



THE  
HAWTHORNS  
SCHOOL

## **THE HAWTHORNS EDUCATIONAL TRUST LIMITED**

(a Registered Charity and Company Limited by Guarantee)

and its subsidiary company operating as

The Hawthorns School

## **GOVERNORS' ANNUAL REPORT AND AUDITED CONSOLIDATED ACCOUNTS**

**For the year ended 31 August 2024**

Company Registration Number-00949504

Charity Commission Registration-Number-312067

The Hawthorns Educational Trust Limited

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The Hawthorns Educational Trust Limited  
**GOVERNORS' ANNUAL REPORT (incorporating a Group Strategic Report)**  
Year Ended 31 August 2024

The Governors (who are also directors of the Charity for the purposes of the Companies Act) present their Annual Report, together with the Audited Accounts of The Hawthorns Educational Trust Limited (the Company) for the year ended 31 August 2024, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts comply with the Charities Act 2011, the Companies Act 2006, the School's Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Hawthorns School was founded in 1926. The Hawthorns School Educational Trust Limited (the Trust) is a company limited by guarantee, number 00949504, and was registered at Companies House on 7 March 1969. The Trust is a registered charity, number 312067, registered at the Charity Commission on 7 May 1970. The charity is governed by its Memorandum and Articles of Association dated 7 May 1970. The charity operates The Hawthorns School, a co- educational pre-preparatory and preparatory school for pupils aged 2 to 13, in Bletchingley, Surrey.

### **Governors**

The Governors, who are the directors of the Group for the purposes of company law, and are the charity trustees, for the purposes of charity law, during the year and since, were as follows:

Mr BJC Dyer \*  
Mr LWJ Baart (resigned 31 July 2024)  
Mr RJ Buckingham \*  
Mr MJ Dockery \*  
Mr RHC Kirkland \*  
Mr HJW Oliver \*  
Mrs SE Raja \* \*\*  
Mr SJO Roche \*  
Mr DWJ Searle \* \*\*  
Mr MB Tinker \*  
Mrs BS Lee (appointed 29 August 2024)

\* Governor, director and charity trustee at date of signing these accounts.

\*\* Parent of current pupil at date of signing these accounts.

The Hawthorns Educational Trust Limited  
**GROUP GOVERNORS' ANNUAL REPORT (incorporating a Group Strategic Report)**  
Year Ended 31 August 2024

### **Governing body**

Governors are elected by the governing body. At each annual general meeting the nearest number to one third of the total Governors retire and are eligible for re-election. The Governors to retire each year are those who have been longest in office since their last election.

In order to maintain a broad skill mix, Governors are selected from a wide range of professions and, in the event of particular skills being lost due to retirement; individuals with the requisite skills are approached to offer themselves for election to the governing body.

Governors derive no financial benefit from their office other than as shown in the notes to the accounts, but are reimbursed for any travel or administrative expenses.

### **Governor induction and training**

Governor induction, following appointment, comprises the review of a portfolio of documentation covering all aspects of the Group, including the most recent audited accounts, the Memorandum and Articles of Association, copies of Board Meeting Minutes, School Prospectus, recent newsletters to parents, staff lists with responsibilities, governance documentation with sub-committee details and a copy of the Charity Commission publication, 'The Essential Trustee'.

Governors are expected to attend subcommittee meetings (depending on their skills; see subcommittee details below) as required and to attend termly Board Meetings. Governors are encouraged to visit the School during term time, to meet the pupils, Headmaster, Bursar and Senior Leadership Team.

Training, after appointment, is provided by comprehensive mailing of information relevant to the School's day to day activities and by a formal training session held each year at a board meeting. The Chairman of Governors attends an outside training course run by IAPS (Independent Association of Preparatory Schools) during the first year of office. Governors are encouraged to visit the Charity Commission website for up to date information.

Key executives, professional advisers and contact information:

Headmaster	Mr A E Floyd
Bursar and Company Secretary	Mr P I Walker (appointed 22 April 2024)
Senior Leadership Team	Mr A Duggan, Miss S C Fowler, Ms A M Gallagher, Mr M W Goldhawk, Mrs K-A Kirkman, Mr A J Morris, Mr A W Raja, Mr R Skottowe, Mrs F E Westwood.
Address and Registered Office	The Hawthorns Educational Trust Limited T/A The Hawthorns School Pendell Court Betchingley, Surrey RH1 4QJ

The Hawthorns Educational Trust Limited  
**GROUP GOVERNORS' ANNUAL REPORT (incorporating a Group Strategic Report)**  
Year Ended 31 August 2024

Bankers	Lloyds Bank plc 1 London Road Redhill Surrey RH1 1ND
Auditors	TC Group The Courtyard Shoreham Road Upper Beeding Steyning West Sussex BN44 3TN
School Website	<a href="http://www.hawthorns.com">www.hawthorns.com</a>
Email	office@hawthorns.com

### **Organisational management**

The Governors determine the general policy of the Trust. The key management personnel of the School are the Governors, the Headmaster, the Bursar and the Senior Leadership Team. The Governors meet, as a body, at least once each term. Various sub-committees meet to deal with matters during the year as required. At the date of signing these accounts the sub-committees comprise:

#### **Education subcommittee**

SE Raja (Chair), SJO Roche, the Headmaster and other senior School staff. This committee works to improve the quality of education in the School.

#### **Finance and General Purposes subcommittee**

DWJ Searle (Chairman), BJC Dyer, MJ Dockery, RHC Kirkland, Mr HJW Oliver, the Headmaster and the Bursar. This committee covers The Hawthorns Foundation, finance, estates, staffing and general management of the School.

#### **Marketing subcommittee**

BJC Dyer (Chairman), the Headmaster and other School personnel as appropriate. This committee deals with the marketing and presentation of the School.

#### **Health and Safety subcommittee**

MJ Dockery (Chairman), the Bursar and other School staff. This committee is responsible for agreeing health and safety policies and strategy across the School.

#### **Safeguarding & HR subcommittee**

RJ Buckingham (Chairman), MB Tinker, the Headmaster, the Bursar and other senior School staff. This committee is responsible for safeguarding, recruitment, welfare and retention of employees of the School.

The remuneration of the Headmaster and the Bursar is set by the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the School's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere.

## **OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

The objects are set out in the Memorandum of Association as the education of girls and boys aged 2 to 13. It is the aim of the Trust, as an independent educational establishment, to lay academic, physical and moral foundations of the highest quality. These foundations will equip the School's pupils with self-confidence and a desire to contribute to the wider community and, in preparing them for the next stage of their education, will enable them to face and overcome the many challenges of life ahead.

In setting objectives and planning activities, the Governors have given due consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging.

## **STRATEGIC REVIEW**

### **Achievements and Performance**

The School enjoyed a successful academic year with over 31% of leavers being awarded scholarships to join their senior school. School Development Plans have been focused upon the completion of a new Nursery building and the extension of nursery provision.

In the School, Pupils have continued to enjoy success in a wide variety of sports, activities, and creative pursuits. The all-round education that the Hawthorns seeks to deliver continues to result in high levels of pupil success.

Efforts continue to ensure that no suitable pupil is denied an education at the School on the grounds of affordability. Accordingly, the Governors are pleased to offer means-tested bursaries (assisted places) to parents with limited income. During the year bursary awards were made to 8 pupils (2023: 11) and their value was £89,011 (2023: £118,560).

### **Post Balance Sheet event**

The Governors are considering a strategic alliance with Caterham School. Significant recent external events, including the imposition of VAT on school fees, the removal of business rates relief and increases in costs of employing staff have given the School significant challenges which are best met from a position of financial strength. The Governors collectively have concluded that a combination with Caterham School will result in a group better able to provide the outstanding education that our pupils deserve.

### **Financial Review**

The Trust received total income of £8,441,379 (2023: £8,263,579) and the consolidated net incoming resources for the year amounted to £15,363 (2023: net incoming resources of £854,785). Total funds carried forward were £7,076,599 which includes £25,000 of restricted funds (2023: £7,061,236 which included £220,479 of restricted funds). The balance of £7,051,599 is held as unrestricted funds (2023: £6,840,757).

Capital expenditure has been undertaken to make improvements to the School facilities. This amounted to £627,904 during the year (2023: £2,189,075). There is a plan of continuous upgrading of the School's facilities to keep pace with the requirements of a leading pre-preparatory and preparatory school.

The Hawthorns Educational Trust Limited  
**GROUP GOVERNORS' ANNUAL REPORT (incorporating a Group Strategic Report)**  
Year Ended 31 August 2024

**Investment in subsidiary**

The Trust owns 100% of the shares of its subsidiary company, The Hawthorns (Pendell Court) Limited, which in turn owns the freehold of the premises occupied by the Trust. The accounts consolidate the financial statements of both companies.

The subsidiary is a non-trading company and the latest un-audited accounts have been made up to 5 April 2024 and it is these accounts that have been used in the consolidation. Both companies are incorporated in the United Kingdom and registered in England and Wales.

**Reserves policy**

All unrestricted funds are used to finance building development projects and generally improve the overall facilities of the School. Donations towards specific projects are included within restricted funds. Donations to The Hawthorns Foundation are allocated to restricted funds. General donations are allocated to unrestricted funds. The Governors have assessed the assets available and the obligations of the Trust and have concluded that the assets are sufficient to meet its obligations, based on current operations and pupil numbers.

**Plans for Future Periods**

The School is planning ahead and examining ways in which it could adapt to the change in taxation imposed by the new government. The priority for the School must be the development of a sustainable financial model given that that Business Rate Tax Relief will be withdrawn, VAT will be imposed upon school fees and employment taxes will rise significantly. Consequently, all plans focus on ensuring the School is in the best position to offer an excellent education at an affordable price.

The School has been active in ensuring that all new families are welcomed and enjoy a Hawthorns education for their child. The School's marketing and admission policy has ensured that the School represents the ethnicity of the local area. The School sees that this year 24% of its intake comes from ethnically diverse families. The EDI committees (staff and parents) review and monitor ways in which the School can learn and become more inclusive.

**Principal Risks and Uncertainties**

The Governors assess the major risks to which the School is exposed, particularly relating to its operations and finances, on a regular basis. The most significant risk is considered to be a possible fall in the number of pupils attending the School, especially in with high cost of living landscape, the imposition of VAT on and other costs affecting school fees and a declining birth rate.

The Hawthorns Educational Trust Limited  
**GROUP GOVERNORS' ANNUAL REPORT (incorporating a Group Strategic Report)**  
Year Ended 31 August 2024

**STATEMENT OF GOVERNORS' RESPONSIBILITIES**

The Governors, who are also the directors of The Hawthorns Educational Trust Limited for the purposes of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Trust and its subsidiary and of the incoming resources and application of resources, including the income and expenditure, of the group for that year. In preparing those financial statements, the Governors are required to:

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

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

**DISCLOSURE OF INFORMATION TO AUDITORS**

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

**AUDITORS**

A resolution proposing the re-appointment of TC Group as auditors to the company will be put to the annual general meeting.

This report, incorporating the Strategic Report, was approved by the Board of Governors on 7<sup>th</sup> December 2024 and signed on behalf of the Board.



BJC Dyer  
Chair of Governors

The Hawthorns Educational Trust Limited  
**INDEPENDENT AUDITOR'S REPORT**  
Year Ended 31 August 2024

## **Opinion**

We have audited the financial statements of The Hawthorns Educational Trust Limited (the 'charitable company') and its subsidiary (the 'group') for the year ended 31 August 2024. 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 group's and the parent charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the 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 doubt on the group and parent charitable company's ability to continue as a going concern for a period of at least 12 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.

The Hawthorns Educational Trust Limited  
**INDEPENDENT AUDITOR'S REPORT**  
Year Ended 31 August 2024

**Other information**

The Governors are responsible for the other information. The other information comprises the information included in the Governors' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

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

- the information given in the Governors' annual report (incorporating the strategic report and the directors' report) 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 have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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**

As explained more fully in the Governors' responsibilities statement set out on page 8, 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

The Hawthorns Educational Trust Limited  
**INDEPENDENT AUDITOR'S REPORT**  
Year Ended 31 August 2024

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

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the Governors' and other management (as required by auditing standards), and discussed with the Governors' and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption, school inspections, keeping children safe in education (statutory guidance), DBS checks and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the charitable company's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charitable company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

The Hawthorns Educational Trust Limited  
**INDEPENDENT AUDITOR'S REPORT**  
Year Ended 31 August 2024

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**Use of our report**

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

TC Group

**Mark Cummins FCCA (Senior Statutory Auditor)**  
for and on behalf of TC Group  
**Statutory Auditors**  
Office: Steyning, West Sussex

Dated: 13 March 2025

The Hawthorns Educational Trust Limited  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
(Including Income & Expenditure Account)  
Year Ended 31 August 2024

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2024 £	TOTAL 2023 £
<b>INCOME FROM:</b>					
Donations and legacies		495	-	495	1,000
<b>Charitable activities</b>					
Fees receivable	3	7,781,704	-	7,781,704	7,231,883
<b>Other trading activities</b>					
Sports Centre	4	658,985	-	658,985	591,727
Protection fees		195	-	195	155
<b>Other income</b>	5	-	-	-	438,814
<b>Total Income</b>		<b>8,441,379</b>	<b>-</b>	<b>8,441,379</b>	<b>8,263,579</b>
<b>EXPENDITURE ON:</b>					
<b>Raising funds</b>					
Sports Centre		659,536	-	659,536	690,025
<b>Charitable Activities</b>					
Education		7,766,480	-	7,766,480	6,718,769
<b>Total Expenditure</b>	6	<b>8,426,016</b>	<b>-</b>	<b>8,426,016</b>	<b>7,408,794</b>
<b>NET INCOME</b>		<b>15,363</b>	<b>-</b>	<b>15,363</b>	<b>854,785</b>
Transfer between funds	16	195,479	(195,479)	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>210,842</b>	<b>(195,479)</b>	<b>15,363</b>	<b>854,785</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		6,840,757	220,479	7,061,236	6,206,451
<b>Total funds carried forward</b>		<b>7,051,599</b>	<b>25,000</b>	<b>7,076,599</b>	<b>7,061,236</b>

This statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. All activities are classed as continuing.

There are no recognised gains or losses other than those reported on the Statement of Financial Activities.

The Hawthorns Educational Trust Limited  
**CONSOLIDATED BALANCE SHEET**  
As at 31 August 2024

	Notes	£	2024 £	£	2023 £
<b>FIXED ASSETS</b>					
Tangible Assets	10		9,834,998		9,650,894
<b>CURRENT ASSETS</b>					
Debtors	12	1,778,461		1,896,240	
Cash at bank and in hand		<u>2,017,712</u>		<u>1,254,269</u>	
Total Current Assets		3,796,173		3,150,509	
Creditors, due within one year	13	<u>(3,652,997)</u>		<u>(3,517,721)</u>	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			<b>143,176</b>		<b>(367,212)</b>
<b>LONG TERM LIABILITIES</b>					
Creditors, due after more than one year	14		<u>(2,901,575)</u>		<u>(2,222,446)</u>
<b>TOTAL NET ASSETS</b>			<b><u>7,076,599</u></b>		<b><u>7,061,236</u></b>
<b>Represented by</b>					
Unrestricted Fund	17		7,051,599		6,840,757
Restricted Fund	16		<u>25,000</u>		<u>220,479</u>
<b>TOTAL NET FUNDS</b>			<b><u>7,076,599</u></b>		<b><u>7,061,236</u></b>

These accounts were approved by the board on

7<sup>th</sup> DECEMBER 2024

B J C Dyer

  
Chair

D W J Searle

  
Governor

Company number 00949504.

The Hawthorns Educational Trust Limited  
**COMPANY BALANCE SHEET**  
As at 31 August 2024

	Notes	£	2024 £	£	2023 £
<b>FIXED ASSETS</b>					
Tangible Assets	10		9,724,998		9,540,894
Investment in subsidiary	11		<u>71,534</u>		<u>71,534</u>
			<b>9,796,532</b>		<b>9,612,428</b>
<b>CURRENT ASSETS</b>					
Debtors	12	1,778,437		1,941,492	
Cash at bank and in hand		<u>2,017,712</u>		<u>1,254,269</u>	
Total Current Assets		3,796,149		3,195,761	
Creditors, due within one year	13	<u>(3,652,757)</u>		<u>(3,517,481)</u>	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			<b>143,392</b>		<b>(321,720)</b>
<b>LONG TERM LIABILITIES</b>					
Creditors, due after more than one year	14		<u>(2,901,575)</u>		<u>(2,222,446)</u>
<b>TOTAL NET ASSETS</b>			<b><u>7,038,349</u></b>		<b><u>7,068,262</u></b>
<b>Represented by</b>					
Unrestricted Fund	17		7,013,349		6,847,783
Restricted Fund	16		<u>25,000</u>		<u>220,479</u>
<b>TOTAL NET FUNDS</b>			<b><u>7,038,349</u></b>		<b><u>7,068,262</u></b>

These accounts were approved by the board on

7<sup>TH</sup> DECEMBER 2024

B J C Dyer

  
Chair

D W J Searle

  
Governor

Company number 00949504.

The Hawthorns Educational Trust Limited  
**CONSOLIDATED CASH FLOW STATEMENT**  
Year ended 31 August 2024

	£	2024 £	£	2023 £
<b>Cash flows from operating activities:</b>				
Net income/expenditure for the year	15,363		854,785	
<b>Adjustments for:</b>				
Depreciation	443,978		419,989	
Interest payable	184,043		57,880	
Decrease/(Increase) in debtors	117,779		(110,634)	
Increase in creditors	440,421		225,323	
			<u>225,323</u>	
<b>Net cash provided by operating activities</b>		1,201,584		1,447,343
<b>Cash flows from investing activities</b>				
Purchase of tangible fixed assets	(627,904)		(2,189,075)	
<b>Net cash used in investing activities</b>		(627,904)		(2,189,075)
<b>Cash flows from financing activities</b>				
Cash inflows from new borrowing	443,076		1,851,236	
Repayments of borrowing	(69,270)		(119,439)	
Interest payable	(184,043)		(57,880)	
<b>Net cash provided by financing activities</b>		189,763		1,673,917
		<u>189,763</u>		<u>1,673,917</u>
<b>Change in cash and cash equivalent in the year</b>		763,443		932,185
<b>Cash and cash equivalents at the beginning of the year</b>		1,254,269		322,084
		<u>1,254,269</u>		<u>322,084</u>
<b>Cash and cash equivalents at the end of the year</b>		<u>2,017,712</u>		<u>1,254,269</u>
<b>Analysis of cash and cash equivalents</b>				
Cash at bank and in hand		2,017,712		1,254,269
Bank loans within one year		(67,520)		(180,659)
Bank loans after one year		(2,593,077)		(2,105,954)
<b>Total cash and cash equivalents</b>		<u>(642,885)</u>		<u>(1,032,344)</u>

The Hawthorns Educational Trust Limited  
**NOTES TO THE ACCOUNTS**  
Year ended 31 August 2024

## 1 STATUTORY INFORMATION

The charity is a charitable company, limited by guarantee, registered in England and Wales. The registered office, company number and charity number are detailed in the Governors' annual report.

## 2 ACCOUNTING POLICIES

### **Basis of preparation**

The accounts have been prepared under the Companies Act 2006 and in accordance with the Charities' Statement of Recommended Practice (SORP (FRS 102)) and Financial Reporting Standard 102.

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy.

After reviewing the charity's forecasts and projections, the Governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its accounts.

### **Currency**

The Group presents its accounts in Sterling and figures are rounded to the nearest £.

### **Group accounts**

The accounts consolidate the results of the charity and its wholly owned subsidiary The Hawthorns (Pendell Court) Limited on a line by line basis. A separate Statement of Financial Activities (including income and expenditure account) for the charity has not been presented as the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The subsidiary is a non-trading company. Its latest un-audited accounts have been made up to 5 April 2024 and it is these accounts that have been used in the consolidation.

### **Income**

Donations received for the general purposes of the School are credited to unrestricted funds except insofar as they are incapable of financial measurement. Donations for purposes restricted by the wishes of the donor are taken to restricted funds where these wishes are legally binding on the charity.

School fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees received in advance of education to be provided in future years are held as liabilities until either taken to income in the term when used or else refunded. They are stated after deducting bursaries, scholarships and other fee remissions granted by the School.

Sports centre, rental and investment income are accounted for in the period in which they are receivable. Other incoming resources are accounted for when received.

### **Expenditure**

Expenditure is accounted for on an accruals basis, with value added tax included within the item of expense to which it relates. Overhead and other costs not directly attributable to a particular functional activity category are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the Governors, and all the costs of complying with constitutional and statutory requirements, such as the cost of board and committee meetings and of preparing statutory accounts and satisfying public accountability.

Irrecoverable VAT is attributed directly to the cost to which it relates.

The Hawthorns Educational Trust Limited  
**NOTES TO THE ACCOUNTS**  
Year ended 31 August 2024

**Assets**

Fixed assets are shown on the balance sheet at cost less accumulated depreciation. Current assets are shown at the lower of cost and net realisable value.

**Depreciation**

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

Freehold and short leasehold property	2% to 10% straight line
Electrical, computer & garden equipment	20% straight line
Fixtures, fittings, tools & equipment	10% straight line

**Pension schemes**

Teaching staff are members of the Teachers' Pension Scheme (TPS), a defined benefit scheme administered by the Teachers' Pension Agency. Contributions to the scheme are charged to the Statement of Financial Activities as they fall due. The Teachers' Pension Scheme is an unfunded scheme. Contributions on a "pay as you go" basis are credited to the exchequer under arrangements governed by the Superannuation act 1972. Actuarial valuations are carried out on a notional set of investments. Under the definitions set out in FRS 102, the Teachers' Pension Scheme is a multi-employer pension scheme. The school is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, under FRS 102 the scheme is accounted for as if it were a defined contribution scheme.

The School also contributes to personal pension schemes for non-teaching staff. Teachers that joined the school from September 2022 are part of this scheme.

**Operating lease rentals**

Rentals paid in respect of assets held under operating leases are taken to the Statement of Financial Activities as they fall due.

**Investments**

Investments consist of a shareholding in the group subsidiary and are held at cost.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments. The Governors seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Fund accounting**

Unrestricted funds comprise those funds which can be used in accordance with the charitable objectives at the discretion of the Governors.

Restricted funds are those funds which can be used in accordance with the specific restrictions imposed by the donor or which have been raised by the charity for a specific purpose. The cost of raising and administering such funds is charged against the funds and the School reimburses the costs from unrestricted funds. The aim and use of each restricted fund is set out further in the notes to the accounts.

The Hawthorns Educational Trust Limited  
**NOTES TO THE ACCOUNTS**  
Year ended 31 August 2024

**Turnover**

The turnover of the charity is wholly attributable to the object of the charity as stated in the Governors' Report and is earned entirely within the UK.

**Taxation**

The charitable company is registered as a charity and all of its income falls within the exemptions under Part 11 of the Corporation Tax Act 2010.

Deferred taxation in the subsidiary company arising on the valuation of the freehold is not provided for as, in the opinion of the directors of the Group, the liability is unlikely to arise.

**Critical accounting estimates and judgements**

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The Governors do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

<b>3 Income from Charitable Activities</b>	2024	2023
	£	£
Gross fees	7,806,427	7,239,896
Less: bursaries, scholarships and discounts	<u>(424,463)</u>	<u>(428,791)</u>
	7,381,964	6,811,105
Extras	<u>399,740</u>	<u>420,778</u>
	<u><u>7,781,704</u></u>	<u><u>7,231,883</u></u>
<b>4 Income from Other Trading Activities</b>	2024	2023
	£	£
Sports lettings	87,165	80,823
Sports coaching	355,171	295,915
Camp Hawthorns	207,260	206,636
Other trading	8,470	8,353
Total Sports Centre income	<u>658,066</u>	<u>591,727</u>
Other lettings and activities	919	-
	<u><u>658,985</u></u>	<u><u>591,727</u></u>
<b>5 Other income</b>	2024	2023
	£	£
Proceeds from sale of West Lodge (from subsidiary accounts)	<u>-</u>	<u>438,814</u>
	<u><u>-</u></u>	<u><u>438,814</u></u>

The Hawthorns Educational Trust Limited  
**NOTES TO THE ACCOUNTS**  
Year ended 31 August 2024

**6 Analysis of Expenditure**

	Staff Costs	Other	Depreciation	Total 2024	Total 2023
	£	£	£	£	£
<b>Cost of raising funds</b>					
Lettings (inc. Sports Centre exp)	364,697	294,839	-	659,536	690,025
<b>Total cost of raising funds</b>	<b>364,697</b>	<b>294,839</b>	<b>-</b>	<b>659,536</b>	<b>690,025</b>
Teaching	4,212,427	377,215	179,076	4,768,718	4,048,335
Welfare	28,371	615,291	-	643,662	631,377
Premises	210,355	656,217	264,724	1,131,296	970,365
Finance costs	-	198,628	-	198,628	121,063
Support and Governance	476,892	547,284	-	1,024,176	947,629
<b>Total charitable expenditure</b>	<b>4,928,045</b>	<b>2,394,635</b>	<b>443,800</b>	<b>7,766,480</b>	<b>6,718,769</b>
<b>Total Expenditure</b>	<b>5,292,742</b>	<b>2,689,474</b>	<b>443,800</b>	<b>8,426,016</b>	<b>7,408,794</b>

**Analysis of support and Governance costs**

	2024	2023
	£	£
<b>Governance costs:</b>		
Auditors' remuneration for audit services	15,000	13,440
	<u>15,000</u>	<u>13,440</u>
<b>Support costs:</b>		
Auditors' remuneration for non audit services	14,388	11,736
Support staff wages, national insurance and pension	476,892	466,269
Other support costs	517,896	456,184
	<u>1,024,176</u>	<u>947,629</u>

Net Income is stated after charging £42,538 (2023: £42,856) to operating lease rentals included within premises costs.

The Hawthorns Educational Trust Limited  
**NOTES TO THE ACCOUNTS**  
Year ended 31 August 2024

**7 Comparative Statement of Financial Activities – Year Ended 31 August 2023**

	Unrestricted Funds £	Restricted Funds £	Total 2022 £
<b>INCOME FROM:</b>			
<b>Donations and legacies</b>	-	1,000	1,000
<b>Charitable activities</b>			
Fees receivable	7,231,883	-	7,231,883
<b>Other trading activities</b>			
Sports Centre	591,727	-	591,727
Protection fees	155	-	155
Other income	438,814	-	438,814
	<u>8,262,579</u>	<u>1,000</u>	<u>8,263,579</u>
<b>Total Income</b>			
<b>EXPENDITURE ON:</b>			
<b>Raising funds</b>			
Sports Centre	690,025	-	690,025
<b>Charitable Activities</b>			
Education	6,718,769	-	6,718,769
	<u>7,408,794</u>	<u>-</u>	<u>7,408,794</u>
<b>Total Expenditure</b>			
<b>NET INCOME</b>	<b>853,785</b>	<b>1,000</b>	<b>854,785</b>
Transfers between funds	99,491	(99,491)	-
	<u>953,276</u>	<u>(98,491)</u>	<u>854,785</u>
<b>Net movement in funds</b>			
Fund balances brought forward	5,887,481	318,970	6,206,451
	<u>6,840,757</u>	<u>220,479</u>	<u>7,061,236</u>
<b>Fund balances carried forward</b>			

The Hawthorns Educational Trust Limited  
**NOTES TO THE ACCOUNTS**  
Year ended 31 August 2024

**8 Staff Costs**

	2024	2023
	£	£
Salaries and wages	4,170,437	3,706,795
Social security costs	393,627	358,816
Pension costs	728,678	581,024
	<u>5,292,742</u>	<u>4,646,635</u>

Number of employees whose emoluments for the year exceeded £60,000	2024	2023
£60,000 to £69,999	3	4
£70,000 to £79,999	2	-
£90,000 to £99,999	-	1
£150,000 to £159,999	1	1

Contributions totalling £115,826 (2023: £97,506) were made during the year to a pension scheme on behalf of the above employees.

The average monthly headcount was 149 staff (2023: 138 staff) and the average monthly number of full time equivalent employees during the year was:

	2024	2023
Teaching and teaching assistants (term time)	74	63
Others (administration, kitchen, maintenance and sports centre)	28	33
	<u>102</u>	<u>96</u>

The key management personnel of the school are detailed in the Governors' Report.

	2024	2023
	£	£
Aggregate employee benefits of key management personnel	<u>1,049,668</u>	<u>948,542</u>

None of the Governors received any remuneration or other benefits from the school or any connected body.

**9 Operating Surplus**

	2024	2023
	£	£
Included within the operating surplus for the year are the following:		
<b>Charitable Activities - Education</b>		
Operating lease rentals (inc. VAT)	42,538	42,856
<b>Governance</b>		
Auditors' fees – audit services (inc. VAT)	15,000	13,440
Auditors' fees – other services (inc. VAT)	14,388	11,736

As described in the notes to the accounts, no separate Statement of Financial Activities has been prepared for the School alone. The School contributed a deficit of £29,913 to the surplus of the Group for the year (2023: £415,971 to the surplus).

The Hawthorns Educational Trust Limited  
**NOTES TO THE ACCOUNTS**  
Year ended 31 August 2024

**10 Tangible Fixed Assets**

The movement of tangible fixed assets was as follows:

<b>THE GROUP</b>	Freehold property	Electrical, computer & garden equipment	Fixtures, fittings, tools & equipment	TOTAL
	£	£	£	£
<b>Cost</b>				
At beginning of year – as restated	13,242,620	480,162	928,988	14,651,770
Additions	598,435	17,969	11,500	627,904
At end of year	<u>13,841,055</u>	<u>498,131</u>	<u>940,488</u>	<u>15,279,674</u>
<b>Accumulated Depreciation</b>				
At beginning of year – as restated	4,038,608	416,552	545,716	5,000,876
Charge for year	338,268	12,633	92,899	443,800
At end of year	<u>4,376,876</u>	<u>429,185</u>	<u>638,615</u>	<u>5,444,676</u>
<b>Net Book Value</b>				
At beginning of year	<u>9,204,012</u>	<u>63,610</u>	<u>383,272</u>	<u>9,650,894</u>
At end of year	<u>9,464,179</u>	<u>68,946</u>	<u>301,873</u>	<u>9,834,998</u>

**THE COMPANY**

<b>Cost</b>				
At beginning of year – as restated	13,132,620	480,162	928,988	14,541,770
Additions	598,435	17,969	11,500	627,904
At end of year	<u>13,731,055</u>	<u>498,131</u>	<u>940,488</u>	<u>15,169,674</u>
<b>Accumulated Depreciation</b>				
At beginning of year – as restated	4,038,608	416,552	545,716	5,000,876
Charge for year	338,268	12,633	92,899	443,800
At end of year	<u>4,376,876</u>	<u>429,185</u>	<u>638,615</u>	<u>5,444,676</u>
<b>Net Book Value</b>				
At beginning of year	<u>9,094,012</u>	<u>63,610</u>	<u>383,272</u>	<u>9,540,894</u>
At end of year	<u>9,354,179</u>	<u>68,946</u>	<u>301,873</u>	<u>9,724,998</u>

The freehold property shown in the accounts of the company relates to improvements made to the freehold property owned by the subsidiary company and is therefore added to freehold property in the accounts of the group. The market value of freehold properties is estimated by the Governors to be in excess of the book value at the year end.

The Hawthorns Educational Trust Limited  
**NOTES TO THE ACCOUNTS**  
Year ended 31 August 2024

**11 Investment in Subsidiary**

	2024 £	2023 £
Shares at cost	71,534	71,534

The Company owns 100% of the shares of the subsidiary company The Hawthorns (Pendell Court) Limited, company number 700823, which owns the freehold of the premises occupied by the Trust. Both companies are incorporated in the United Kingdom and registered in England and Wales.

The trading results of The Hawthorns (Pendell Court) Limited for the year ended 5 April 2024 are:

Profit for the year	£Nil
Capital and Reserves	£64,507

**12 Debtors**

	The Group		The Company	
	2024 £	2023 £	2024	2023
Fees receivable	1,623,511	1,737,613	1,623,487	1,737,589
Other debtors	14,325	16,157	14,325	16,157
Prepayments	140,625	142,470	140,625	142,470
Loan to subsidiary company	-	-	-	45,276
<b>TOTAL</b>	<b><u>1,778,461</u></b>	<b><u>1,896,240</u></b>	<b><u>1,778,437</u></b>	<b><u>1,941,492</u></b>

**13 Creditors due within one year**

	The Group		The Company	
	2024 £	2023 £	2024 £	2023 £
Fees charged in advance	2,625,173	2,338,080	2,625,173	2,338,080
Bank loans and overdrafts	67,520	180,659	67,520	180,659
Other creditors and school fees received in advance (Note 15)	717,408	975,186	717,168	974,946
Accruals	242,896	23,796	242,896	23,796
<b>TOTAL</b>	<b><u>3,652,997</u></b>	<b><u>3,517,721</u></b>	<b><u>3,652,757</u></b>	<b><u>3,517,481</u></b>

The Hawthorns Educational Trust Limited  
**NOTES TO THE ACCOUNTS**  
Year ended 31 August 2024

**14 Creditors due after more than one year**

	The Group		The Company	
	2024 £	2023 £	2024 £	2023 £
Long term loans	2,593,077	2,105,954	2,593,077	2,105,954
Advanced Fees Payments Scheme due more than one year	308,498	116,492	308,498	116,492
<b>TOTAL</b>	<b>2,901,575</b>	<b>2,222,446</b>	<b>2,901,575</b>	<b>2,222,446</b>
<b>Loan maturity analysis</b>				
Repayable in less than 1 year (Note 13)	67,520	180,659	67,520	180,659
Repayable in 1-2 years	250,311	225,914	250,311	225,914
Repayable in 2-5 years	302,705	475,348	302,705	475,348
Repayable in over 5 years	2,348,559	1,404,692	2,348,559	1,404,692
<b>TOTAL</b>	<b>2,969,095</b>	<b>2,286,613</b>	<b>2,969,095</b>	<b>2,286,613</b>

During the year, the Trust refinanced their existing loans into one loan. Interest on the loan is charged at 2.55% above Base rate. The loan is repayable in February 2043.

Total loan repayments during the year were £69,270 (2023: £119,439).

The Trust also has a Bank overdraft facility. The loans and the overdraft are secured by a fixed and floating charge on the Group's freehold property. The overdraft was not being used at the year end.

**15 Advanced Fees Payment Scheme**

Parents may enter into a contract to pay the School tuition fees in advance. The money may be returned, subject to specific conditions, upon the receipt of one term's notice. Assuming pupils will remain in the School, advance fees will be applied as below:

	2024 £	2023 £
Due within one year	291,894	57,740
Advanced Fees Payments Scheme due more than one year	308,498	116,492
<b>TOTAL</b>	<b>600,392</b>	<b>174,232</b>

The balance represents the accrued liability under the contracts.

The movements during the year were:

	2024 £	2023 £
Balance at beginning of the year	174,232	281,658
Amounts received during the year	597,968	16,508
Amounts credited to pupil accounts for fees	(171,808)	(123,934)
<b>Balance at end of year</b>	<b>600,392</b>	<b>174,232</b>

The Hawthorns Educational Trust Limited  
**NOTES TO THE ACCOUNTS**  
Year ended 31 August 2024

**16 Restricted Fund**

The Hawthorns Foundation provides a long term fund to assist the School with bursary awards and to provide funds for specific capital projects. Donations are received predominantly from current and former parents and from Old Hawthornians.

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2024 £
The Hawthorns Foundation	220,479	-	-	(195,479)	25,000
<b>Designation of Fund</b>					
Capital Projects Fund	183,149	-	-	(158,149)	25,000
Endowment Fund	37,330	-	-	(37,330)	-
<b>TOTAL</b>	<b>220,479</b>	<b>-</b>	<b>-</b>	<b>(195,479)</b>	<b>25,000</b>

The School contributed £Nil (2023: £Nil) towards the running costs of The Hawthorns Foundation.

**17 Unrestricted Fund**

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2024 £
Unrestricted	6,401,943	8,441,379	(8,426,016)	634,293	7,051,599
Designated	438,814	-	-	(438,814)	-
<b>The Group</b>	<b>6,840,757</b>	<b>8,441,379</b>	<b>(8,426,016)</b>	<b>195,479</b>	<b>7,051,599</b>
Unrestricted	6,408,969	8,441,379	(8,471,292)	634,293	7,013,349
Designated	438,814	-	-	(438,814)	-
<b>The Company</b>	<b>6,847,783</b>	<b>8,441,379</b>	<b>(8,471,292)</b>	<b>195,479</b>	<b>7,013,349</b>

Designated funds represents funds allocated by the governors for roof repairs. Transfers represents the amounts spent during the year.

The Hawthorns Educational Trust Limited  
**NOTES TO THE ACCOUNTS**  
Year ended 31 August 2024

**18 Net Assets Between Funds of the Group**

		Unrestricted	Restricted	Group
		£	£	£
<b>At 31 August 2024</b>				
Fixed Assets		9,834,998	-	9,834,998
Current Assets		3,771,173	25,000	3,796,173
Current Liabilities		(3,652,997)	-	(3,652,997)
Long-term Liabilities		(2,901,575)	-	(2,901,575)
		<u>7,051,599</u>	<u>25,000</u>	<u>7,076,599</u>
<b>At 31 August 2023</b>				
	Designated	Unrestricted	Restricted	Group
	£	£	£	£
Fixed Assets	-	9,650,894	-	9,650,894
Current Assets	438,814	2,491,216	220,479	3,150,509
Current Liabilities	-	(3,517,721)	-	(3,517,721)
Long-term Liabilities	-	(2,222,446)	-	(2,222,446)
	<u>438,814</u>	<u>6,401,943</u>	<u>220,479</u>	<u>7,061,236</u>

**19 Operating Leases**

Total lease commitments for assets held under operating leases are £266,646 (2023: £36,348).

	2024	2023
	£	£
Within one year	72,873	32,754
Between two and five years	<u>193,773</u>	<u>3,594</u>
	<u>266,646</u>	<u>36,348</u>

**20 Governors' Remuneration, Reimbursement of expenses and Interests in Contracts**

No remuneration was provided to any Governors during the year. No governors were reimbursed travel expenditure during the year (2023: £Nil).

Mr B J C Dyer, the Chair of Governor, was a director of Bradley Dyer Raw Limited that the company provides advertising production service worth of £11,772 (2023: £7,292) to The Hawthorns School. These services are provided at preferential rates.

**21 Pension Costs**

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 £479,046 (2023: £454,451) and at the year-end £Nil (2023 - £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.

## **21 Pension Costs (continued)**

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 was published in October 2023.

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

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employers contribution rate of 28.68%. With effect from 1 September 2024, participants in the TPS are required to take a 3.5% salary cut to remain in the scheme so that the rise in employer contributions is cost neutral to the School, or move to the defined contribution scheme as described below.

The School also operates a defined contribution pension scheme for non-TPS staff. The pension charge for the year includes contributions payable to this scheme of £249,632 (2023: £126,573) and at the year-end £Nil (2023: £Nil) was accrued in respect of contributions to this scheme. Teachers that joined the school from September 2022 are part of this scheme, as the school introduced a phased withdrawal from the Teachers' Pension Scheme.

## **22 Control**

The company is limited by guarantee with no one member having overall control.

## **23 Capital commitments**

Amounts contracted for but not provided in the financial statements are £51,253 plus VAT (2023: £154,596 plus VAT) in relation to the New Nursery Building.

## **24 Post Balance Sheet Events**

Post year end, The Hawthorns Educational Trust Limited announced that it would be joining the Caterham School group of schools. From the completion date, Caterham School will become the sole trustee of The Hawthorns Educational Trust Limited.

