

REGISTERED COMPANY NUMBER: 03777308 (England and Wales)
REGISTERED CHARITY NUMBER: 1100021

GOVERNORS' REPORT AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025
FOR
SEVENOAKS PREPARATORY SCHOOL LIMITED

SEVENOAKS PREPARATORY SCHOOL LIMITED

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FOR THE YEAR ENDED 31 AUGUST 2025**

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SEVENOAKS PREPARATORY SCHOOL LIMITED

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

The governors who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2025. The governors have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The School seeks to provide an education for life. It aims to achieve this through the 'Way of Life', together with an academic approach that focuses on the needs of the individual. In addition, the School sets out to encourage every pupil to be the best they can be, both inside and outside the classroom. The School's ethos is central to its aims and emphasizes strong pastoral care of pupils, nurturing each one and supporting parents and children alike.

Our aims are:

- to ensure the safeguarding of all pupils.
- to afford all pupils opportunities to succeed both inside and outside the classroom.
- to recruit and retain the highest calibre of teaching and support staff who embody our Way of Life.
- to provide excellent pastoral care and nurture outstanding relationships between staff, pupils and parents.
- to be a warm, friendly, family school.
- to provide individualised learning which we believe is best provided for in small class sizes.
- to utilise technology to aid student learning and to ensure that our ICT provision complements existing and future teaching strategies
- to progress the School's commitment to bursaries.
- to develop the School's involvement with local, national and international charities.
- to maintain and enhance the school's environment and facilities.
- to maintain a balanced budget approach to managing its financial resources and expenditures.

Sevenoaks Prep "Way of Life"

- I ought to think at all times how my every action will affect others in my life: parents, friends, relations, teachers and everyone younger than myself.
- I ought to treat all others as I would want to be treated myself, and take a personal interest in how other people feel.
- I ought not to touch anything that is not mine, unless with permission or unless I am being helpful.
- I ought to be polite to everybody at all times and be positive in my actions.
- I ought to take responsibility for my own maturity by ensuring I assist in the smooth running of the school and my home.
- I ought to take ownership of my studies, concentrating and applying myself to achieve to the best of my ability.
- I ought to obey in the right spirit the instructions of my teachers and parents.
- I ought to report immediately any damage or unfortunate behaviour to my teachers and/or my parents.
- I ought to remember that in life my aim should be to solve problems not cause them, to build bridges rather than knock them down, to trust others and to be trusted, to put the needs of others first and mine last, to improve and make better whatever or whoever I am involved with.
- I ought, at all times, to be totally honest to myself and to others.

CHARITABLE OBJECTS

The objects of the School as set out in the Articles of Association, are to establish and carry on in Great Britain (and any other countries) Schools at or by means of which students may obtain education and instructions in languages, mathematics, geography and history, and all other subjects whatsoever that may be included in a commercial, technical, scientific, classical or academic education.

In setting the objectives the governors have given careful consideration to the Charity Commissions' general guidance on public benefit.

SEVENOAKS PREPARATORY SCHOOL LIMITED

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

OBJECTIVES AND ACTIVITIES

Significant activities

Sevenoaks Prep continues to develop its broad and challenging curriculum to equip children with the knowledge, skills and experience needed for tomorrow. Our location, in 25 acres of well-managed playing fields and woodland, provides not only a vast playground but also the opportunity to extend the classroom and deliver hands-on learning indoors and out in the open.

We are focussed on improving the mental health and wellbeing of all our pupils and staff. A wellbeing team has been created and mental health prefects appointed to actively support the emotional wellbeing and mental health of the whole school.

Arts

Music continues to be a vibrant part of life in the School. In the Pre-Prep there are weekly singing assemblies, music lessons, particularly piano and violin, remain hugely popular, with a record number of children participating this year. The Year 2 Recorder Club performed at the Christmas and summer shows and The Pre-Prep Choir, for Years 1 and 2, regularly performs at school events. The music department for The Prep side has had an exciting year, celebrating music in all its forms. Highlights included the annual house music competition, the senior music concert, Christmas concert, Christmas carol service and Prep Idol (our annual battle of the bands). We have participated in events such as King's Rochester Orchestra Day, the IAPS Festival of Singing at Benenden, Strings Day at Walthamstow Hall and our choir attended the Young Voices concert at the O2 and performed in a choir with thousands of children.

Our Pre-Prep Nativity and Summer Shows beautifully showcase the children's growth, creativity and courage. From heartwarming moments in the Nativity to the vibrant energy of the Summer performances, each production highlights their developing confidence and teamwork. Year 3 and Year 4 proudly showcased their singing and acting skills in their end of year shows. Our middle school production was Peter Pan Jr. and Years 5&6 gave an enchanting performance bringing warmth and humour to this magical journey to Neverland. Years 7&8 delivered a confident and captivating performance of Frankenstein, with standout acting and an atmospheric set that kept the audience spellbound and then at the end of the year took the lead in directing and producing their own plays for their house drama productions.

The art department at the Prep has had another lively year, with children from Reception all the way up to Year 8 coming weekly to explore and create. The Pre-Prep children have created pieces inspired by their class topic; Reception wowed with their painted dinosaur landscapes, Year 1 grew their cutting and collaging skills by creating superhero cityscapes, and Year 2 impressed with their African wax batik and tree designs. All of the children have the chance to develop their growing skills, and the roomy studio gives us the opportunity for them to make collaboratively on a large scale. The Year 2 sea-inspired work that went towards decorating the stage at their summer show was especially memorable and showed that working together on something can have a big impact.

The Prep children were just as busy. Year 3 created some characterful cardboard pigeons to commemorate the role of messenger birds during warfare. Year 4 developed their painting skills and to accompany their English topic, learnt to layer watercolour to create beautiful stream views. Year 5 impressed us with their architectural model of Petra (from Jordan) and explored the connection between music and art through the genre of abstraction. Year 6 fooled us all with their skills during the annual Great British Fake Off, making fake food that genuinely looked good enough to eat! Year 7 grew their printmaking skills and learned to use layers to add depth and interest to their designs. In their final year, Year 8 got to grips with photography and discovered how to use objects as a form of portraiture, thinking about metaphor and meaning within their own work.

Sports

Football

Football continues to be the sports focus for the boys during the Autumn Term. Coaching within weekly games lessons centred on developing both individual skills and team strategy, with numerous teams - from A to E - representing each year group from Year 3 and Year 4 through to the Colts (Years 5 and 6) and the Senior team. Regular fixtures against local schools and participation in tournaments provided valuable opportunities for pupils to test their skills and teamwork, resulting in some impressive performances and well-deserved wins. It was also fantastic to see our girls' football provision grow this year, with a dedicated club established and a team of Year 5 and 6 girls competing at a tournament hosted by Chelsea Football Club in Cobham. They performed brilliantly, conceding only two goals throughout and securing an impressive fourth-place finish.

Cross Country

We had teams participate in the main cross country events this year with some standout performances.

We took 41 pupils to Somerhill School Regional Cross Country which is renowned for its challenging course and our pupils rose to the occasion. We are especially proud of our U9 Boys' team and U11 Girls' team, who both placed a fantastic 2nd overall, with standout performances from one of our U9 boys and one of our U11 girls, each finishing 4th in their respective races.

SEVENOAKS PREPARATORY SCHOOL LIMITED

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

OBJECTIVES AND ACTIVITIES

We had over 200 competitors from more than 10 different schools take part in our annual Thomas Trophy cross country competition and we are proud of all our runners who participated. We had numerous top 10 finishes and a special well done to two of our U9 boys who came 2nd and 3rd in the U9 boys' race, helping secure first place for our U9 boys' team. In the combined team categories, the girls placed 2nd overall and the boys placed 3rd which is a fantastic achievement.

The season ended with the Goodman & Hutchins Cross Country mixed cross country relay and our runners gave it their all showing great determination and teamwork and it was a brilliant effort to end our cross country season.

Rugby

The rugby season started with an inspirational day with George Gregan, former Wallabies captain and second most capped Australian player of all time. He led an engaging Q&A session with pupils, staff and parents and then headed to the pitch to lead coaching sessions with our Years 6-8 boys.

Our teams had a good season on the pitch with special mention to our Year 6 rugby team for their remarkable progress over the past few years, their growth and progress as players and as a team was evident in the Solefield School's annual U11 rugby sevens tournament where they had a narrow defeat in a thrilling final.

The Prep hosted our U13 Culley Cup Rugby 7s tournament which was a great success with an exceptional standard of play and some closely contested matches. The following week, we hosted the Rugby 7s tournament for U11 boys, in which our Year 6 A team took part. The boys faced some tough opposition in their first two matches; however, they put their disappointment behind them and played an excellent game of rugby to finish with a well-deserved win, securing the bronze medal.

Cricket

It was wonderful to see our cricket pitches full of energy over the cricket season with teams enjoying the game across our picturesque grounds. Cricket at The Prep is a truly inclusive sport with boys and girls playing together on teams selected by ability, not gender, with both hard ball and soft ball cricket available - ensuring everyone gets the chance to play, progress and enjoy the game. Pupils could choose whether they played hard or soft ball cricket and enjoyed competing in regular fixtures.

Hockey

We enhanced our hockey provision this season with a partnership with Sevenoaks Hockey Club who coached our hockey teams alongside our sports department.

Our U11 hockey team had a strong season and although they brought home the bronze medal they narrowly missed out on a spot at the National Finals at the IAPS Hockey Regional Qualifiers. At the County In2Hockey tournament, hosted at The King's School Canterbury on Monday they finished as runners-up, bringing home silver medals and qualifying for the regional competition.

Netball

The netball season began just before the Christmas holidays, with coaching for all year groups from Year 3 upwards during their Games lessons. The girls had a busy start to their netball season with lots of fixtures providing valuable match experience - playing against Kent College, Hilden Grange, Derwent Lodge, Solefield and St Michael's, as well as tournaments at Sevenoaks School and Hazelwood. As the season progressed, our netball continued to go from strength to strength, with some outstanding individual displays and excellent teamwork on show. A particular highlight of the term was welcoming Joan Mills MBE, former President of England Netball, to The Prep. Joan has made an extraordinary contribution to the sport at every level - local, county, regional and national - and she inspired our pupils with her passion and expertise, both in her talk and during an energetic on-court session filled with valuable tips and encouragement. To end the netball season we held house netball matches with mixed-age teams giving the girls the opportunity to play alongside different year groups.

Athletics

In the lead-up to Sports Day, our Year 3-8 pupils enjoyed a series of athletics afternoons, competing in events such as hurdles and the 600m and practising their ball throw, long jump and high jump techniques - as well as some exciting relay races. Prep Sports Day was packed schedule with the children taking to the rack and field bright and early to beat the heat and it was a fantastic morning of athletics.

We took 27 pupils to the Julie Rose Stadium in Ashford to compete in the Independent School District Athletics Competition with our athletes participating in a range of events and we were delighted that we had four of our pupils qualify for the National Athletics championships which took place the following month.

We narrowly missed out on an overall victory at an athletics competition at St Michael's Prep School. Points were awarded based on each competitor's performance, all contributing to the overall team scores. There were some outstanding individual and team efforts and the pupils showed great determination and teamwork throughout.

Tennis

SEVENOAKS PREPARATORY SCHOOL LIMITED

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

OBJECTIVES AND ACTIVITIES

We were delighted to welcome Matchpoint Tennis Coaching to lead our tennis provision at The Prep this year. Pupils from Year 2 to Year 8 could take part in group or individual sessions, designed to inspire a love of the game and develop skills at every level. We had multiple pairings representing the school in both the boys' and girls' competitions at a competition at Sevenoaks School with one boys orange ball pairing securing silver medals and one of our girls' green ball doubles pairings earning bronze.

Indoor Rowing

We introduced Indoor Rowing at The Prep this year and were delighted to have 12 students compete in the National Junior Indoor Rowing Competition. We were thrilled to welcome Emily Craig MBE, British women's lightweight double sculls Olympic champion and three-time world champion rower, to The Prep. She shared her remarkable story and then pupils had the fantastic opportunity to refine their technique with Emily on our rowing machines.

Trips and Workshops

We have been able to schedule many more trips and workshops for the children over the year, some of which are listed below:

Year Group Trips 2024-2025

Reception Dig Up Dinosaurs (in-school workshop from outside agency), Port Lympne Safari Park, Biggin Hill Airport
Year 1 The Royal Observatory Greenwich, Leeds Castle and Godstone Farm
Year 2 Kent Life Museum, Fire Engine visit (in-school visit from Kent Fire and Rescue Services), Matilda the Musical, Hastings Aquarium and RNLI trip
Year 3 Young V & A, Kent Life and Rocks and Fossils workshop
Year 4 The Observatory Science Centre, Herstmonceux, Knole House
Year 5 Horton Kirby and Caroty Wood
Year 6 Warner Bros Studio Tour, PGL residential in Paris
Year 7 Bushcraft, Dover Geography/ Biology/ sustainability trip, Bletchley Park, Belgium/ France Battlefields
Year 8 Bushcraft, South Coast, River Bourne, Bletchley Park, Belgium/ France Battlefields, London theatre trip

The children's learning is also supported during the year by putting on and attending a wide range of workshops, such as British Science Week with this year's theme being 'Change and Adapt', World Book Day, author visits, Creative Arts Week with the theme of dreams where pupils immersed themselves in a wide range of exciting workshops including art, drama, dance, music and photography, Years 7&8 Lecture Series, the yearly Scholastic Book Fair, Diwali and dance workshops, visiting performances of pantomimes, specialist sport tuition, and the ever popular Duck Watch of hatching ducklings.

Our regular school events that involve our community of children, parents and staff includes the Quiz Night, Golf Day, Cricket Day, Prep Idol, Burns Night, Grandparents Day, Maypole Dancing, Kindergarten Grand Prix, Family Day, Wreath Making, Carol Concert and Christmas Bazaar. This year over 230 members of our Prep community came together at our dazzling Mardi Gras ball which raised money for both the school and a local charity Friends for Family.

The school encourages a more environmental approach wherever it can, and this year has been building on the Eco School status with more work being done by the children on our Eco Committee to reduce our impact on the environment.

Alongside this, the whole school has benefitted from outdoor learning and use of our outdoor "forest" classrooms and natural areas in our lovely grounds. We have highly qualified specialist staff running these sessions which support children's independence and love of nature as well as teaching them new skills.

Public benefit

Our continuing involvement as a school with local, national and international charities supports the work we do in making children aware of the wider environment and to raise funds for those in need. During the school year we have collected food bank donations for Sevenoaks Larder, and the Spring Ball organised by the parents raised a large amount of money for Friends for Families, which is a local charity supporting the work of social workers with deprived families.

We have several staff who are Governors at other local schools and donate their time and skills, and nationally we raised funds for the Salvation Army, Macmillan Cancer, and the Poppy Appeal. Internationally we also supported the Haller Community charity in Kenya and We See Hope in Kenya, Malawi, Tanzania, Uganda and Zimbabwe from various initiatives that the children themselves set up and ran.

During each school holiday we host a variety of clubs and activities run by external providers to offer fun and challenging experiences and in holiday childcare. Our facilities are used for this and they are available to all working families whether they attend our school or not.

SEVENOAKS PREPARATORY SCHOOL LIMITED

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

OBJECTIVES AND ACTIVITIES

Scholarships (Years 6 and 8)

Our exceptional teaching team ensures that every pupil is motivated, challenged and well-prepared for examinations and scholarships at both independent and local grammar schools. This commitment has led to another year of outstanding achievements, including 15 scholarships in academic, sport, music and drama - with academic scholarships awarded to one-third of Year 6 pupils offered places at Sevenoaks School and three-quarters at Caterham.

The following scholarships were awarded to our pupils;

- 10 Academic Scholarships including Sevenoaks School and Caterham
- 2 Sports Scholarships
- 2 Music Scholarships
- 1 Drama Scholarship

Destination Schools

Pupils gained places at their chosen 11+ / 13+ senior independent schools and many were awarded places at two or more schools.

This year our Year 6 pupils have secured places at a fantastic range of secondary schools, many for Year 9 places. These include Tonbridge, Sevenoaks, Caterham, Judd, Tonbridge Grammar, Walthamstow Hall, Sutton Valence, Kent College, and further afield to Hurst, Benenden, Worth, Bethany and Lingfield College.

All six of our Year 7 pupils who sat the Sevenoaks School entrance exam for Year 9 entry this term have been awarded places.

We had an inspection by the Independent Schools Inspectorate (ISI) and the inspectors praised both the high calibre of our academic provision and the exceptional personal development of our pupils.

"Pupils are well prepared for the next stages in their education and future lives"

"...leaders' high ambition for pupils' achievement is realised"

"Pupils make good progress, enjoy their learning and respond creatively to the challenges set."

FINANCIAL REVIEW

Financial position

The income of the School arises from fees and donations received and interest earned on short term deposits with the bank.

The charitable expenditure is all met from this income. The governors consider the assets and the operation of the School are sufficient in the short term to maintain its obligations in full.

During the year, the Government introduced Value-Added Tax (VAT) onto school fee income and some extras. The School chose to initially pass on only 6% of this increase to parents leading to a net 12% reduction in fees received. Notwithstanding this headwind, total income during the year ended 31 August 2025 was broadly level at £5,626,232 (2024: £5,659,556) and the expenditure was £5,468,689 (2024: £5,317,322) which resulted in a surplus for the year of £157,543 compared to a surplus of £342,234 generated in the previous year. All of the School's expenditure was spent in advancement of its charitable objectives.

Investment policy and objectives

The governors investment powers are governed by the Memorandum and Articles of Association which permit the governors to make any investments they deem fit. Most of the funds generated by the School are used in the short term in achieving the charitable aims and objectives. There are no funds available for external long term investments. Short term surplus funds are held on deposit with the bank.

Reserves policy

The governors have a policy of achieving an operational surplus to continue to invest in maintaining educational facilities that meet and exceed the current recommendations and standards.

It is the School's policy to hold unrestricted cash reserves equal to at least three months budgeted expenditure, which equates to between £1.1m and £1.25m (2024: £1.1m and £1.25m).

The School holds restricted funds of £68,835 (2024: £63,760) which have been donated for the funding of bursaries. Unrestricted funds of £5,726,629 (2024: £5,574,161) allow the school to carry out its charitable objectives. The total funds held were £5,795,464 (2024: £5,637,921).

FUTURE PLANS

Given the uncertain economic situation the school does not have any immediate plans for capital development.

SEVENOAKS PREPARATORY SCHOOL LIMITED

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

REPORTABLE INCIDENTS

There have been no reportable incidents during the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Appointment and re-appointment of governors

The Articles of Association allow for there to be between seven and twenty appointed governors. There are currently 12 on the Board. Governors are appointed by the existing Board members in the first instance and they are re appointed for 3 years and can serve up to a maximum of 3 terms of 3 years unless there are extenuating circumstances.

Organisational structure

None of the governors has any beneficial interest in the company. All the governors are members of the company and guarantee to contribute £10 in the event of a winding up

The board of governors met at least once per term on 7th October 2024, 20th November 2024, 13th March 2025, 12th June 2025.

The main Sub Committee of the governors is the Executive Committee which meets once a month to discuss the day to day matters concerned with the running of the School. Major items are passed to the Main Board for discussion, with the Executive Committee's recommendations. The Chairman and Vice Chairman sit on this Committee with the Headmaster, Bursar, Deputy Head and Head of Pre-Prep in attendance.

The other permanent Sub Committees are as follows:

Academic Committee	C Jones	Chair
Finance and Risk Committee	J Berry	Chair
Bursary Committee	K Rush	Chair
Estates and Facilities Committee	A Durnell	Chair
Safeguarding and Wellbeing Committee	T Hornshaw	Chair

The governors bring many years of experience in a wide variety of professional fields, such as finance, education and medicine. The "day to day" running of the School is delegated to the Headmaster Luke Harrison and the Bursar, Andrew Hodgkin. They work in cooperation with the Senior Management Team, who are the Deputy Head, Head of Pre-Prep, Assistant Heads and Head of Early Years.

Key management remuneration

In line with pay for all staff, key management pay is considered by the governors' Finance and Risk Committee who make recommendations to the full board. In deciding the level of remuneration, the committee consider the current market demand for pupils, the financial strength of the School and the economic outlook. The key management roles are detailed in note 12 of the accounts.

COMMUNITY LINKS AND PUBLIC BENEFIT

Part of the School's aims is to develop involvement with local, national and international charities. This is an important way of developing children's understanding of wider society. During the school year we have collected food bank donations for Sevenoaks Larder, and the children, parents and staff worked to raise money for local charities such as Friends for Families and by donating Christmas gifts to the Salvation Army. We supported raising money for national charities such as Macmillan Cancer, the Poppy Appeal and the Red Cross Appeal for Ukraine, and Internationally as we raised and donated funds to Phoenix Football Academy in Ghana, the Haller Community charity in Kenya and We See Hope in Kenya, Malawi, Tanzania, Uganda and Zimbabwe.

During each school holiday we host a variety of clubs and activities run by external providers to offer fun and challenging experiences and in holiday childcare to all working families whether they attend our school or not.

Engagement with employees

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 has continued at all levels with the aim of taking their views into account when decisions are made that are likely to affect their interests. The staff council continued to be consulted and to contribute suggestions to the executive.

**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

Sevenoaks Prep School Board of governors is responsible for the management of the risks faced by the School. Risks are identified, assessed and controls established throughout the year. The full Risk register is reviewed annually by the Finance and Risk sub committee of the Board and it is a standing item on their termly agenda.

The governors consider the major potential risks to the School to be:

- A challenging economic environment adversely affecting pupil numbers & fee levels.
- Inflationary pressures on certain costs.
- Competition from both independent and state schools for pupils.
- Ensuring Safeguarding & Inspection in an increasingly regulated environment.
- The threat of a specific cyber attack on the school.
- The continuing impact of the proposed imposition of VAT on school fees by future Labour Government.

The key controls used by the School to mitigate risks include:

- Formal agenda for Committee and Board activities.
- Detailed Terms of reference for all Committees.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structure and lines of reporting.
- Formal written policies.
- Robust scrutiny of policies.
- Clear authorisation and approval levels.
- Safer recruitment as required by law for the protection of the vulnerable.
- Staff training, Child Protection and safeguarding.
- Data protection measures in place to protect the cyber security of School data including restriction of access authentication, the holding of back-ups and purchase of insurance

Through the risk management processes established by the School, the governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that the systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Bursary Policy

This year the Charity awarded Bursaries of £47,546 (0.86% of fee income) 2024: £24,637 (0.44% of fee income) from unrestricted funds, specifically the general bursary reserve. The governors' policy, in line with that of most other independent schools, is to award Bursaries on the basis of need. All Bursaries are means tested on application.

A separate bursary fund has been established and is overseen by a subcommittee of 3 governors, the Head and the Bursar. Our aim is to build up a fund which will support a child attend the School. This would be over and above the funds already set aside by the School.

Pension schemes

The School participates in the Teachers' Pension Scheme (TPS) for its teaching Staff and an auto enrolment scheme run by People's Pensions for support staff.

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

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The current employer contribution rate for the TPS is 28.6%. Following the completion of a consultation process the governors have limited the contribution as employers to 20.1% from September 2022 and have provided a Total Remuneration Package (TRP) which gives the option to teachers of either remaining in the TPS or joining an alternative defined contribution pension.

For the Support Staff Pension administered by the People's Pension the employer contribution was 3% and the employee rate is 5%.

SEVENOAKS PREPARATORY SCHOOL LIMITED

**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
03777308 (England and Wales)

Registered Charity number
1100021

Registered office
Fawke Cottage
Godden Green
Sevenoaks
Kent
TN15 0JU

Trustees

Chairman - Ms J S Berry
Vice Chairman - K R Rush (Vice Chairman from 20.11.24)
Dr S Bailey
R Burgess – resigned 07.10.25
P Cheveley – resigned 07.10.25
A Durnell
Mrs T L Hornshaw
C Jones
E Oatley (Vice Chairman to 20.11.24)
Mrs A M Stuart

Company Secretary
A Hodgkin

Auditors

Azets Audit Services
River House
1 Maidstone Road
Sidcup
Kent
DA14 5RH

Solicitors

Thackray Williams
Kings House
32-40 Widmore Road
Bromley
Kent
BR1 1RY

Bankers

Handelsbanken
Sevenoaks Branch
1st Floor
50-52 London Road
Bligh's Meadow
Sevenoaks
Kent
TN13 1AS

Senior Leadership Team

Headmaster - Luke Harrison
Bursar - Andrew Hodgkin
Acting Deputy Head and Head of Pre-Prep - Helen Cook
Assistant Head - key stage 3/Director of Admissions - Clare Harrison
Assistant Head - key stage 2 - Robin Collings
Assistant Head - key stage 1 - Shannon Wake
Head of Early Years - Louisa Rowland

SEVENOAKS PREPARATORY SCHOOL LIMITED

**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025**

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The governors (who are also the directors of Sevenoaks Preparatory School Limited for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the governors to prepare financial statements for each financial year. Under that law, the governors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the governors 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 those financial statements, the governors are required to


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


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

In so far as the governors are aware:

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

Approved by order of the board of governors on 19th March 2026 and signed on its behalf by:


.....
Ms J S Berry - Governor



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEVENOAKS PREPARATORY SCHOOL LIMITED

Opinion

We have audited the financial statements of Sevenoaks Preparatory School Limited (the 'charitable company') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2025 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' 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, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report 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 Governors' Report.

We have nothing to report in respect of the following matters where 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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the governors' Report.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEVENOAKS PREPARATORY SCHOOL LIMITED

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, 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.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- o Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- o Reviewing minutes of meetings of those charged with governance;
- o Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- o Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- o Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 auditors' 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.

Azets Audit Services Limited

M Wilkes FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
River House
1 Maidstone Road
Sidcup
Kent
DA14 5RH

Date: 25 March 2026

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2025

					2025	2024
	Notes	Unrestricted fund £	Designated Fixed asset fund £	General Bursary fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	76,555	-	-	3,705	80,260
Charitable activities	5					
Education		5,436,832	-	(47,546)	-	5,389,286
Other trading activities	3	18,666	-	-	-	18,666
Investment income	4	136,650	-	-	1,370	138,020
Total		<u>5,668,703</u>	<u>-</u>	<u>(47,546)</u>	<u>5,075</u>	<u>5,626,232</u>
EXPENDITURE ON						
Raising funds						
Raising donations and legacies	6	56,340	-	-	-	56,340
		56,340	-	-	-	56,340
Charitable activities	7					
Education		5,411,124	889	-	-	5,412,013
Other		336	-	-	-	336
Total		<u>5,467,800</u>	<u>889</u>	<u>-</u>	<u>-</u>	<u>5,468,689</u>
NET INCOME/(EXPENDITURE)						
Transfers between funds	23	200,903	(889)	(47,546)	5,075	157,543
		<u>62,320</u>	<u>(62,320)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		263,223	(63,209)	(47,546)	5,075	157,543
RECONCILIATION OF FUNDS						
Total funds brought forward		1,911,817	3,462,344	200,000	63,760	5,637,921
TOTAL FUNDS CARRIED FORWARD		<u>2,175,040</u>	<u>3,399,135</u>	<u>152,454</u>	<u>68,835</u>	<u>5,795,464</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes form part of these financial statements

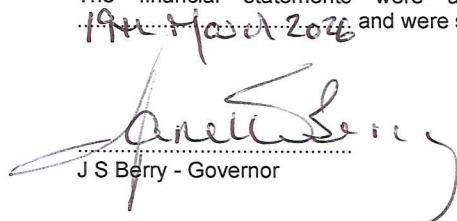
SEVENOAKS PREPARATORY SCHOOL LIMITED

**BALANCE SHEET
31 AUGUST 2025**

	Notes	2025 £	2024 £
FIXED ASSETS			
Tangible assets	15	5,949,135	6,162,344
CURRENT ASSETS			
Debtors	16	1,590,326	144,017
Investments	17	2,850,000	2,250,000
Cash at bank		<u>1,645,114</u>	<u>2,817,241</u>
		6,085,440	5,211,258
CREDITORS			
Amounts falling due within one year	18	(5,190,303)	(1,706,312)
NET CURRENT ASSETS		<u>895,137</u>	<u>3,504,946</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,844,272	9,667,290
CREDITORS			
Amounts falling due after more than one year	19	(1,048,808)	(4,029,369)
NET ASSETS		<u>5,795,464</u>	<u>5,637,921</u>
FUNDS	23		
Unrestricted funds:			
General fund		2,175,040	1,911,816
Designated fixed asset fund		3,399,135	3,462,345
General bursary fund		<u>152,454</u>	<u>200,000</u>
		5,726,629	5,574,161
Restricted funds		<u>68,835</u>	<u>63,760</u>
TOTAL FUNDS	22	<u>5,795,464</u>	<u>5,637,921</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Governors and authorised for issue on 19th March 2026 and were signed on its behalf by:


J S Berry - Governor

The notes form part of these financial statements

SEVENOAKS PREPARATORY SCHOOL LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	(281,769)	2,492,699
Interest element of finance lease payments paid		<u>(336)</u>	<u>(543)</u>
Net cash (used in)/provided by operating activities		<u>(282,105)</u>	<u>2,492,156</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(311,240)	(291,316)
Investment in fixed term deposits		(600,000)	(2,050,000)
VAT reclaim on fixed assets		38,274	-
Interest received		<u>138,020</u>	<u>71,737</u>
Net cash used in investing activities		<u>(734,946)</u>	<u>(2,269,579)</u>
Cash flows from financing activities			
Loan repayments in year		(150,000)	(150,000)
Finance lease repayments		<u>(5,076)</u>	<u>(4,870)</u>
Net cash used in financing activities		<u>(155,076)</u>	<u>(154,870)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		(1,172,127)	67,707
Cash and cash equivalents at the beginning of the reporting period		<u>2,817,241</u>	<u>2,749,534</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,645,114</u></u>	<u><u>2,817,241</u></u>

The notes form part of these financial statements

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net income for the reporting period (as per the Statement of Financial Activities)	157,543	342,234
Adjustments for:		
Depreciation charges	486,175	441,145
Interest received	(138,020)	(71,737)
Interest element of hire purchase and finance lease rental payments	336	543
Increase in debtors	(1,446,309)	(11,199)
Increase in creditors	658,506	1,791,713
Net cash (used in)/provided by operations	<u>(281,769)</u>	<u>2,492,699</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.24 £	Cash flow £	At 31.8.25 £
Net cash			
Cash at bank	<u>2,817,241</u>	<u>(1,172,127)</u>	<u>1,645,114</u>
	<u>2,817,241</u>	<u>(1,172,127)</u>	<u>1,645,114</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	<u>2,250,000</u>	<u>600,000</u>	<u>2,850,000</u>
	<u>2,250,000</u>	<u>600,000</u>	<u>2,850,000</u>
Debt			
Finance leases	(10,368)	5,076	(5,292)
Debts falling due within 1 year	(150,000)	(2,400,000)	(2,550,000)
Debts falling due after 1 year	<u>(2,550,000)</u>	<u>2,550,000</u>	<u>-</u>
	<u>(2,710,368)</u>	<u>155,076</u>	<u>(2,555,292)</u>
Total	<u>2,356,873</u>	<u>(417,051)</u>	<u>1,939,822</u>

The notes form part of these financial statements

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Sevenoaks Preparatory School Limited is governed under its Memorandum and Articles of Association. The address of the principal office is given in the information on page 7 of these financial statements. The nature of the School's operations and principal activities are set out on pages 1 to 4.

The School constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 & Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Critical accounting judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 15 for the carrying amount of the property plant and equipment, and note 1 for the useful economic lives for each class of assets.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

School fee income is accounted for on a receivable basis and consists of charges billed for the school year ended 31 August, less bursaries and allowances. No value added tax is chargeable on the fees rendered to 31/12/24. From 01/01/25, in line with government legislation changes, value added tax is chargeable on fee income. Fees received in advance for education to be provided in future years are carried forward as deferred income.

Donations are accounted for once the school has entitlement to the gift, it is probable that the income will be received, and the amount can be measured reliably.

Investment income is accounted when it is receivable, and the amount can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

The irrecoverable element of value added tax is included with the related expense up to 31/12/24. From 01/01/25, value added tax is recovered where applicable and expenses reflect the cost excluding value added tax.

Administration costs are allocated to the cost of raising funds and charitable activities on the basis of an appropriate apportionment of resources and activities.

Governance costs have been allocated in line with administration costs and include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

Funds

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the governors.

Designated funds relate to the net book value of fixed assets held by the school less the outstanding loans held.

Restricted funds can only be used for particular purposes within the objects of the school. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all fixed assets at rates calculated to write off their cost, less estimated residual value, over their expected useful lives by equal annual instalments as follows:

Capitalised finance lease for classrooms - 10% on cost
Improvements to leasehold property - 4 to 10% on cost
Fixtures and fittings - 25% on cost and 20% on cost
Motor vehicles - 15% on cost

It is the school's policy to capitalise all items of a capital nature over £500.

Impairment of fixed assets

Impairment reviews are carried out if events of changes in circumstances indicate that the carrying value of an asset may not be recoverable. When an impairment review is necessary the carrying amount of an asset is compared with the higher of its net realisable value and value in use and any permanent diminution in value is written off to the Statement of Financial Activities.

Taxation

The charity is exempt within the meaning on schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in paragraph 1 schedule 6 to the Finance Act 2020 and therefore meets the definition of a charitable company for UK tax purposes.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

1. ACCOUNTING POLICIES - continued

Donations of goods, services and facilities

Donated goods, professional services and facilities are recognised as income when the school has control over the item or has received the service, any conditions associated with the donation have been met, the receipt of the economic benefit from the use of an item by the school is probable, and that economic benefit can be measured reliably.

On receipt, donated goods, professional services and facilities are recognised on the basis of the value of the gift to the school which is the amount the school would have been willing to pay to obtain the goods, services or facilities on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. Goods donated for on-going use by the school in carrying out its day to day activities are recognised as tangible fixed assets.

Debtors

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

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Current asset investments

Current asset investments include long-term liquid investments with maturity of three months or more are initially stated at transaction value and subsequently measured at their settlement value.

Creditors and provisions

Creditors and provisions are recognised when the school has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The school only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

Pension costs and other post-retirement benefits

Many of the teaching staff are members of the Teachers' Pension Scheme (TPS), a defined benefit scheme administered by the Teachers' Pension Agency. The Teachers' Pension Scheme is a multi-employer pension scheme which is unfunded. Actuarial valuations are carried out on a notional set of investments.

The school is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, under FRS102, the scheme is accounted for as if it were a defined contributions scheme. The school's contributions, which are in accordance with the recommendations of the Government Actuary, are charged to the Statement of Financial Activities in the period in which the salaries to which they relate are payable.

The school also contributes to personal pension schemes for other teachers and non-teaching staff. These schemes are defined contribution schemes. The assets of the schemes are held separately from those of the school in independently administered funds. Contributions payable for the year are charged to the Statement of Financial Activities. The school has no other liabilities under these schemes.

Employee benefits

Short term employee benefits including holiday pay are recognised in the Statement of Financial Activities in the period in which the service is rendered. Termination benefits are accounted for on an accrual basis and in accordance with FRS102.

Public benefit

The school is a Public Benefit Entity

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
Donations and income from fund raising	<u>76,555</u>	<u>3,705</u>	<u>80,260</u>	<u>40,612</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
External hire	<u>18,666</u>	<u>-</u>	<u>18,666</u>	<u>5,381</u>

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
Deposit interest	<u>136,650</u>	<u>1,370</u>	<u>138,020</u>	<u>71,737</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2025 £	2024 £
School fees	5,519,504	5,660,241
Registration fees	5,137	4,425
Bursaries and staff discounts	(140,208)	(129,880)
School shop	<u>4,853</u>	<u>7,040</u>
	<u>5,389,286</u>	<u>5,541,826</u>

6. RAISING DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
Fundraising costs	<u>56,340</u>	<u>-</u>	<u>56,340</u>	<u>31,154</u>

7. CHARITABLE ACTIVITIES COSTS

	2025 Support costs (see note 8) £
Education	<u>5,412,013</u>

8. SUPPORT COSTS

	Teaching costs £	Welfare costs £	Support costs £	2025 Total £
Education	<u>3,006,839</u>	<u>368,717</u>	<u>2,036,457</u>	<u>5,412,013</u>

Welfare costs

	2025 £	2024 £
Contracted catering staff	204,019	205,529
Cost of meals	<u>164,698</u>	<u>180,297</u>
	<u>368,717</u>	<u>385,826</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

8. SUPPORT COSTS - continued

Teaching costs

	2025	2024
	£	£
Wages	2,095,947	2,137,767
Social security	208,622	209,209
Pensions	347,771	337,201
Tutors and instructors	17,717	18,436
Training	29,548	15,041
Subscriptions	18,809	7,549
Classroom supplies	278,502	214,919
Staff childcare	9,923	-

3,006,839 2,940,122

Support costs

	2025	2024
	£	£
Wages	413,615	439,780
Social security	46,522	44,027
Pensions	16,352	14,025
Rent and rates	293,602	236,410
Insurance	56,354	53,465
Heat and light	88,916	94,374
Repairs and maintenance	87,024	89,909
Grounds	39,015	40,793
Cleaning	133,510	124,334
Motor & travelling expenses	54,231	43,507
Depreciation of tangible fixed assets	478,200	441,145
Hire of equipment	24,584	31,451
Bad debts	20,000	10,000
Telephone	8,556	7,022
Advertising & marketing	33,534	32,509
Headmasters entertainment	3,573	1,588
Sundry expenses	12,435	3,548
Postage and stationery	18,501	24,463
Legal & professional fees	52,728	78,656
Governors' expenses	3,790	505
Auditors' remuneration	18,980	11,640
Accountancy fees	24,475	22,663
Bank interest and charges	107,960	113,863

2,036,457 1,959,677

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation - owned assets	481,711	436,681
Depreciation - assets on hire purchase contracts and finance leases	4,464	4,464
Hire of plant and machinery	24,584	31,451
Other operating leases	<u>293,602</u>	<u>246,410</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025**

10. AUDITORS' REMUNERATION

Auditors' remuneration for the year totalled £11,250 (2024: £11,640) for audit services. Charges for additional services provided amounted to £1,550.

11. GOVERNORS' REMUNERATION AND BENEFITS

None of the governors (or any persons connected with them) received any remuneration or other benefits from any employment with the school during the current or previous year.

No amounts were due to or from the governors at the balance sheet date (2024: £nil).

Governors' expenses

	2025	2024
	£	£
Trustees' expenses	<u>3,790</u>	<u>505</u>

During the financial period, no Governors were reimbursed for expenses. All expenses relate to costs of meetings and training financed by the School.

In 2024, one Governor was reimbursed £285 for training costs and one Governor was reimbursed £210 for a gift. The additional £10 relates to refreshments at a Governors' meeting.

12. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	2,509,562	2,577,547
Social security costs	255,144	253,236
Other pension costs	<u>364,123</u>	<u>351,226</u>
	<u>3,128,829</u>	<u>3,182,009</u>

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

	2025	2024
	<u>81</u>	<u>82</u>
Employees		

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025	2024
£70,001 - £80,000	-	1
£80,001 - £90,000	1	1
£90,001 - £100,000	<u>2</u>	<u>1</u>
	<u>3</u>	<u>3</u>

Contributions totalling £40,764 (2024: £35,676) were made during the year to pension schemes on behalf of employees whose employee benefits exceed £60,000.

The key management personnel of the school comprise the Headmaster, the Bursar, the acting Deputy Head and Head of Pre-Prep, Assistant Heads and the Head of Early Years. The total employee benefits including pension contributions for the key management personnel were £669,996 (2024: £684,348). In 2024, the Deputy Head and Head Pre-Prep were held by separate employees.

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Designated fixed asset fund £	Bursary reserve £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	37,082	-	-	3,530	40,612
Charitable activities					
Education	5,541,826	-	-	-	5,541,826
Other trading activities	5,381	-	-	-	5,381
Investment income	70,121	-	-	1,616	71,737
Total	<u>5,654,410</u>	<u>-</u>	<u>-</u>	<u>5,146</u>	<u>5,659,556</u>
EXPENDITURE ON					
Raising funds					
Raising donations and legacies	31,154	-	-	-	31,154
	31,154	-	-	-	31,154
Charitable activities					
Education	5,284,736	889	-	-	5,285,625
Other	543	-	-	-	543
Total	<u>5,316,433</u>	<u>889</u>	<u>-</u>	<u>-</u>	<u>5,317,322</u>
NET INCOME/(EXPENDITURE)	337,977	(889)	-	5,146	342,234
Transfers between funds	3,397	(203,397)	200,000	-	-
Net movement in funds	341,374	(204,286)	200,000	5,146	342,234
Total funds brought forward	1,570,443	3,666,630	-	58,614	5,295,687
TOTAL FUNDS CARRIED FORWARD	<u>1,911,817</u>	<u>3,462,344</u>	<u>200,000</u>	<u>63,760</u>	<u>5,637,921</u>

14. LEGAL STATUS

The company, which is registered in England & Wales, is limited by guarantee and has no share capital. The liability of the members in the event of a winding up is limited to £10 each per member.

No one party has overall control of the school.

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

15. TANGIBLE FIXED ASSETS

	Capitalised finance lease for classrooms £	Improvements to leasehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 September 2024	134,026	9,362,481	1,150,253	71,385	10,718,145
Additions	-	80,718	230,522	-	311,240
VAT adjustment	-	(27,198)	(19,051)	-	(46,249)
At 31 August 2025	<u>134,026</u>	<u>9,416,001</u>	<u>1,361,724</u>	<u>71,385</u>	<u>10,983,136</u>
DEPRECIATION					
At 1 September 2024	134,026	3,375,084	991,674	55,017	4,555,801
Charge for year	-	368,970	112,741	4,464	486,175
VAT adjustment	-	(1,030)	(6,945)	-	(7,975)
At 31 August 2025	<u>134,026</u>	<u>3,743,024</u>	<u>1,097,470</u>	<u>59,481</u>	<u>5,034,001</u>
NET BOOK VALUE					
At 31 August 2025	<u>-</u>	<u>5,672,977</u>	<u>264,254</u>	<u>11,904</u>	<u>5,949,135</u>
At 31 August 2024	<u>-</u>	<u>5,987,397</u>	<u>158,579</u>	<u>16,368</u>	<u>6,162,344</u>

Leasehold property has been pledged as security for a bank loan.

The VAT adjustment relates to VAT partially reclaimed on assets purchased before the VAT registration date and still in use.

Fixed assets, included in the above, which are held under finance leases are as follows:

	Motor vehicles £
COST	
At 1 September 2024 and 31 August 2025	<u>29,760</u>
DEPRECIATION	
At 1 September 2024	13,392
Charge for year	<u>4,464</u>
At 31 August 2025	<u>17,856</u>
NET BOOK VALUE	
At 31 August 2025	<u>11,904</u>
At 31 August 2024	<u>16,368</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade debtors	1,502,621	36,086
Other debtors	166	1,858
Accrued income	15,899	18,106
Prepaid expenses	<u>71,640</u>	<u>87,967</u>
	<u>1,590,326</u>	<u>144,017</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

17. CURRENT ASSET INVESTMENTS

	2025	2024
	£	£
Fixed term deposit	<u>2,850,000</u>	<u>2,250,000</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Bank loans and overdrafts (see note 20)	2,550,000	150,000
Finance leases (see note 21)	5,292	5,076
Trade creditors	23,772	56,765
Social security and other taxes	58,871	49,021
VAT	262,886	-
Other creditors	36,901	47,585
Fee deposits	25,725	18,875
Fees received in advance	2,176,056	1,214,839
Accrued expenses	<u>50,800</u>	<u>164,151</u>
	<u>5,190,303</u>	<u>1,706,312</u>

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
Bank loans (see note 20)	-	2,550,000
Finance leases (see note 21)	-	5,292
Long term fee deposits	247,838	234,057
Fees received in advance	<u>800,970</u>	<u>1,240,020</u>
	<u>1,048,808</u>	<u>4,029,369</u>

20. LOANS

An analysis of the maturity of loans is given below:

	2025	2024
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>2,550,000</u>	<u>150,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>-</u>	<u>2,550,000</u>

Interest is charged at a fixed rate of 4.01% and was interest only until 28 June 2022 and which point capital repayments started. The loan is repayable after 5 years and matures on 29 June 2026. The plan is to refinance at that stage.

The bank loan from Handelsbanken has been secured against the land registered with the title number K739282.

SEVENOAKS PREPARATORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025**

21. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Finance leases	
	2025	2024
	£	£
Gross obligations repayable:		
Within one year	5,412	5,412
Between one and five years	-	5,412
	<u>5,412</u>	<u>10,824</u>
Finance charges repayable:		
Within one year	120	336
Between one and five years	-	120
	<u>120</u>	<u>456</u>
Net obligations repayable:		
Within one year	5,292	5,076
Between one and five years	-	5,292
	<u>5,292</u>	<u>10,368</u>
	Non-cancellable operating leases	
	2025	2024
	£	£
Within one year	263,598	258,244
Between one and five years	942,118	947,434
In more than five years	<u>2,388,055</u>	<u>2,590,875</u>
	<u>3,593,771</u>	<u>3,796,553</u>

The School operates from premises subject to a lease that expires in December 2041. The rent is reviewed every five years, the last review was concluded in January 2023. A phased increase in rent was agreed between September 2022 and June 2024, increasing from £183,600 per annum to £211,500 per annum from June 2024.

Included within operating leases is £3,436,875 (2024: £3,648,375) relating to land and building and £101,434 (2024: £148,177) relating to other commitments.

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Designated fixed asset fund	General Bursary fund
	£	£	£
Fixed assets	-	5,949,135	-
Current assets	5,864,151	-	152,454
Current liabilities	(2,640,303)	(2,550,000)	-
Long term liabilities	<u>(1,048,808)</u>	<u>-</u>	<u>-</u>
	<u>2,175,040</u>	<u>3,399,135</u>	<u>152,454</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS - continued

	Restricted fund £	2025 Total funds £	2024 Total funds £
Fixed assets	-	5,949,135	6,162,344
Current assets	68,835	6,085,440	5,211,258
Current liabilities	-	(5,190,303)	(1,706,312)
Long term liabilities	-	(1,048,808)	(4,029,369)
	<u>68,835</u>	<u>5,795,464</u>	<u>5,637,921</u>

23. MOVEMENT IN FUNDS

	At 1.9.24 £	Net movement in funds £	Transfers between funds £	At 31.8.25 £
Unrestricted funds				
General fund	1,911,817	200,903	62,320	2,175,040
Designated fixed asset fund	3,462,344	(889)	(62,320)	3,399,135
General bursary fund	<u>200,000</u>	<u>(47,546)</u>	<u>-</u>	<u>152,454</u>
	5,574,161	152,468	-	5,726,629
Restricted funds				
Restricted Fund	<u>63,760</u>	<u>5,075</u>	<u>-</u>	<u>68,835</u>
TOTAL FUNDS	<u>5,637,921</u>	<u>157,543</u>	<u>-</u>	<u>5,795,464</u>

Net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Movement in funds £
Unrestricted funds			
General fund	5,668,703	(5,467,800)	200,903
Designated fixed asset fund	-	(889)	(889)
General bursary fund	<u>(47,546)</u>	<u>-</u>	<u>(47,546)</u>
	5,621,157	(5,468,689)	152,468
Restricted funds			
Restricted Fund	<u>5,075</u>	<u>-</u>	<u>5,075</u>
TOTAL FUNDS	<u>5,626,232</u>	<u>(5,468,689)</u>	<u>157,543</u>

Comparatives for movement in funds

	At 1.9.23 £	Net movement in funds £	Transfers between funds £	At 31.8.24 £
Unrestricted funds				
General fund	1,570,444	337,976	3,397	1,911,817
Designated fixed asset fund	3,666,629	(888)	(203,397)	3,462,344
General bursary fund	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>200,000</u>
	5,237,073	337,088	-	5,574,161
Restricted funds				
Restricted Fund	<u>58,614</u>	<u>5,146</u>	<u>-</u>	<u>63,760</u>
TOTAL FUNDS	<u>5,295,687</u>	<u>342,234</u>	<u>-</u>	<u>5,637,921</u>

SEVENOAKS PREPARATORY SCHOOL LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025****23. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Movement in funds £
Unrestricted funds			
General fund	5,654,410	(5,316,434)	337,976
Designated fixed asset fund	-	(888)	(888)
General bursary fund	-	-	-
	5,654,410	(5,317,322)	337,088
Restricted funds			
Restricted Fund	5,146	-	5,146
	-	-	-
TOTAL FUNDS	<u>5,659,556</u>	<u>(5,317,322)</u>	<u>342,234</u>

The restricted funds are held as part of the company's bank balance. The bursary fund represents a donation towards a specific bursary in exceptional and emergency situations. A separate bursary committee has been established to oversee this fund. The fund aims to support families who may succumb to unforeseen disasters such as sudden bereavement, divorce, redundancy or the collapse of a family business and will provide assistance in paying school fees.

The designated fixed asset fund equates to the net book value of the fixed assets of the school less the outstanding amount of bank loan.

The general bursary fund was created from a transfer from the general fund in the year ended 31 August 2024. This reserve was created to provide means-tested financial support to parents particularly affected by the imposition of VAT.

24. OTHER FINANCIAL COMMITMENTS**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 £250,971 (2024: £226,769) and at the year-end £27,564 (2024: £27,311) 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, confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 23 October 2023. The key elements of the valuation and subsequent consultation are:

- o employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)

SEVENOAKS PREPARATORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2025

24. OTHER FINANCIAL COMMITMENTS - continued

o total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

o the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, assumed real rate of return is 1.7% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

This valuation result was implemented from 1 April 2024.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Government pension scheme

The Charity pays pension contributions to into defined contribution pension schemes for those employees who do not participate in the TPS. The amount recognised as an expense in the year was £113,152 (2024: £124,457). The amount owed to the pension schemes at the year end was £5,982 (2024: £20,274).

25. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2025.