

School of Hard Knocks

Annual Report and Financial Statements

31 March 2025

Company Limited by Guarantee
Registration Number
07743730 (England and Wales)

Charity Registration Numbers
1147009 (England and Wales)
SC046118 (Scotland)

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Reference and administrative information

Trustees	Mr James Cameron Ms Victoria Griffin Mr Mike Francis Ms Yasmine Hafiz Mr Mikel Mellick Mr Neel Sood Ms Kirstin McNutt Mr Nicholas Dent
Chief Executive	Mr Ken Cowen
Registered office	Ty Cefn Old Building Unit 4, Rectory Road Cardiff Wales CF5 1QL
Company Registration Number	07743730
Charity Registration Numbers	1147009 (England and Wales) SC046118 (Scotland)
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Solicitors	Milbank, Tweed, Hadley & McCloy LLP 10 Gresham Street London EC2V 7JD
Bankers	Metro Bank 1 Southampton Row London WC1B 5HA

The Trustees, who are the directors for the purposes of company law, present their statutory report together with the financial statements of School of Hard Knocks for the year to 31 March 2025.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 20 to 23 of the attached financial statements and comply with the charitable company's memorandum of association, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Our Aims and objectives

Purposes and Aims

The principal objects of the charity are set out in the charity's Memorandum of Association:

To assist persons who may have need of support by virtue of poor health, disability, financial hardship or other disadvantage, in particular but not exclusively by the provision of facilities and programmes of physical, educational and other activities as a means of:

- a) advancing in life and by developing skills, capacities and capabilities to enable persons to participate in society as independent, mature and responsible individuals;
- b) advancing education;
- c) advancing physical, mental and emotional health and wellbeing.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities.

Achievements and Performance

How our activities deliver public benefit

Issues around school attendance, engagement, and exclusions have escalated in recent years. The effects of Covid-19, rising poverty, and overstretched social services are hitting the most vulnerable hardest. In 2023/24, a record 34 million days of learning were lost due to suspensions and unauthorised absence, up from 32 million in 2022/23 and 19 million in 2018/19. Lost learning disproportionately affects pupils growing up in poverty, those with Special Educational Needs (SEN), and those from Gypsy, Roma and Traveller communities. Children on free school meals are more than four times as likely to be suspended, and 45% of all children suspended have SEN.

Achievements and Performance (continued)

How our activities deliver public benefit (continued)

Lost learning has a huge impact on young people's outcomes. Persistent absence and exclusion lead to poorer GCSE attainment, and higher risk of criminal exploitation, unemployment, and mental health difficulties. Councils struggle to cope with the spiralling costs of alternative provision for pupils excluded from, or refusing, school.

It does not need to be this way. Early intervention can equip young people with the tools to engage with learning, safeguard their wellbeing, and achieve in school and later life.

Further, the economic benefits to the country of early intervention that seek to keep young people engaged in school are enormous: New analysis shows that the 2023/24 cohort of permanently excluded pupils will cost the Exchequer an estimated £1.9 billion over their lifetimes. Each child removed permanently from school is projected to cost the state £170,000, due to reduced earnings, increased reliance on welfare, and greater interaction with the criminal justice system.

How we respond

School of Hard Knocks' mission is to support all young people to thrive in secondary education, by changing the experience of pupils who are at risk of exclusion, disruptive or disengaged in school, and are missing out on learning.

We do this through delivering a unique combination of rugby-based sessions, specialist mentoring, and indoor group discussions and activities. 90% of our young participants report feeling more confident and more engaged with school after taking part.

We deliver services via three regional teams in England (across Greater London and Herts), Wales (across Cardiff, Newport SE valleys areas) and Scotland (across Glasgow, Edinburgh and Fife).

School of Hard Knocks work across the UK in areas of high deprivation. Schools refer pupils who are at risk of exclusion, those struggling with chronically low confidence and self-esteem, and those lacking safety or structure at home. Working with a cohort of pupils for an average of two years, our specialist teams deliver a programme of:

Rugby Coaching Young people are introduced to rugby as an accepting environment in which to practice conflict resolution, build a community with their peers, and experience positive reinforcement.	Personal Development Indoor sessions consolidate the lessons learned on the pitch on a weekly basis. The group takes part in dynamic and interactive sessions on emotional control, healthy relationships, mental & physical health, and more.	1-1 Mentoring Young people are allocated an SOHK mentor. This trusted adult helps them to apply their new learning in real-life situations, growing their confidence and moving them closer to their goals.
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All of School of Hard Knocks' activities are rooted in evidence-based practice and develop crucial Social & Emotional Learning skills for young people who are vulnerable. Our model focuses on the "3Cs":

Achievements and Performance (continued)

How we respond (continued)

Confidence: Self Esteem

Personal development sessions and rugby activities are designed to build students' confidence and self-esteem. By becoming better at rugby and being involved in a positive environment and team, students gain a sense of achievement and pride, which translates into higher self-esteem. This confidence empowers them to make better decisions and approach challenges with a positive mindset.

Control: Emotional Regulation & Self Awareness

Through 1:1 mentoring and physical breakouts (such as tackling and rucking), students learn to manage their emotions and develop self-awareness. These activities help students understand their emotional responses and regulate them effectively. By reflecting on their actions and consequences, students become more aware of their behaviour and learn strategies to control their emotions, leading to better decision-making.

Connection: Positive relationships

Teamwork activities during warm-ups and group sessions focus on building positive relationships. By encouraging effective communication and mutual support, students learn the importance of connection and collaboration. These activities foster a sense of cohesion and empathy, helping students understand the impact of their actions on others and promoting positive behaviour.

Decades of experience have shown us that rugby is the ultimate team sport for this purpose. It is inclusive (every gender and body type are welcomed), relies on a high level of interdependence and trust between teammates, and provides continual opportunities to practice emotional self-regulation, courage, and problem-solving.

Our Impact this year

School of Hard Knocks has been delivering its programmes for 13 years and currently works with 845 students in 29 schools across the UK. The vast majority of participants report feeling more confident in their abilities (91%); more hopeful about their futures (89%); and more engaged at school (90%). Feedback from school partners and young people shows how this impact translates to visible changes in pupil behaviour and achievements in school.

With a newly appointed Evidence & Impact Manager, School of Hard Knocks has started to more comprehensively track changes to pupil attendance, exclusions, and validated measures of Social & Emotional Learning. This will add additional quantitative data to our evidence base, as well as allowing us to benchmark the programme against other interventions and drive continuous improvement.

Programme changes and 5 year strategy

In August '23 we were approached by Impetus, a Private Equity backed organisation that identifies and supports high potential charities both financially and in terms of ongoing and in-depth strategic support.

Achievements and Performance (continued)

Programme changes and 5 year strategy (continued)

The first major block of work with Impetus was the 'Driving Impact' workshops in May '24 which led to the decision to end our work amongst adults and focus all of our resources on our schools programmes for the following reasons:

- 1) Since the Covid-19 Pandemic, we have experienced a massive increase in demand for our work in schools and conversely a reduced demand for our work amongst adults.
- 2) The ROI (that is, outcomes against costs of intervention per participant) is much better for our schools participants than it has been for our adult participants.
- 3) There is strong and compelling evidence that earlier and lengthy interventions have the best chance of long-term success.
- 4) Our work in schools enables the best possible evidence based and demonstrable outcomes.

As part of the Impetus partnership, we were extremely fortunate to receive a pro bono partnership with Bain & Company who are a global management consultancy firm. Given a team of four for a period of 12 weeks, we worked intensively to support the development of our 5 year strategic plan. The project began in November '24 and work to mobilise the plan started immediately upon completion in March '25 with 'year one' officially starting in August '25.

The highly detailed strategy revolves around five 'Charter Initiatives' each of which has a charter 'owner'. The Senior Leadership Team discuss ongoing implementation on a fortnightly basis. The charters are:

- ◆ Standardised School sales and pipeline development
- ◆ Strengthened schools results delivery
- ◆ Enhanced people proposition
- ◆ Fundraising excellence
- ◆ Tailored Marketing & Brand strategy.

Fundraising

Since March '23 when we had just one part time fundraiser working on corporate partnerships, we have invested in a larger team that consists of: A Director of Fundraising (currently covered by an Interim Director), a Corporate Partnerships Manager (FT) a Trusts and Grant Manager (PT) and events Co-ordinator (PT) and, serving the wider charity as well as the fundraising team, a Marketing & Communications Manager (FT).

The fundraising environment across the whole sector has been depressed as a consequence of subdued economic growth in the UK and so we deemed the investment into a fundraising team to be of critical importance. After a difficult summer ('24) we are just beginning to feel the positive impact of this investment. With income from school contributions remaining static the challenge for the team to raise sufficient funds and build reserves remains high but the travel is markedly in the right direction.

Achievements and Performance (continued)

Fundraising (continued)

Being brought on to the Impetus portfolio was and remains a major boost, with a £100k Per Annum grant agreed for as long as the partnership lasts (initially 2.5 years, but with scope for much longer).

An extremely positive area of growth has been through Corporate fundraising, having secured multiyear partnerships with a wide range of businesses such as the Clarkson's Group (Shipping), Investec (financial services), Civica (Tech), and Firethorn Trust (property investment).

Our flagship annual fundraising event – 'The SOHK Long Lunch' raised ~140k in February '25, which is our best single event to date. We now have a full calendar of events including our first SOHK golf day, with over 26 business in attendance and a private dining experience for HNW donors and prospects, with a royal family member in attendance.

In January '25 we appointed our first Evidence and Impact Manager. This provides us with live data and the opportunity for delivery colleagues to see the trends and make constant adjustments to improve delivery - but it will also provide our fundraising team, plus donors and funders with a far more accurate picture of our Impact. We believe this appointment to be completely transformational for the charity.

Ethical approach to fundraising

SOHK is a values-driven charity that conducts its activities in line with the highest ethical standards. The charity uses a mixed funding economy to spread risk and ensure stability. Currently, the main methods for accessing individual donors are fundraising events, personal referrals from ambassadors and social media campaigns targeted at friends and supporters of the charity. This greatly reduces the risk of SOHK inadvertently contacting members of the public, especially vulnerable people, in an unreasonably intrusive or persistent manner. The charity has robust internal policies on data collection and handling, is fully GDPR compliant and has a robust, externally validated complaints procedure. The charity is prepared to refund any donation which is shown to have been gained through unreasonable fundraising, whether advertently or inadvertently. During the year the charity received no complaints in respect of its fundraising activities.

Financial review

SOHK's Revenue decreased by £173k (11%) compared to the prior year, while expenditure fell by £221k (14%).

The drop in Revenue was largely attributable to the decision to cease Adult services and a reduction in Welsh School delivery teams from 2 to 1. Delivery costs reduced in line with activity, and with a comprehensive organisation review undertaken and implemented to streamline services and move towards a functional structure (as opposed to a regional structure), efficiencies were realised.

Principal funding sources

Grant income accounted for 35% of SOHK's income (2024 - 37%). The principal sources of this were Impetus, Lambeth Council, Garfield Weston and the Wooden Spoon Charity. Donations from individuals accounted for 17%, which Corporate Donations and events each accounting for 13%. Contract income paid by the schools, equated to 13% of our total.

Financial review (continued)

Principal funding sources (continued)

At the year end the balance sheet showed total funds of £118,311 (2024- £97,385), none of which were restricted (2024 - £91,387 unrestricted and £5,998 restricted).

Reserves policy

The trustees have considered the charity's need for reserves, for ensuring that resources are managed responsibly, and that decisions are taken with care for the benefit of the organisations' objectives.

This includes the need of the charity's to have sufficient free reserves to cover an unexpected loss of income, cash flow shortage, or unforeseen operational cost. The target level of free reserve has been set at 3 months operating cost, sufficient to cover the charities most significant risks. (Based on 2024/25 activity, this equates to £330k)

The free reserves balance increased by £27k in year to £118k as at 31 March 25. Whilst significantly below target, the shortfall has been underwritten through a personal guarantee from a Trustee, whilst the organisation continues to work towards achieving target.

The charity has set a short-term reserves target of £163k (5 weeks cover) to be achieved 2025-26, rising to £606k (10 weeks cover) by 2029-30.

Service developments and growth, which will add to underlying operating costs, shall not be permitted without consideration of the impact on Reserves and consequential risk associated, to ensure no detriment to cover.

Going concern

Our case for support continues to increase with the challenges facing our beneficiaries. This means now more than ever SOHK is needed to offer valuable help to support the young people we work with to allow them to realise their potential.

The Trustees and the Board's Finance Subcommittee, supported by the Director of Finance, continue to monitor cashflow, meeting quarterly to review the financial position of the charity and each programme, the balance of restricted and unrestricted funds, the balance sheet, profit and loss, and budget variance for the year to date.

On the basis of their assessment of the Charity's financial position, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Plans for Financial Year 2025-2026

The Trustees aspire not only to sustain current activity, but through the renewed strategic focus on "Delivering Impact" in Schools to grow activity, to increase the number of young people supported. With ongoing support from Impetus, and significant in year input from Bain & Company, we have developed the comprehensive 5 year strategic plan, setting the long term goals and defining the stepping stones (Initiative Charters) to get there.

For 2025-26 the primary Delivery objectives encompass;

- i. the further development of evidence based practice, supported by the new Evidence and Impact Manager role (created 2024-25),

Plans for Financial Year 2025-2026 (continued)

- ii. Re-focus on building a footprint in Wales
- iii. Expansion to include a third team in London before the end of the Financial year

In addition to the above, non-delivery staff objectives include;

- a. Aligning delivery with areas of greatest need
- b. Enhancing our people proposition
- c. Optimise Marketing, Branding and communication strategies
- d. Delivering Fundraising excellence.

As well as generating revenue, the trustees recognise the need to continue our cost control processes and the continuation of the Board's Finance Subcommittee. The charity aims to deliver a surplus of not less than £45,000 in the 2025-2026 financial year to meet our short-term reserves target of £163,000.

Structure, Governance and Management

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 17 August 2011. It is registered with the Charity Commission, charity number 1147009. The charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The charity registered with OSCR, the Scottish Charity Regulator, on 9 November 2015, charity number SC046118.

Recruitment and appointment of trustees

The directors of the company are also charity trustees for the purposes of charity law and Members for the purposes of the Articles of Association. The management of the charity is the responsibility of the Trustees who are elected every three years, for three-year terms, under the terms of the Articles of Association. The charity is managed by the trustees via periodic Board meetings and the day-to-day operation of the Charity is delegated by the Trustees to Mr. Ken Cowen, the Chief Executive Officer.

The Trustees review each year the skills and experience of the Board of Trustees and determine the need to appoint further trustees.

The Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

Key management personnel

The key management personnel of the charity in charge of directing, controlling, running, and operating the charity on a day-to-day basis comprise the Trustees (who are not remunerated), the Chief Executive and his Leadership Team.

Their remuneration is set annually by the Board, considering individual performance, the performance of the Charity as a whole, and the financial outlook of the Charity. This process is informed by SOHK's Performance & Development Reviews, which are conducted by line managers with all staff and by the Chair of Trustees for the CEO.

Structure, Governance and Management (continued)

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular staff meetings and have been kept informed on specific matters directly by management. The charity has implemented a number of policies in relation to all aspects of personnel matters:

- ◆ Equal opportunities policy
- ◆ Volunteers' policy
- ◆ Health and safety policy.

In accordance with the charity's equal opportunities policy, the charity has established fair employment practices in recruitment, selection, retention, and training of disabled staff. Full details of these policies are available from the charity's offices.

Risk management

The trustees conduct an annual review of the major risks to which the charity is exposed. A risk register has been established and is updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, and clients.

SOHK's risk register scores risks for their probability and severity, to give an unmitigated risk score. Mitigation is then put in place and the risk is re-evaluated. The charity's risk register shows the biggest unmitigated risks to the charity to be the following. The mitigation is also included:

- ◆ Sporting activity / injuries – Every delivery team has a qualified first aider and first aid kit to hand, and all frontline work has its own standalone risk assessment. The charity holds specific public liability and employers' liability insurance for its activities, and coaches are required to hold £5m in public liability cover personally. All coaching involves warmups, clearly marked pitches which have been checked for obstructions and hazards and approved equipment. All activities are clearly explained, and no one is forced to participate. The charity has clear Health and Safety Policy which is rigorously adhered to. Charity keeps participant disclaimers in perpetuity.
- ◆ Loss of key staff (temporary or permanent) – The charity has a shared drive with non-confidential files, which can be accessed by all staff. The charity has a financial process document and living delivery manual. All line managers of departing staff are required to steward a handover process to successors. Staff who are made redundant are given paid extension to oversee handover of materials. The charity's reserves policy includes funds for temporary staff to cover sickness, maternity for key staff members. The charity has a staff succession plan assessing roles criticality and impact of individuals. A comprehensive staff wellbeing policy is in place with ongoing refinement. We now retain a counselling service for staff, via our HR support.

Structure, Governance and Management (continued)

Risk management (continued)

- ◆ Reserve's Policy – Our reserves policy is updated annually to account for the current financial position and costings, with a goal to consistently maintain our short-term reserve target. While our cashflow requires strict management, the Director of Finance forecasts any cashflow shortages and remedial actions needed to the CEO and Trustees.
- ◆ Illegal activity by the charity (intentional or unintentional). The charity is advised by Milbank on a pro bono basis. Clear policies are in place for all areas of charitable activity and line managers ensure that these are adhered to.
- ◆ Failure to meet targets on delivery income- The charity realises given the current financial position and cost of living crisis, the charity must accept some risk within our fundraising landscape. A Director of Fundraising is now in place who will lead and further build a team that will ensure sustainability and growth - that said, the Trustees along with the senior leadership are prepared to adapt delivery dependent on the funding secured.

Trustees' Responsibilities Statement

The Trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and accounting estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation; and
- ◆ declare any conflicts of interest under s175 of the Companies Act 2006.

Trustees' Responsibilities Statement (continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 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.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the Trustees and signed on their behalf by:



Victoria Griffin

Approved by the Trustees on: 11th August 2025

Independent auditor's report to the trustees and members of School of Hard Knocks

Opinion

We have audited the financial statements of School of Hard Knocks (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, 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.

Other information (continued)

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 trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law, 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- ◆ proper and adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of trustees (continued)

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Companies Act 2006; the Charities Act 2011; the Charities Accounts Scotland Regulations 2006; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102), Safeguarding Regulations, GDPR, fundraising regulations; and
- ◆ We assess the extent of compliance with laws and regulations identified above by making enquiries of management and representatives of the trustees and review of the minutes of trustees' meetings.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by:

- ◆ Making enquiries of management and representatives of the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Auditor's responsibilities for the audit of the financial statements (continued)

How the audit was considered capable of detecting irregularities including fraud
(continued)

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Tested the authorisation of expenditure;
- ◆ Tested the implementation of financial controls;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

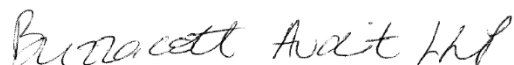
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's trustees as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 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.



Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott Audit LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 12 August 2025

Buzzacott Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of financial activities

(incorporating an Income and Expenditure Account) Year to 31 March 2025

	Notes	Un-restricted funds £	Restricted funds £	2025 Total funds £	Un-restricted funds £	Restricted funds £	2024 Total funds £
Income and expenditure							
Income from:							
Donations	1	375,693	105,054	480,747	349,336	22,710	372,046
Other trading activities	2	215,670	—	215,670	149,839	—	149,839
Charitable activities							
. Provision of training courses	3	377,733	270,619	648,352	361,739	634,436	996,175
Interest receivable		325	—	325	172	—	172
Total income		969,421	375,673	1,345,094	861,086	657,146	1,518,232
Expenditure on:							
Raising funds	4	229,559	35,326	264,885	112,585	39,377	151,962
Charitable activities							
. Provision of training courses	5	712,938	346,345	1,059,283	777,322	616,338	1,393,660
Total expenditure		942,497	381,671	1,324,168	889,907	655,715	1,545,622
Net income (expenditure)		26,924	(5,998)	20,926	(28,821)	1,431	(27,390)
Net movement in funds for the year							
		26,924	(5,998)	20,926	(28,821)	1,431	(27,390)
Reconciliation of funds:							
Fund balances brought forward at 1 April 2024		91,387	5,998	97,385	120,208	4,567	124,775
Fund balances carried forward at 31 March 2025	16	118,311	—	118,311	91,387	5,998	97,385

All of the charity's activities derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 March 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	12		40		471
Current assets					
Debtors	13	171,203		21,900	
Cash at bank and in hand		102,620		209,635	
		273,823		231,535	
Liabilities					
Creditors: amounts falling due within one year	14	(155,552)		(134,621)	
Net current assets			118,271		96,914
Total net assets			118,311		97,385
The funds of the charity:					
Unrestricted funds					
. General fund	17	118,311		91,387	
Restricted funds	17	—		5,998	
Total charity funds		118,311		97,385	

The financial statements have been prepared in accordance with the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:



Victoria Griffin

Approved by the Trustees on: 11th August 2025

Company Registration Number: 07743730 (England and Wales)

Charity Registration Numbers: 1147009 (England and Wales) and SC046110 (Scotland)

Statement of cash flows Year to 31 March 2025

	Notes	2025 £	2024 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	(107,016)	162,819
Cash flows from investing activities:			
Purchase of tangible fixed assets		—	—
Net cash used in investing activities		—	—
Change in cash and cash equivalents in the year		(107,016)	162,819
Cash and cash equivalents at 1 April 2024	B	209,635	46,816
Cash and cash equivalents at 31 March 2025	B	102,619	209,635

Notes to the statement of cash flows for the year to 31 March 2025.

A Reconciliation of net movement in funds to net cash used in operating activities

	2025 £	2024 £
Net movement in funds (as per the statement of financial activities)	20,926	(27,390)
Adjustments for:		
Depreciation charge	431	432
(Increase)/decrease in debtors	(164,882)	188,576
Increase creditors	36,509	1,201
Net cash (used in) provided by operating activities	(107,016)	162,819

B Analysis of changes in cash and cash equivalents

	As at 31 March 2024 £	Cash flows £	As at 31 March 2025 £
Cash at bank and in hand	209,635	(102,619)	102,630
Total cash and cash equivalents	209,635	(102,619)	102,630

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Principal accounting policies Year to 31 March 2025

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2025, with comparative information given in respect to the year ended 31 March 2024.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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 United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, Charities Accounts (Scotland) Regulations 2006 and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Assessment of going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

The trustees and senior staff continue to work to strengthen the organisation, addressing areas of risk. This has included the development of a comprehensive and robust 5 year strategy to grow and develop activities in a planned and managed way. Whilst the current year surplus was relatively modest (£21k), it is a positive to see reserves increasing at a time when activity declined. Expenditure remains strictly controlled, with the organisation demonstrating agility in year to rapidly adapt appropriately to changes in service provision. Meanwhile, the strategic decision to develop a dedicated Fundraising Team is starting to bear fruits, enabling the organisation to approve further investments and developments in line with the agreed Strategic Plan.

The trustees continue to monitor and maintain sufficient cashflow and the Board's Finance Subcommittee continues to meet quarterly to review the financial position of the charity and each programme, the balance of restricted and unrestricted funds, the balance sheet, profit and loss, and budget variance for the year to date. The trustees, along with the leadership team, also continue to develop alternative delivery models to ensure the charity can adapt no matter the current financial climate.

On the basis of their assessment of the Charity's financial position the Trustees continue to adopt the going concern basis in preparing the financial statements.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- ◆ The allocation of staff costs between charitable expenditure and raising funds.
- ◆ estimating the value of gifts in kind received; and
- ◆ estimating future inflows and outflows for the purpose of assessing going concern.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and grants, fee income, sponsorship, income from events and investment income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Donated services provided to the charity are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the service is provided to the charity. An equivalent amount is included as expenditure.

Donated services are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services of equivalent economic benefit on the open market.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Grants and fee income from government and other agencies have been included as income from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding. Income is deferred when the charity has not satisfied the requirements for entitlement or when the donor has specified funds for use in a future accounting period. Sponsorship income is receivable on an annual basis in recognition of the charity's participation in certain activities.

Income recognition (continued)

Fee income is recognised once the charity has fully met all performance criteria as specified in the relevant contract.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes staff costs associated with fundraising and the costs of fundraising events.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include the delivery of training courses, direct and support costs including governance costs.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of project management carried out at Headquarters, personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Governance costs are allocated to the charity's sole activity, provision of training courses.

Support costs are allocated to the charity's activity, provision of training courses, and fundraising.

Taxation

The company is a charity under the Finance Act 2010 (schedule 6, paragraph 1) definition. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by the Corporation Tax Act 2010 (part 11, chapter 3) or the Taxation of Chargeable Gains Act 1992 (section 256), to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period.

Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Tangible assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful economic lives on the following basis:

Computer equipment	33.33% straight line
Schools equipment	33.33% straight line
Outdoor equipment	33.33% straight line

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Funds

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

The general fund represents those monies which are freely available for application towards achieving any charitable purpose that falls within the School of Hard Knock's charitable objects.

Pension costs

Contributions in respect of the charity's defined contribution scheme are charged to the statement of financial activities when they are payable to the scheme.

1 Income from donations

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Individuals	210,622	19,717	230,339
Corporate donations	88,631	85,337	173,968
Gifts in Kind	76,440	—	76,440
2025 Total funds	375,693	105,054	480,747
	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>2024 Total funds £</i>
<i>Individuals</i>	179,366	—	179,366
<i>Corporate donations</i>	91,697	22,710	114,407
<i>Gifts in Kind</i>	78,273	—	78,273
<i>2024 Total funds</i>	<i>349,336</i>	<i>22,710</i>	<i>372,046</i>

2 Income from other trading activities

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Sponsorship Income	41,667	—	41,667
Income from fundraising events	174,003	—	174,003
2025 Total funds	215,670	—	215,670
	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>2024 Total funds £</i>
<i>Income from fundraising events</i>	149,839	—	149,839
<i>2024 Total funds</i>	<i>149,839</i>	<i>—</i>	<i>149,839</i>

3 Income from charitable activities

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Grant income	205,000	270,619	475,619
Fee income	172,733	—	172,733
2025 Total funds	377,733	270,619	648,352
	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>2024 Total funds £</i>
<i>Grant income</i>	95,697	634,436	730,133
<i>Fee income</i>	266,042	—	266,042
<i>2024 Total funds</i>	<i>361,739</i>	<i>634,436</i>	<i>996,175</i>

4 Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Fundraising staff costs (note 9)	123,569	34,846	158,415
Cost of fundraising events	73,663	-	73,663
Other fundraising costs	26,509	6	26,515
Support costs (note 6)	5,818	474	6,292
2025 Total funds	229,559	35,326	264,885

	Unrestricted funds £	Restricted funds £	2024 Total funds £
<i>Fundraising staff costs (note 9)</i>	46,460	34,946	81,406
<i>Cost of fundraising events</i>	43,128	20	43,148
<i>Other fundraising costs</i>	—	—	—
<i>Support costs (note 6)</i>	22,997	4,411	27,408
2024 Total funds	112,585	39,377	151,962

5 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Training courses	70,473	82,736	153,209
Course delivery staff costs (note 9)	282,418	263,609	546,027
Support costs (note 6)	360,047	—	360,047
2025 Total funds	712,938	346,345	1,059,283

	Unrestricted funds £	Restricted funds £	2024 Total funds £
<i>Training courses</i>	91,798	137,004	228,802
<i>Course delivery staff costs (note 10)</i>	430,848	417,982	848,830
<i>Support costs (note 7)</i>	254,676	61,352	316,028
2024 Total funds	777,322	616,338	1,393,660

6 Support costs

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Office and rent costs	37,707	318	38,025
Accommodation, travel and subsistence costs	10,788	156	10,944
Staff expenses reimbursed	237	—	237
Insurance	6,226	—	6,226
Website and promotional material	5,818	—	5,818
Consultancy fees	56,264	—	56,264
Depreciation	432	—	432
Sundry expenses	4,388	—	4,388
Support staff costs (note 10)	230,056	—	230,056
Governance costs (note 8)	13,949	—	13,949
	365,865	474	366,339

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Analysis of support costs			
. Fundraising costs	5,818	474	6,292
. Charitable activities	360,047	—	360,047
	365,865	474	366,339

	Unrestricted funds £	Restricted funds £	2024 Total funds £
<i>Office and rent costs</i>	21,465	16,617	38,082
<i>Communication Cost</i>	—	378	378
<i>Accommodation, travel and subsistence costs</i>	8,916	1,717	10,633
<i>Staff expenses reimbursed</i>	583	110	693
<i>Insurance</i>	3,642	685	4,327
<i>Website and promotional material</i>	22,997	4,411	27,408
<i>Consultancy fees</i>	47,124	8,868	55,992
<i>Depreciation</i>	—	432	432
<i>Sundry expenses</i>	5,781	1,087	6,868
<i>Support staff costs (note 9)</i>	136,743	25,733	162,476
<i>Irrecoverable VAT</i>	4,271	804	5,075
<i>Governance costs (note 7)</i>	26,151	4,921	31,072
	277,673	65,763	343,436

	Unrestricted funds £	Restricted funds £	2024 Total funds £
Analysis of support costs			
. Fundraising costs	22,997	4,411	27,408
. Charitable activities	254,676	61,352	316,028
	277,673	65,763	343,436

7 Governance costs

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Accountancy and audit costs	13,800	—	13,800
Other professional fees	149	—	149
2025 Total funds	13,949	—	13,949

	Unrestricted funds £	Restricted funds £	2024 Total funds £
Accountancy and audit costs	21,044	3,960	25,004
Other professional fees	5,107	961	6,068
2024 Total funds	26,151	4,921	31,072

8 Net income (expenditure)

This is stated after charging:

	2025 Total funds £	2024 Total funds £
Staff costs (note 9)	934,498	1,092,712
Depreciation of tangible fixed assets	432	432
Auditor's remuneration		
. Statutory Audit	15,000	14,000

9 Staff costs

Staff costs were as follows:

	2025 £	2024 £
Wages and salaries	830,326	981,947
Social security costs	79,702	82,587
Pension costs	24,470	28,178
	934,498	1,092,712

Total staff costs have been allocated between expenditure on raising funds, course delivery, governance and support costs based on the approximate percentage of staff time spent in each area, as follows:

	2025 £	2024 £
Expenditure on raising funds	158,415	81,407
Course delivery	546,027	848,830
Support costs	230,056	162,476
	934,498	1,092,713

9 Staff costs (continued)

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

	2025 No.	2024 No.
Management	5	3
Operational	18	29
	23	32

One employee received remuneration between £70,000 and £80,000 in the year (2024 - one employee received remuneration between £70,000 and £80,000). Pension contributions of £2,183 (2023 - £2,121) were paid in respect of this employee.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis expanded during the 2024/25 year to include new roles of Director of Programmes and Director of Fundraising; in addition to the Trustees (who are not remunerated), the Chief Executive, Operations Manager, and Director of Finance. Total remuneration (including taxable benefits, employer's pension contributions and employers national insurance contributions) of the key management personnel consequently increased for the year was £260,517 (2024 - £156,236).

Trustees' remuneration

No trustee received any remuneration for services or reimbursed expenses as a trustee in the current year (2024 - none).

11 Taxation

School of Hard Knocks is a registered Charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

12 Tangible fixed assets

	Computer equipment £	Schools Equipment £	Total £
Cost			
At 1 April 2024	2,824	1,295	4,119
Disposals	(2,824)	—	(2,824)
At 31 March 2025	—	1,295	1,295
Depreciation			
At 1 April 2024	2,824	824	3,648
Charge for the year	—	431	431
Disposals	(2,824)	—	(2,824)
At 31 March 2025	—	1,255	1,255
Net book value			
At 31 March 2025	—	40	40
At 31 March 2024	—	471	471

13 Debtors

	2025 £	2024 £
Trade debtors	27,035	10,800
Prepayments and accrued income	140,971	11,075
Other debtors	3,197	25
	171,203	21,900

14 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	21,374	23,238
Other taxation and social security	13,218	20,212
VAT	—	6,564
Other creditors	6,070	11,042
Accruals and deferred income	114,890	73,565
	155,552	134,621

15 Creditors: amounts falling due within one year

	2025 £	2024 £
Deferred income brought forward at 1 April 2025	51,775	25,000
Income deferred in year	90,390	59,565
Deferred income released in year	(51,775)	(25,000)
Carried forward at 31 March 2025	90,390	59,565

Deferred income relates to income received in 2024/25 for use by the charity in 2025/26, as specified by the donors.

16 Statement of funds

	At 1 April 2024 £	Income £	Expenditure £	Transfers £	At 31 March 2025 £
Unrestricted funds	91,387	699,422	(942,497)	—	118,311
Restricted funds					
Charles Hayward	1,229	—	(1,229)	—	—
Comic Relief	—	15,000	(15,000)	—	—
Fidelity	—	34,852	(34,852)	—	—
Improving Lives Glasgow Restricted	—	15,363	(15,363)	—	—
KPE4 Trust	—	12,357	(12,357)	—	—
Millenium Stadium Trust	4,769	—	(4,769)	—	—
Moondance Foundation	—	19,355	(19,355)	—	—
Harrow School	—	10,000	(10,000)	—	—
Joan Ainslie Trust	—	5,000	(5,000)	—	—
Lambeth Council	—	53,067	(53,067)	—	—
Clarkson Foundation	—	21,277	(21,277)	—	—
Places Leisure	—	5,000	(5,000)	—	—
Transport for Wales	—	14,000	(14,000)	—	—
Private Donation	—	19,717	(19,717)	—	—
Lennox Hannay Trust	—	2,000	(2,000)	—	—
Clarions	—	3,000	(3,000)	—	—
SEWSCAP	—	48,342	(48,342)	—	—
Baillie Gifford	—	32,702	(32,702)	—	—
Wooden Spoon	—	62,364	(62,364)	—	—
William Wates	—	2,277	(2,277)	—	—
	5,998	375,673	(381,671)	—	—
Total funds	97,385	1,345,095	(1,324,168)	—	118,311
	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
<i>Unrestricted funds</i>	<i>120,208</i>	<i>861,086</i>	<i>(889,907)</i>	<i>—</i>	<i>91,387</i>
<i>Restricted funds</i>					
Charles Hayward	796	25,000	(24,567)	—	1,229
Comic Relief	2,500	182,316	(184,816)	—	—
Fidelity Foundation	—	35,345	(35,345)	—	—
Improving Lives Glasgow	—	76,185	(76,185)	—	—
ISG Construction	—	14,000	(14,000)	—	—
KPE4 Trust	776	59,000	(59,776)	—	—
Lambeth Council	—	54,522	(54,522)	—	—
Linc Cymru Housing Assoc.	—	14,000	(14,000)	—	—
Millenium Stadium Trust	—	7,500	(2,731)	—	4,769
Paul Hamlyn Foundation	36	-	(36)	—	—
Quilter Foundation	402	24,448	(24,850)	—	—
SEWSCAP	—	104,300	(104,300)	—	—
Transport for Wales	—	12,500	(12,500)	—	—
Walcot Foundation	5	-	(5)	—	—
Wasps Legends	—	25,000	(25,000)	—	—
Wates Foundation	52	6,723	(6,775)	—	—
Wooden Spoon	—	16,307	(16,307)	—	—
	4,567	657,146	(655,715)	—	5,998
Total funds	124,775	1,518,232	(1,545,622)	—	97,385

16 Statement of funds (continued)

Restricted Funds

Charles Hayward Foundation

Charles Hayward Foundation provided a multi-year grant funding for rugby coaching and behavioural support mentoring for schools in North Hertfordshire.

Comic Relief

Comic Relief provided funding for adult courses in Wales for psychotherapy support which ended July 2024.

Fidelity Foundation

Fidelity Foundation is provided funding 3 year funding support (2023-26) to enable the hiring and establishment of a Trusts & Grants Manager (part time) and Events Coordinator (part time).

The National Lottery-Improving Lives

The National Lottery provided a multi-year grant funding to deliver 6 courses over 2 years in Glasgow ending December 2024, working with unemployed adults with a focus on Roma community and refugee/asylum seekers, breaking down barriers between them and local 'settled' population.

KPE4 Trust

KPE4 Trust provided grant funding for the 2024/25 academic year to deliver our Scotland Schools programme in Craigroyston High School.

Millenium Stadium Trust

Millenium Stadium Trust provided £7.5k to support the SOHK Cymru Schools Festival, reward trips, and participant kit for academic year 2023/24

The Moondance Foundation

The Moondance Foundation provided £19.5k of funding towards the cost of delivering our schools programme in Wales.

Harrow School

Harrow School provided a £10k grant to support the School of Hard Knocks programme delivery at Hatch End High School.

Joan Ainslie Charitable Trust

The Trustees of the Trust continued their valued support of School of Hard Knocks, making a £5k donation towards activities.

Lambeth Council

Lambeth Council provided grant funding to SoHK to work with two schools in Lambeth during the 2024/25 academic year.

16 Statement of funds (continued)

Clarkson Foundation

The Clarkson Foundation provided a grant of £50k towards the cost of Programme delivery in 2 London schools during the 2024/25 academic year, of which £21.3k was utilised in the current financial year, with the balance to be utilised April 25 – July 25.

Places Leisure

Places Leisure provided £5k of support to the cost of delivery of the School of Hard Knocks Programme at Castlebrae Community Campus.

Lennox Hannay Trust

The Lennox Hannay Charitable Trust, which supports the advancement of health and education, provided a grant of £2k towards School of Hard Knocks' work.

Clarion Housing Association

Supporting delivery in Marriotts and Barnwell Schools, through the provision of £3k of funding.

Baillie Gifford

Baillie Gifford provided support towards delivery in schools in Scotland during the 2024/25 academic year.

SEWSCAP

SEWSCAP continued their support of School of Hard Knocks through the provision of a grant towards the costs of delivery in Welsh Schools for the 2024/25 academic year.

Transport for Wales

Transport for Wales contributed £14k to support our programme delivery in Idris Davies High in Caerphilly.

William Wates

William Wates Memorial Trust have given us multi-year grant funding over three years to support our work in Warlingham School in London.

Wooden Spoon Society

Wooden Spoon made 2 grants in year, i) funding a full-time coach for our schools programme in Scotland for the two academic years ending 2024/25, and ii) a contribution towards our Schools program in England.

17 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Tangible fixed assets	40	—	40
Current assets	197,998	91,403	289,401
Creditors due within one year	(79,727)	(91,403)	(171,130)
	118,311	—	118,311
	Unrestricted funds £	Restricted funds £	2024 Total funds £
Tangible fixed assets	471	—	471
Current assets	165,973	65,562	231,535
Creditors due within one year	(75,057)	(59,565)	(134,622)
	91,387	5,997	97,384

18 Related party transactions

During the year various trustees contributed financially to the organisation:

- ◆ receiving a cash donation of £1,336 (2024 - £1,200) from trustees,
- ◆ supported fundraising events to the value of £12,050 (2024: £5,610) through the purchase of tickets and winning auction bids
- ◆ contributed donations in kind in the form of auction prizes with a value of £19,400 (2024 - £15,200) from the trustees.

Additionally, the charity received pro bono services of £55,100 (2024 - £55,992) from Millbank LLP, a law firm of which James Cameron is a partner.

19 Gifts in Kind

We were grateful to receive support in the form of gifts in kind and donated services from related parties, as detailed in note 18 above, which are reflected in the accounts. In addition to this, we fully appreciate the pro-bono work provided by Bain (as detailed page 5) to support the development a comprehensive 5 year strategy for School of Hard Knocks (market value £780k). This input will be transformational and has provided guidance that the charity would not otherwise have been able to afford. The market value has not been as income or expenditure in the accounts.

20 Commitments under operating leases

At 31 March 2025, the total of the charity's future minimum lease payments (relating to Land & Buildings) under non-cancellable operating leases was as follows:

	2025 £	2024 £
Amounts due within one year	190	2,280
Amounts due between two and five years inclusive	—	190
	190	2,470