

Charity registration number: 1195196

THE EATON HOUSE SCHOOL FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

THE EATON HOUSE FOUNDATION

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THE EATON HOUSE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs A Henning Mrs A Lawrie Mrs J Tinworth Mrs S Segrave Mr H May (resigned 1 September 2023) Mrs Q Kresler Mr R Montague (appointed 1 January 2024)
Charity number	1195196
Principal address	58 Clapham Common Northside London SW4 9RU
Independent examiner	Andrew Robert Upton Collett Hulance 40 Kimbolton Road Bedford MK40 2NR
Bankers	HSBC UK Bank plc Level 6 71 Queen Victoria Street London EC4V 4AY

THE EATON HOUSE FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Introduction from the Trustees

The trustees present their annual report and financial statements for the year ended 31 August 2023.

The Trustees are delighted to present the annual report and accounts, as part of our ongoing commitment to transparency and best practice. We hope you will find it informative. We know, however, there is still a long way to go to achieve all our aspirations for the Foundation.

Objectives and activities

The Foundation operates as a Charitable Incorporated Organisation constituted on 21 July 2021. The Charitable Objects of the Foundation are:

- the advancement of education (in particular, but not exclusively) by providing bursaries and general educational support to enable young people to further their education at the School, where they would otherwise be unable to attend without financial assistance; and
- the relief of those in need because of ill health, disability, financial hardship or other disadvantage through the provision of financial assistance and other necessary support in order to enable young people to fully participate in and further their education at the School.

We aim, through the provision of financial support, to enable access to a first-class education to boys and girls from the ages of 7 to 11 or 13 at Eaton House Schools. The schools promote the academic, moral and physical development of our pupils through the academic curriculum, pastoral care, sporting and other activities. The Foundation aims to provide financial support for bursary students for fees, and educational expenditures such as provision of uniform and residential trips to facilitate the full integration of Foundation pupils. An Eaton House education is intended to allow each student to fulfil his or her potential, building their self-confidence and inculcating a desire to contribute to the wider community. In so doing, the bursary recipients are prepared for the opportunities, responsibilities and experience of later life.

In the furtherance of these objectives The Eaton House Foundation Trustees, have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act.

THE EATON HOUSE FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Achievements and performance

Welcoming our First Students

The Foundation is pleased to have now welcomed its first students in Eaton House School life. There are now 3 students in the schools all benefiting from the Foundation's work and the effort of its Trustees. This year saw more applications for places with some being from areas outside of the natural catchment area. This is especially pleasing as it reflects the hard work of the Trustees in marketing the Foundation and allows the opportunity to provide an Eaton House Education to even more young children.

Fundraising

The Foundation undertakes to treat all donors fairly. We will be open with donors through regular updates of performance and outcomes, within the constraints of our privacy policy. We will ensure that all donations are applied in line with our stated objectives and with the policies outlined here, in compliance with the Charity Commission requirements.

The Foundation undertakes to be truthful in all its fundraising activities and reporting and to act to protect the reputation and long-term sustainability of the Foundation and its objectives.

The charity has raised funds in fulfilment of its objectives which will be used in support of The Eaton House Foundation.

- In the year ended 31 August 2023 the Foundation raised £52,156, made up of:
- One-off donations £5,511
- Regular donations received of £6,608; and
- Fundraising events £40,035 (before event costs of £14,940).

THE EATON HOUSE FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Plans for the future

The single most important objective continues to be ensuring a positive pathway for our bursary students through the school and working to ensure they have a positive and rewarding experience. We also have an eye to their future, looking at ensuring positive discussions with senior schools for their next steps post Eaton House.

We now have three full places accepted for 2023/24. Our aspiration is to double our regular committed donations to ensure there are sufficient funds to support uniform, school trips etc, in addition to building a sustainable capital endowment.

We are committed to building relationships with local community groups to maximise awareness and help to bridge the perception gap. We have made a start this year with links to Hyde and local sports clubs but we are looking to broaden this in the coming year into the arts, approaching drama and music groups, as well as working with our current relationships to develop a deeper partnership. We hope these relationships will foster a deep pool of talented candidates to fill our growing bursary spaces, albeit we understand that this will necessarily lead to some disappointed applicants as there will be more talented children than we can fund.

Investment policy

The Eaton House Foundation adopts an investment policy appropriate to the nature of the funds for which the investments are held.

The Foundation has invested in a collective investment vehicle designed for charities. This reflects the small scale of the fund at the outset, whilst allowing for appropriate diversification. This will be reviewed as the fund grows.

A total return approach has been adopted to give greater flexibility in achieving our objectives of maximising income whilst maintaining the real value of capital.

A prudent approach to risk has been adopted, with Trustees reserving the right to impose a mutually agreed constraint on the level of risk within portfolios, whilst not being prescriptive in asset allocation.

The appropriateness of the fund manager, the suitability of their appointment, their performance and compliance with the investment policy will as a minimum be reviewed annually and in line with significant events. Performance will be outlined in our annual report. The fund manager is a competitive appointment.

Over the period, the investment has performed as expected in the current economic climate. The Trustees continue to monitor the investment's performance at Trustees' meetings.

THE EATON HOUSE FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Reserves policy

The Foundation receives donations for the advancement of education in accordance with its governing document. The Trustees aim to meet the commitments of the coming financial year through cash holdings or alternatively be supported by regular giving.

The Foundation has taken the decision to initially invest in Newton Growth and Income Fund for Charities and going forward the investment performance will be reported here in our annual report.

Risk

The Trustees are responsible for overseeing the risks faced by the Foundation. Risks are identified, assessed and controls established throughout the year, with a quarterly review of the risk register. A formal review of the charity's risk management processes is undertaken on an annual basis.

The main risks that the Trustees have identified and the plans to manage those risks are:

- Reputation - and more specifically the failure to deliver the intended outcomes. This is mitigated by the Grant award policy with financial assessments overseen by the third party provider, the Bursary Awards Limited. It is further mitigated by the Schools' experience of assessing potential pupils and harnessing individual talents, as highlighted by the most recent inspection report. Sarah Segrave, Trustee and Principal has specific oversight of the pupil pathway, ensuring focused and targeted oversight and control.
- Financial sustainability – namely insufficient ongoing support from the donor base and poor investment performance. The appointment of a dedicated fundraising Trustee, Quincy Kresler, to build on the fantastic initial support received since launch ensures focus and governance of this risk. Investment performance is mitigated as far as possible by the appointment of a reputable investment manager with a track record of overseeing charitable funds and regular monitoring by the Trustees who include professionals with specific investment management and finance expertise.
- Legal – specifically fraud, financial crime and data protection. This risk is mitigated by the specific policies put in place including data protection and know your donor policies. Wrigleys LLP supported the original set up and will be approached by the Trustees to support the implementation of these policies or provide advice as required to the board. All sensitive material is held on school servers and managed by the School's administration team.

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

THE EATON HOUSE FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Finance

The financial statements set out on pages 9 to 16 have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Foundation's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Structure, governance and management

The Eaton House Foundation is a Charitable Incorporated Organisation registered with the Charity Commission on 16 July 2021, registration number 1195196. The Governing document is the CIO Constitution Document for the Eaton House Foundation executed on 22 July 2021.

The Trustees are responsible for the overall management and control of the Foundation and meet at least six times a year. The work of implementing most of their policies is carried out by the Trustees, and the invaluable work of the school finance, admissions and marketing teams, with support from parent volunteers. The trustees will regularly review the make-up of the Trustee Body to determine whether additional skills, knowledge, experience or diversity might be beneficial to the carrying out of the Trust's aims and objectives. Whilst the Foundation works closely with the School, the Foundation has a separate bank account and investment manager and access to separate professional advice as required.

The trustees who served during the year were:

Mrs A Henning
Mrs A Lawrie
Mrs J Tinworth
Mrs S Segrave
Mr R Milner (resigned 20 October 2022)
Mr H May (resigned 1 September 2023)
Mrs Q Kresler
Mr R Montague (appointed 1 January 2024)

All Trustees give of their time freely and no remuneration or expenses were paid in the year.

No Trustee or person connected with a Trustee received any benefit and explicitly no Trustee is connected in any way to bursary recipients.

THE EATON HOUSE FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Our donor report for the year will set out a more fulsome commentary on the progress of the Foundation. We are, however, very pleased with the general upwards trajectory of the Foundation and remain entirely committed to its ongoing success.

The Trustees' report was approved by the Board of Trustees.

Mrs A Lawrie
Chair and Trustee

Dated: 28 June 2024

THE EATON HOUSE FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE EATON HOUSE FOUNDATION

I report to the trustees on my examination of the financial statements of the Eaton House Foundation (the charity) for the year ended 31 August 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Andrew Robert Upton

Collett Hulance
40 Kimbolton Road
Bedford MK40 2NR

Dated: 28 June 2024

THE EATON HOUSE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	12,121	-	12,121	59,483
Activities for generating funds	3	40,035	-	40,035	67,858
Total income		52,156	-	52,156	127,341
Expenditure on:					
Activities for generating funds	4	14,940	-	14,940	3,540
Charitable activities	4	2,000	-	2,000	-
Governance costs	4	1,560	-	1,560	1,523
Total expenditure		18,500	-	18,500	5,063
Net income for the year		33,656	-	33,656	122,278
Other recognised gains/(losses)					
Gains and losses on investment assets		(43)	-	(43)	-
Net movement in funds		33,613	-	33,613	122,278
Fund balances at 1 September 2022		122,278	-	122,278	-
Fund balances at 31 August 2023		155,891	-	155,891	122,278

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

THE EATON HOUSE FOUNDATION

BALANCE SHEET AS AT 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Fixed assets					
Investments	7	39,957	-	39,957	-
Current assets					
Debtors	8	32,395	-	32,395	4,545
Cash at bank and in hand		103,424	-	103,424	119,178
Total current assets		135,819	-	135,819	123,723
Creditors: amounts falling due within one year	9	19,885	-	19,885	1,445
Net current assets		115,934	-	115,934	122,278
Net assets		155,891	-	155,891	122,278
Funds of the Charity					
Unrestricted funds		155,891	-	155,891	122,278
Total funds		155,891	-	155,891	122,278

The financial statements were approved by the Trustees on 28 June 2024.

Mrs A Lawrie

Mrs S Segrave

THE EATON HOUSE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

1.1 Charity Information

The Eaton House Foundation (“the Foundation”) is a charitable incorporated organisation and a registered charity governed in accordance with its governing document, the CIO Constitution Document executed on 22 July 2021.

1.2 Accounting convention

The accounts have been prepared in accordance with the charity’s governing document, the Charities Act 2011, FRS 102 “The Financial Reporting Standard applicable in the UK and the Republic of Ireland” and “Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)” (as amended for accounting periods commencing from 1 January 2019). The Foundation has opted to adopt Bulletin 1 published on 2 February 2016 and has therefore not included a cashflow statement in these financial statements.

The financial statements are prepared in sterling, which is the functional currency of the charity.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.3 Going concern

As at 31 August 2023, the Foundation commitments are covered by its reserves.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives. Restricted funds are subject to specific conditions by donors as to how they may be used. The Foundation has no restricted Funds.

1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. Donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time the Gift Aid is claimed from HMRC.

THE EATON HOUSE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use. Expenditure to meet the Charity's aims and objectives, relates to grants to the Foundation during the period. Grants payable are accounted for when a firm commitment is entered into.

1.7 Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at trustees' best estimate of market value.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE EATON HOUSE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1.8 Financial instruments (continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no critical estimates or judgements required in the preparation of these financial statements.

THE EATON HOUSE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

3 Donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations and legacies:				
One-off donations	5,511	5,511	49,300	49,300
Regular gifts	6,608	6,608	6,055	6,055
Gift aid on voluntary income	2	2	4,128	4,128
Activities for generating funds:				
EHTM Carnival	22,366	22,366	-	-
Donations from school events	17,669	17,669	67,441	67,441
Gift aid on small donations	-	-	417	417
	<u>52,156</u>	<u>52,156</u>	<u>127,341</u>	<u>127,341</u>

4 Expenditure

	Unrestricted funds 2023 £	Total funds 2023 £	Unrestricted funds 2022 £	Total funds 2022 £
Activities for generating funds:				
EHTM Carnival	14,940	14,940	-	-
Other event costs	-	-	3,540	3,540
Charitable activities:				
After-school clubs	170	170	-	-
Holiday camps	880	880	-	-
Other pupil expenditure	950	950	-	-
Governance costs:				
Bank fees	60	60	83	83
Independent examiner's fees	1,500	1,500	1,440	1,440
	<u>18,500</u>	<u>18,500</u>	<u>5,063</u>	<u>5,063</u>

THE EATON HOUSE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

5 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period.

6 Employees

The Foundation did not have any employees nor incur any employment costs in the period.

7 Fixed asset investments

Fixed asset investments

	£
Purchase of investments	40,000
Net (loss) on revaluation	(43)
Market value as at 31 August 2023	<u>39,957</u>

Investments comprise investments in unit trusts managed by BNY Mellon.

8 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	<u>32,395</u>	<u>4,545</u>

The Trade Debtors amount relates to income receivable from various fundraising events during the 2022-23 financial year which were received post year end.

THE EATON HOUSE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

9 Creditors: amounts falling due within one year

	2023	2022
	£	£
Amounts falling due within one year:		
Accruals and deferred income	<u>19,885</u>	<u>1,445</u>

The Creditors amount relates to event, pupil and admin expenses payable during the 2022-23 financial year which were paid post year end.

10 Restricted funds

The Foundation does not hold any restricted funds.

11 Related party transactions

In accordance with the constitution, at any point in time during the period, two of the Trustees were also employees of the school, its parent and subsidiaries.

No payments were made or committed to Eaton House School, its parent or subsidiaries during the period.