
<b>Total Unrestricted funds</b>	<b>6,364,911</b>	<b>-</b>	<b>8,234,415</b>	<b>(7,907,322)</b>	<b>6,692,004</b>

The Buildings and Capital improvement fund reflects the Charitable Company's investment in existing buildings.

17. RELATED PARTY TRANSACTIONS

For the year ending 31 August 2023, no Governor had children who were pupils at the School during the year (2022: 1). School fees paid and discounts received were at the same rate and on the same terms as for all other parents of pupils at the school and amounted to £Nil (2022: £19,185). The Governor is not involved in decision making processes relating to their own children. No Governors' children received a scholarship this year (2022: Nil). The School made one payment to a Governor amounting to £781 for teaching duties (2022: £Nil). Governors are not remunerated for their duties; however, they may be reimbursed travelling costs to attend meetings from time to time. No Governor was reimbursed £Nil for travel costs in the year (2022: £90). There were no Governor costs paid to third parties.

# HEATH MOUNT SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### FOR THE YEAR ENDED 31 AUGUST 2023

18. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2023 £	2022 £
Net income before transfers	238,115	327,093
Elimination of non-operating cash flows:		
Add: interest payable	65,864	44,530
Less: interest receivable	(23,785)	(338)
Depreciation	425,880	391,873
Decrease (increase) in debtors	201,522	(41,401)
Increase in creditors	219,959	29,145
(Increase)/decrease in stock	807	(1,343)
Net cash inflow from operating activities	<u>1,128,362</u>	<u>749,559</u>

### 19. PENSION COMMITMENTS

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £641,645 (2022: £611,255) and at the year-end £Nil (2022: £Nil) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

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

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.085 giving a total employer contribution rate of 28.68%.

#### Support Staff Pension Fund

The School operates the following schemes for non-teaching staff: The Pensions Trust Pension Scheme which is a defined contribution scheme. The School contributes up to 10% of salary and the employees contribute no less than 2% of salary. Total employer contributions for the year were £78,908 (2022: £75,249). Total contributions outstanding at 31 August 2023 amounted to £Nil (2022: £Nil).

**HEATH MOUNT SCHOOL TRUST LIMITED**

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

**20. ANALYSIS OF NET ASSET MOVEMENTS BETWEEN FUNDS**

	General £	Designated £	Restricted £	2023 £
Fixed Assets	-	6,575,723	-	6,575,723
Current Assets	3,137,344	-	-	3,137,344
Creditors: Less than 1 year	(1,863,570)	-	-	(1,863,570)
Creditors: Over 1 year	(919,378)	-	-	(919,378)
	<u>354,396</u>	<u>6,575,723</u>	<u>-</u>	<u>6,930,119</u>
	£	£	£	2022 £
Fixed Assets	1,877,096	4,704,613	-	6,581,709
Current Assets	2,870,929	-	-	2,840,929
Creditors: Less than 1 year	(1,643,611)	-	-	(1,643,611)
Creditors: Over 1 year	(1,087,023)	-	-	(1,087,023)
	<u>1,987,391</u>	<u>4,704,613</u>	<u>-</u>	<u>6,692,004</u>

HEATH MOUNT SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

21. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (2022)

	Unrestricted funds		Restricted	Total
	General	Designated	Funds	2022
	Funds	Funds		£
	£	£		
<b>INCOME FROM</b>				
<b>Charitable Activities</b>				
School fees	8,074,904	-	-	8,074,904
Ancillary trading income	142,628	-	-	142,628
<b>Other Trading Activities</b>				
Other income	16,539	-	-	16,539
<b>Investment Income</b>				
Bank and other interest	338	-	-	338
<b>Income from Donations and Legacies</b>				
Grants and donations	-	-	6	6
<b>TOTAL INCOME</b>	<u>8,234,409</u>	<u>-</u>	<u>6</u>	<u>8,234,415</u>
<b>EXPENDITURE</b>				
<b>Raising Funds</b>				
Financing Costs	44,530	-	-	44,530
<b>Charitable Activities</b>				
Education and grant making	7,862,786	-	6	7,862,792
<b>TOTAL EXPENDITURE</b>	<u>7,907,316</u>	<u>-</u>	<u>6</u>	<u>7,907,322</u>
<b>NET INCOME</b>	327,093	-	-	327,093
<b>RECONCILIATION OF FUNDS</b>				
Funds as at 1 September 2021	6,364,911	-	-	6,364,911
<b>FUNDS CARRIED FORWARD AT 31 AUGUST 2022</b>	<u>6,692,004</u>	<u>-</u>	<u>-</u>	<u>6,692,004</u>