

**DURSTON HOUSE SCHOOL
EDUCATIONAL TRUST LIMITED
(Limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

Registered Company Number: 1947995
Registered Charity Number: 294670

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

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DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2023

REFERENCE AND ADMINISTRATIVE INFORMATION

GOVERNORS

Mr S A Armstrong (Resigned 1 July 2023)
Mr P Carpentier
Ms A Collier
Mr J Gill (Appointed 1 September 2023)
Mr K S Girn
Mr D G Henshall (Resigned 31 August 2023)
Mrs S-A Huang
Ms P J Honigsberger (Resigned 18 August 2023, Re-appointed 1 November 2023)
Miss H Kaur
Mr W Key (Appointed 1 September 2023)
Mrs Isabella Kurek-Smith (Appointed 6 February 2023)
Mr K J Mahoney (Chairman)
Mr L Mak (Appointed 1 September 2023)
Dr R Maloney (Resigned 29 September 2023)
Mr M Mudan (Resigned 6 October 2023)
Mr B Purkiss
Mr F Sayood (Appointed 6 October 2023)
Mr A Sokolowski (Appointed 1 September 2023)

KEY MANAGEMENT PERSONNEL

HEADMASTER	Mr K H G Entwisle
BURSAR AND COMPANY SECRETARY	Mrs J M Twyford

REGISTERED OFFICE	12 Castlebar Road London W5 2DR
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ARCHITECT	ADP Architecture Ltd 150 Waterloo Road London SE1 8SB
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AUDITOR	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
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BANK	The Co-operative Bank 16-18 New Broadway London W5 2XL
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CHARTERED SURVEYOR	Gerald Eve 7 Vere Street London W1M 0JB
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INSURANCE BROKER	Hettle Andrews & Associates Ltd 2 Brunswick Square Birmingham B1 2LP
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SOLICITOR	Blandy & Blandy LLP One Friar Street Reading RG1 1DA
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DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

GOVERNORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2023

The governors, who are also the trustees and directors of the charitable company Durston House School Educational Trust Limited ("the Trust"), present their report and the audited financial statements for the year ended 31 August 2023 and confirm that they comply with the requirements of the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and the Charities SORP - Second Edition (effective 1 January 2019).

GOVERNING DOCUMENTS

Durston House School Educational Trust Limited was set up under its Memorandum and Articles of Association dated 17 September 1985 as a company limited by guarantee, number 1947995 and also a charity with the Charity Commission, number 294670. The School, previously privately owned, was established in 1886.

AIM

The School's strategic aim, as a charitable independent school operating for the public benefit, is the attainment of the highest academic levels with the benefit of a comprehensive extra-curricular programme.

OBJECTIVES

The principal object of the School is to promote and provide for the advancement of education for boys and girls aged from 4 to 13 years.

In the furtherance of this object the governors, as the charity trustees, have complied with the duty in s.17 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.

Objectives for the Year

The principal objectives for the year were:

- to secure one hundred per cent success with regard to Year 8 pupils' entry into senior schools and academic scholarships results in keeping with the school's academic expectations;
- to continue and, where possible, increase the provision of means-tested bursaries to facilitate wider access to the provision of education at Durston House;
- to develop the School's profile, with regard to public benefit, in a manner that will encourage a greater level of involvement in the local community;
- to prepare for the merger with Harvington School and its refurbishment in preparation for becoming a co-educational school in September 2023
- to continue the development of plans to combine the three sections of the school on to the Carlton Road site.

ETHOS, STRATEGY AND POLICIES

Ethos

Durston House has been a preparatory school for boys since 1886. On 1 September 2023 the school became co-educational when they merged with Harvington School, the girls school next door. It welcomes those from all ethnic, cultural and religious backgrounds. The School is proud of its diversity. It is a community in which mutual respect and understanding, fairness and opportunities for all are promoted within the framework of its Christian foundation.

Strategy

The governors are responsible for setting strategy. The focus of their strategy is on the development of the pupils, their continued high levels of academic and co-curricular achievement and the broadening of access to the education the school provides. In taking this strategy forward the governors:

- Ensure the range of extra-curricular activities available to pupils is stimulating and challenging;
- Invest in technology and the infrastructure of the school; and
- Develop methods for awarding bursaries to ensure wider access to pupils from all backgrounds.

Durston House School is a charitable trust which seeks to benefit the public through the pursuit of its stated aims and welcomes pupils from all backgrounds. Fees are set at a level to ensure the financial viability of the school.

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

GOVERNORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2023

Access Policy

It is important that access to the education offered is not restricted to those who can afford full fees. The governors believe pupils benefit from learning within a diverse community. The governors will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

Bursary policy

Durston House bursary awards are available to all who meet its general entry requirements and are made solely, and subject to the entry requirements, on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk, for example in the case of redundancy. The bursary awards range from 50% to 100% remission of fees.

Assistance for staff

As part of the emphasis on attracting and retaining high calibre staff, the school offers a 50% discount to staff members who choose to educate their children at Durston House.

Community access

The governors see Durston House School as a part of a wider community. Where the School can assist the community without detriment to advancing the education of its pupils the governors are delighted to do so.

A Register of Public Benefit Initiatives records appropriate ventures, including targets for the provision of means tested bursaries as a proportion of the total number of pupils on role, and the school's links with the local community, including community use of the School's playing fields.

The Head of Complementary Curriculum acts as the charities coordinator arranging various activities during the year, supported by parents and pupils, to raise funds for other organisations. The nominated charities for the year were Ealing Soup Kitchen and Water Aid.

ESTATES DEVELOPMENT

The planning application for the development plans to combine the three sections of the school on to the Carlton Road site was submitted to the local planning authority in January 2020 and granted approval. Subsequently, as required, it was submitted to the Greater London Authority, where in July 2020, it was refused. The governors considered their options and agreed that the plans should be revised and updated to address the points on which it was refused. The updated planning application will be submitted in due course.

An extensive refurbishment of the Harvington School buildings was undertaken in preparation for the merger of the two schools in September 2023.

The programme of routine maintenance to ensure high standards are maintained across all school sites continued.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

The Annual General Meeting is held in March each year. The governors of the School, who are also directors of the Company, are appointed in accordance with the Memorandum and Articles of Association. Responsibility for the overall management and organisation of the School rests with the governors, who meet at least on a termly basis. They are supported in carrying out their responsibilities by the Education and Welfare, Estates Development, Finance and Governance Committees, meeting termly.

Membership of the five Committees during 2022-23 was as follows – Education and Welfare: B Purkiss (Chair), Ms A Collier, D Henshall and Mrs S-A Huang; Estates Development: K J Mahoney (Chair), S A Armstrong, R Maloney and M Mudan; Finance: Ms P J Honigsberger (Chair), Mr K S Girn, and K J Mahoney; Governance: Ms A Collier (Chair), D Henshall and Miss H Kaur. Harvington School has its own Governing Body comprising Mrs S A Armstrong, Ms J Honigsberger and Mrs R Reece, Chairman.

Operational Management

The task of running both schools on a day-to-day basis was delegated to the Headmaster and Bursar. The Headmaster and the Bursar attend the governors' meetings of both schools and those of the Durston House Education and Welfare, Estates Development, Finance and Governance Committees. The Headmaster is assisted by the Durston House Senior Management Team comprising the Bursar, the Deputy Head, the Director of Studies and Head of Co-Curricular who also attend meetings of the Education and Welfare Committee, the Head of Studies Administration, the Head of Junior School, the Head of Pre-Prep and the Harvington Senior Management team comprising the Bursar, the Deputy Head, the Director of Studies and the Nursery Manager.

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

GOVERNORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2023

Governor Recruitment, Induction and Training

The Governance Committee regularly reviews the mix of skills that is available to the Board. New governors are appointed by the Board until the date of the next Annual General Meeting at which they are eligible for election for a period of three years. All new governors receive an induction pack, which explains their role, the role of the Board, and details of Charity Commission and Companies House requirements. They are assigned a mentor, offered a tour of the School and given background information on previous Board decisions, Board papers, current financial position, information about the School and future developments. Governors attend a range of courses aimed at keeping them up to date with matters relevant to their roles, including Safeguarding training. These are provided by the Association of Governing Bodies of Independent Schools (AGBIS), Haysmacintyre LLP, the Trust's auditors, and Graffham Consulting Ltd. One governor spends a day in school each term shadowing a member of staff or department.

Governors' Interests

None of the governors has a financial or beneficial interest in the trust.

Remuneration of Key Management Personnel

Remuneration policy for key management personnel is set by the governors. The appropriateness and relevance of the remuneration policy, including reference to comparisons with other independent schools is considered, to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

STRATEGIC REPORT

Achievements and Performance – Durston House School

Pupils

At the beginning of the year there were 329 pupils on roll. During the course of the year five pupils left the School and four joined; we therefore ended the school year with 328 pupils.

All 22 boys in Year 8 scored sufficiently well either in Common Entrance or through Year 6 deferred entry (or individual school entrance examinations) to gain places at their chosen schools at 13+. Four awards were offered; one John Lyon School Academic and STEAM Scholarship, one Foundation Academic Scholarship to St Paul's School, an Academic Scholarship to Hampton School and an Academic Scholarship to King's College Winchester. Year 8 pupils leaving in July 2023 gained entry to the following schools: eleven to St Paul's School, three to Hampton School, three to Merchant Taylor's School, and one each to John Lyon School, King's College Wimbledon, Epsom College, Ealing Independent College and Westminster. 17 pupils left at 11+, gaining entry to the following schools: five to St Benedict's School, four to Ada Lovelace School, three to Kew House, 2 to the Leys Cambridge and one each to Beacon School, Wilson's School and Kings College School, Cascais.

Bursaries

Two pupils were supported by Durston House School during the year, one with a 100% bursary and one with a 35% bursary.

Staff

The staff – full and part-time, teaching and support – numbered 90 (78 full-time equivalents). The Board of Governors wish to express their thanks to the Headmaster and staff for their contributions and efforts during the year.

Pastoral Care

Durston House is committed to safeguarding and promoting the welfare of pupils and expects all staff and volunteers to share this commitment. Parents are given regular information about their children's social and academic progress through parent evenings in addition to the traditional end of term and year reports. The School has 'vertical grouping' within the organisation of the four 'Houses' and 'Vertical Group' meetings at which younger and older pupils work together on a number of projects including workshops on anti-bullying.

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

GOVERNORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2023

Co-curricular activities:

Sport

Sport continued to play a full part in the life of the School. Saturday and Sunday morning football and rugby tournaments at the Swyncombe Playing Field were well attended by visiting schools and large numbers of parents. Athletic sports at the Perivale Stadium were a highlight of the summer term. Pupils are encouraged to participate in team sports – notably football, rugby union, hockey and cricket – at a number of ability levels within their age groups.

Music

Many of the pupils learn at least one musical instrument and belong to various ensemble groups. Pupils in Years 3-8 are invited to perform as solo artists or ensembles at the Annual Music. The Junior School and Upper & Middle School choirs also perform at this concert and the annual Carol Service.

Drama

All pupils have the opportunity to take part in small scale drama activities and/or major productions. End of term highlights were the Pre-Prep's 'The Magical Christmas Tree', the Junior School's 'Hagbane's Doom' and the Year 8 production of 'Aladdin'.

Trips and Outings

The extension of the curriculum beyond the classroom continued to feature prominently in the school calendar. All pupils benefited from a large number of one-day trips to places of educational and cultural interest. The Trips Policy includes funded residential trips for all pupils in Years 4 to 8.

Environmental Initiatives: Cutting the 'carbon footprint'

The School continues to take very seriously the importance of environmental sustainability in its day-to-day operations. This is demonstrated by many practical environmental and recycling programmes to reduce emissions in the buildings and by educational initiatives. The School hopes that by setting a good example as an institution, it can help to influence the expectations and behaviour of its pupils as future citizens and leaders.

Harvington School

Following the opportunity presented, the School entered into a Change of Control agreement with Harvington School in April 2022 in which Durston House became the sole member of Harvington School. The Headmistress left the School at the end of the Spring Term 2022. The Change of Control Agreement was entered into at the start of the Summer Term 2022. Durston House provided financing, via a commercial loan, for Harvington School to cover its working capital requirements until the end of the academic year 2022-23, secured by way of a legal charge over the Company's freehold interest, Nos. 20, 22 and 24 Castlebar Road, Ealing, London W5 2DS. Harvington School closed on 31 August 2023. The assets and liabilities have been transferred over to Durston House. Some of the Harvington staff and pupils have transferred over to Durston House. Durston House will become a co-educational school on 1 September 2023.

Achievement and Performance – Harvington School

The consolidated accounts reflect Harvington School's 2022-23 results. Mr G Entwisle, and Mrs J Twyford, the Headmaster and Bursar of Durston House School managed the transition and smooth handover of the school. The School had 82 pupils on the roll. 30 pupils were supported by staff, sibling and/or hardship discounts, scholarships and competition bursaries. All 6 pupils in Year 6 gained places at their chosen schools.

Financial Review

The governors believe that in order for any successful school to maintain, upgrade and improve the facilities it offers there has to be a financial surplus for the required investment in future projects. Therefore financial targets are set to assist in the budgeting process and in monitoring performance.

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

GOVERNORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2023

2022-23 was an exceptional year for Durston House in terms of income and expenditure with lower than normal pupil numbers and one off unplanned expenditure. The year therefore ended in deficit. The main factors behind this were:

- a) A decrease in fees income of £7,364 as a result of lower pupil numbers
- b) An increase in overall staff costs of £76,533
- c) A general increase in the cost of marketing and utilities of £42,678
- d) The cost of redundancy payments of £113,432 in relation to the merger with Harvington School.

2022-23 was the last trading year for Harvington School and, with lower than normal pupil numbers and unplanned exceptional expenditure the year ended in deficit. The main factors behind this were:

- a) A decrease in fees income of £59,423 as a result of a 5% fees increase and lower pupil numbers
- b) A decrease in overall staff costs of £64,032
- c) An increase in the cost of catering and loan interest of £145,173

The result for the year ended 31 August 2022 includes the transfer of net assets of Harvington School of £5,051,938 (as explained in note 13). The result for the year excluding this one off transfer was £482,785 deficit, compared to the deficit of £631,786 for the year ended 31 August 2023.

Reserves Policy

The Trust's unrestricted funds stood at £12.3 million at the year-end, most of which is deployed to fund tangible fixed assets totaling £11.9 million. At the year end, free reserves stood at £0.4 million. The need for day-to-day working capital is met by careful management of short-term liquid resources. Free reserves are monitored termly by reference to cash flow projections to year-end and for a further five years when major capital projects are being considered. This allowed the governors to plan the investment of substantial sums in new School buildings and the development of the existing buildings in recent years and the 2023 merger with Harvington School. The policy is therefore to continue to build reserves out of annual operating surpluses. The School intends to continue the standard of educational services currently provided.

Plans for future periods

The governors' strategy is to invest in high quality facilities for education. Plans to combine the three sections of the School on the Carlton Road site were presented to staff, parents and the public for consultation in October 2018, submitted for planning permission, but refused. The long term aim remains a new school on the Castlebar Fields site within five to seven years.

Achieving a high standard of academic results is a constant aim whilst maintaining the breadth and depth of the education provided. Future plans are financed primarily from fee income and from reserves. The governors maintain an equitable balance ensuring current pupils benefit whilst, at the same time, ensuring a sound infrastructure and financial base are preserved for the next generation of pupils, just as current pupils benefit today from investment made in the past.

Principal risks and uncertainties

The governors together with the Senior Management Team, have assessed and categorised the risks that the School is, or may become, exposed to ensure that there are satisfactory systems established to mitigate those risks. They believe the principal risks facing the School are the difficulties in attracting key staff to a London school, the effect of managing compliance and the current political climate. Appropriate risk mitigation measures, such as attractive employees benefits, the appointment of a Compliance Manager and scenario planning for the introduction of VAT on school fees, are taken in every case. The assessment of risks and potential risks are detailed in the Risk Management Risk Assessment and reviewed termly by the Committees. Ms A Collier has the role of overseeing risk management and reporting on it to the full board of governors.

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

GOVERNORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2023

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The governors (who are also directors of Durston House School Educational Trust Limited for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK 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 business

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

So far as each of the governors is aware at the time the report is approved:

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

Approved by the Board of Governors at its meeting on 19/03/24..... 2024 and signed on its behalf by:

A Collier
.....

Ann Collier
Co-Chairman

Kevin Mahoney
.....

Kevin Mahoney
Co-Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group'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 Governors' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Governors' Report 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the strategic report and the directors' report).

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the Statement of Governors' Responsibilities set out on pages 6 and 7, 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.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent 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:

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

We evaluated management's opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in making accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted at the year-end; and
- Challenging assumptions and judgements made by management in their accounting estimates.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

Use of our report

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



Tracey Young (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 29 May 2024

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 AUGUST 2023

		Unrestricted Funds	
INCOME AND EXPENDITURE		2023	2022
INCOME FROM	Notes	£	£
Income from charitable activities			
Tuition fees	1	6,254,288	5,613,765
Other educational income	1	405,023	329,660
Voluntary sources			
Donations		200	2,025
Trading activities			
Lettings income		45,276	53,959
Investments			
Bank interest		53,809	23,714
Loan interest		-	2,722
Transfer of net assets of Harvington	12	-	5,051,938
Total Income		<u>6,758,596</u>	<u>11,077,783</u>
EXPENDITURE ON			
Expenditure on charitable activity			
School operating costs:			
Teaching costs		4,431,309	3,911,254
Premises costs and maintenance		1,143,361	1,181,305
Support costs and governance		1,815,712	1,416,071
Total Expenditure	2	<u>7,390,382</u>	<u>6,508,630</u>
NET MOVEMENT IN FUNDS FOR THE YEAR		(631,786)	4,569,153
Balance brought forward at 1 September 2022		<u>12,948,519</u>	<u>8,379,366</u>
BALANCE CARRIED FORWARD AT 31 AUGUST 2023		<u><u>12,316,733</u></u>	<u><u>12,948,519</u></u>

The Statement of Financial Activities contains all the income and expenditure recognised in the current and preceding year.

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

The accompanying notes form part of these financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEETS

AS AT 31 AUGUST 2023

	Notes	2023 £	Group 2022 £	Charity 2023 £	2022 £
FIXED ASSETS					
Tangible assets	5	11,914,037	10,995,036	11,914,037	5,122,386
CURRENT ASSETS					
Stock		9,785	-	9,785	
Debtors	7	213,611	172,324	239,552	516,740
Cash at bank and in hand		2,617,824	4,239,099	2,591,883	4,185,289
		<u>2,841,220</u>	<u>4,411,423</u>	<u>2,841,220</u>	<u>4,702,029</u>
CREDITORS: Amounts falling due within one year	8	<u>(1,745,024)</u>	<u>(1,719,090)</u>	<u>(1,745,024)</u>	<u>(1,064,533)</u>
NET CURRENT ASSETS		<u>1,096,196</u>	<u>2,692,333</u>	<u>1,096,196</u>	<u>3,637,496</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>13,010,233</u>	<u>13,687,369</u>	<u>13,010,233</u>	<u>8,759,882</u>
CREDITORS: Amounts falling due after more than one year	8	<u>(693,500)</u>	<u>(738,850)</u>	<u>(693,500)</u>	<u>(612,400)</u>
NET ASSETS		<u><u>12,316,733</u></u>	<u><u>12,948,519</u></u>	<u><u>12,316,733</u></u>	<u><u>8,147,482</u></u>
UNRESTRICTED FUNDS					
General Fund	9	<u>12,316,733</u>	<u>12,948,519</u>	<u>12,316,733</u>	<u>8,147,482</u>
TOTAL FUNDS		<u><u>12,316,733</u></u>	<u><u>12,948,519</u></u>	<u><u>12,316,733</u></u>	<u><u>8,147,482</u></u>

The surplus of the parent charitable company before consolidation was £4,169,252 (2022: deficit of £231,884).

The financial statements were approved and authorised for issue by the Board of Governors on 19/03/24.....2024 and were signed below on its behalf by:

A Collier

Ann Collier
Co-Chairman

Kevin Mahoney

Kevin Mahoney
Co-Chairman

The accompanying notes form part of these financial statements.

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 AUGUST 2023

	2023	2022
	£	£
Cash flow from operating activities:		
Net income	(631,786)	4,569,153
Transfer of net assets from Harvington	-	(5,051,938)
Depreciation	453,617	418,231
Increase in stock	(9,785)	-
(Increase)/decrease in debtors	(41,287)	1,657
(Increase) in creditors	(19,416)	(302,938)
Interest receivable	(53,809)	(26,436)
Net cash (used in) operating activities	(302,466)	(392,271)
Cash flow from investing activities:		
Interest received	53,809	26,436
Purchase of tangible fixed assets	(1,372,618)	(64,773)
Cash received on merger with Harvington	-	187,841
Net cash (used in)/provided by investing activities	(1,318,809)	149,504
DECREASE IN CASH AND CASH EQUIVALENTS	(1,621,275)	(242,767)
Cash and cash equivalents at 1 September 2022	4,239,099	4,481,866
Cash and cash equivalents at 31 August 2023	2,617,824	4,239,099
ANALYSIS OF CASH AND CASH EQUIVALENTS	2023	2022
	£	£
Cash at bank	137,221	175,099
Deposits	2,480,603	4,064,000
Cash and cash equivalents at 31 August 2023	2,617,824	4,239,099

The accompanying notes form part of these financial statements.

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

STATEMENT OF ACCOUNTING POLICIES

YEAR ENDED 31 AUGUST 2022

Durston House School Educational Trust Limited is a charitable company incorporated in England and Wales. Further company information can be found on page 1. The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 17 September 1985 (company number: 1947995) and registered as a charity on 18 June 1986 (charity number: 294670).

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice Accounting and Reporting by Charities (SORP) – Second Edition, effective 1 January 2019, the Companies Act 2006 and FRS 102 the financial reporting standard applicable in the UK and the Republic of Ireland. The financial statements of the group include the results and balances of Durston House School Educational Trust Limited consolidated on a line-by-line basis with Harvington School Educational Trust Limited. In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for the Durston House School Educational Trust. Harvington School Educational Trust Limited is a charitable company controlled by the governors of Durston House Educational Trust.

Durston House School Limited is dormant and has no assets or liabilities. It is therefore not included in the consolidation.

The Governors, having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, found that there are no material uncertainties and therefore have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

b) Fees receivable and similar income

Tuition fees are stated after deducting allowances for awards and other remissions. Other educational income comprises income from school outings, activities and other related income. These sources of income are included in the accounts when they become receivable and their value can be measured with reasonable certainty.

c) Expenditure

Expenditure is accounted for on an accruals basis.

Charitable activity costs comprises all expenditure directly related to the objects of the School including direct staff costs attributable to each activity. Support costs included within the charitable activity comprise the costs of all resources utilised to directly support the School's primary activities.

Governance costs are those costs incurred in connection with the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

d) Pension costs

At Durston House School Educational Trust Limited pensions for the teaching staff are provided through the Aviva APTIS Pension Scheme a defined contribution scheme which complies with the requirements for a stakeholder pension scheme.

Harvington School Educational Trust Limited contributes to the Teachers' Pension Scheme, a defined benefit scheme, at rates set by the Scheme Actuary. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the school. In accordance with FRS 102 the scheme is accounted for as a defined contribution scheme.

All non-teaching staff, where required by pursuant legislation, are members of a defined contribution scheme which complies with the requirements for a stakeholder pension scheme.

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

STATEMENT OF ACCOUNTING POLICIES (continued)

YEAR ENDED 31 AUGUST 2022

e) Fixed assets

All items of a capital nature with a value of over £1,000 are capitalised. Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight-line basis over the expected useful economic lives of the assets concerned. The principal rates used for this purposes are:

Freehold land	Freehold land is not depreciated.
Freehold buildings	2%
Freehold improvements	10%
Furniture and equipment	20-33 $\frac{1}{3}$ %
Motor vehicles	20%

Freehold improvements include any capital expenditure relating to land and buildings which is believed not to have a useful economic life of 50 years.

The freehold property of Harvington School Educational Trust Limited is included at fair value at the date of the merger less depreciation from this date.

f) Financial Instruments

The School only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

g) Debtors

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

h) Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

i) Creditors and Provisions

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

j) Fund accounting

The funds of the School are accounted for as unrestricted or restricted income, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the governors either to further the School's Objects or to benefit the School itself. Where the governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Designated funds are a particular form of unrestricted funds consisting of amounts, which have been allocated or designated for specific purposes by the governors. The use of designated funds remains at the discretion of governors.

k) Critical sources of estimation uncertainty and accounting judgements

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

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

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

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

1) Transfer of control

The assets and liabilities transferred from Harvington School Educational Trust Limited on 23 April 2022 have been recognised at the governors' best estimate of their fair value on the date of transfer.

On 31 August 2023 the trade and assets and liabilities of the Harvington School Educational Trust Limited was transferred to Durston House School Educational Trust Limited at the governors' best estimate of their fair value at the date of transfer.

1. CHARITABLE ACTIVITIES

	2023 £	2022 £
Fees receivable consist of:		
School fees	6,465,913	5,719,569
Less: total bursaries, hardship awards and staff discounts	(211,625)	(105,804)
	<u>6,254,288</u>	<u>5,613,765</u>
Other educational income		
After school care	37,768	40,581
Extras	259,755	251,415
Acceptance fees not returned	39,100	18,000
Registration fees	13,520	10,400
Test fees	1,700	3,100
Outings income	45,803	-
Sundry income	7,378	6,164
	<u>405,024</u>	<u>329,660</u>

2. TOTAL EXPENDITURE

	Staff costs £	Depreciation £	Other costs £	2023 Total £
2023 Charitable activity				
School Operating Costs:				
Teaching costs	3,839,586	-	591,723	4,431,309
Premises and maintenance costs	211,072	453,617	478,672	1,143,361
Support and governance costs	1,171,427	-	644,285	1,815,712
	<u>5,222,085</u>	<u>453,617</u>	<u>1,714,680</u>	<u>7,390,382</u>
	Staff costs £	Depreciation £	Other costs £	2022 Total £
2022 Charitable activity				
School Operating Costs:				
Teaching costs	3,375,374	-	535,880	3,911,254
Premises and maintenance costs	171,519	418,231	591,555	1,181,305
Support and governance costs	980,340	-	435,731	1,416,071
	<u>4,527,233</u>	<u>418,231</u>	<u>1,563,166</u>	<u>6,508,630</u>

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2023

2. TOTAL EXPENDITURE (continued)

	2023 £	2022 £
Governance included in support costs		
Remuneration paid to auditor for audit services	33,250	29,950
	<u>33,250</u>	<u>29,950</u>

	2023 £	2022 £
Total expenditure includes the following		
Auditors remuneration for audit - Durston House Educational Trust	18,900	17,450
- Harvington School Educational Trust	14,350	12,500
Depreciation – owned fixed assets	<u>453,617</u>	<u>410,110</u>

3. GOVERNORS' REMUNERATION

The governors received no remuneration during this or the previous year. No governors received reimbursement of travel expenses in 2022-23 (2022: £75). During the year the governors purchased indemnity insurance costing £2,652 (2022: £2,410).

4. EMPLOYEES

	No.	2023 Full time Equivalents	No.	2022 Full time Equivalents
The average number of employees (full and part time) analysed by function was:				
Teaching - full time	60	60	49	49
- part time	5	2.6	4	3
Premises - full time	5	5	4	4
Support - full time	20	20	17	17
- part time	25	13.2	23	12
	<u>115</u>	<u>100.8</u>	<u>97</u>	<u>85</u>

Teaching staff numbers includes teachers and teaching assistants.

	2023 £	2022 £
The costs incurred in respect of these employees were:		
Wages and salaries	4,192,380	3,601,663
Social Security costs	431,032	380,053
Pension costs	598,673	545,517
	<u>5,222,085</u>	<u>4,527,233</u>

Key management personnel remuneration for the period totalled £325,563 (2022: £469,545)

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2023

4. EMPLOYEES (continued)

The number of employees whose emoluments exceeded £60,000 excluding pension contributions was:

	2023 No.	2022 No.
£60,001 - £70,000	6	4
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£140,001 - £150,000	1	1
	<u> </u>	<u> </u>

Defined benefits pension contributions for employees whose emoluments exceeded £60,000 were £ Nil (2022: £Nil).

Defined contribution pension contributions for nine employees were £119,479 (2022: £109,841).

One termination payment of £30,000. Durston House made voluntary redundancy payments of £113,432 to 20 staff and Harvington School made voluntary redundancy payments of £91,340 to 6 staff. There were no amounts outstanding at year end.

5. TANGIBLE FIXED ASSETS (GROUP)

	Freehold land and buildings £	Improvement to freehold premises £	Furniture and equipment £	Total £
Cost				
At 31 August 2022	11,217,197	4,212,070	414,466	15,843,733
Additions	-	1,218,750	153,868	1,372,618
Disposals	-	(61,715)	(156,225)	(217,940)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2023	11,217,197	5,369,105	412,109	16,998,411
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation				
At 31 August 2022	2,451,244	2,107,985	289,468	4,848,697
Charge for the year	137,078	265,831	50,708	453,617
Disposals	-	(61,715)	(156,225)	(217,940)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2023	2,588,322	2,312,101	183,951	5,084,374
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Book Value				
At 31 August 2023	8,628,875	3,057,004	228,158	11,914,037
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2022	8,765,953	2,104,085	124,998	10,995,036
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Included in freehold land and buildings is land with a book value of £1,389,847 which is not depreciated.

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2023

5. TANGIBLE FIXED ASSETS (CHARITY ONLY)

	Freehold land and buildings £	Improvement to freehold premises £	Furniture and equipment £	Total £
Cost				
At 31 August 2022	5,357,197	4,212,070	386,578	9,955,845
Additions	-	1,218,750	145,386	1,364,136
Disposals	-	(61,715)	(156,225)	(217,940)
Transferred from Harvington	5,796,000	-	13,051	5,809,051
	<u>11,153,197</u>	<u>5,369,105</u>	<u>388,790</u>	<u>16,911,092</u>
Depreciation				
At 31 August 2022	2,436,006	2,107,985	289,468	4,833,459
Charge for the year	73,078	265,831	42,628	381,537
Disposals	-	(61,715)	(156,225)	(217,940)
	<u>2,509,084</u>	<u>2,312,101</u>	<u>175,870</u>	<u>4,997,055</u>
Net Book Value				
At 31 August 2023	<u>8,644,113</u>	<u>3,057,004</u>	<u>212,920</u>	<u>11,914,037</u>
At 31 August 2022	<u>2,921,191</u>	<u>2,104,085</u>	<u>97,111</u>	<u>5,122,387</u>

6. INVESTMENT IN SUBSIDIARY

The company has an investment in a subsidiary undertaking which comprises a holding of 100 ordinary shares of £1 each, being the whole of the issued share capital of Durston House School Limited, a company registered in England. The subsidiary undertaking has been dormant throughout the year and the preceding year and has no assets or liabilities.

7. DEBTORS

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Fee debtors	77,967	56,821	77,967	49,550
Pupil disbursements	51,944	4,664	51,944	4,664
Other debtors	11,382	37,831	11,382	25,584
Prepayments	68,088	61,026	68,088	47,238
Accrued income	4,230	11,982	4,230	11,982
Amounts owed from group entities	-	-	25,941	377,722
	<u>213,611</u>	<u>172,324</u>	<u>239,552</u>	<u>516,740</u>

8. CREDITORS

	Group		Charity	
	2023 £	2023 £	2023 £	2022 £
Amounts falling due within one year				
Bank loans and overdrafts	27,532	37,035	27,532	-
Acceptance fees	43,200	61,900	43,200	34,800
Fees in advance	682,298	620,077	682,298	609,747
Trade creditors	514,617	256,424	514,617	116,168
Other taxes and social security	215,749	398,667	215,749	82,152
Other creditors and accruals	261,628	344,987	261,628	221,666
	<u>1,745,024</u>	<u>1,719,090</u>	<u>1,745,024</u>	<u>1,064,533</u>
Amounts falling due in more than one year				
Acceptance fees	<u>693,500</u>	<u>693,500</u>	<u>693,500</u>	<u>612,400</u>

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2023

9. LIABILITY OF THE MEMBERS

The company is limited by guarantee. The maximum liability of each member, in the event of the company winding up due to insufficient funds, is £1. The company had eleven members as at 31 August 2023 all of whom were directors.

10. RELATED PARTY TRANSACTIONS

In accordance with the Change of Control Agreement, Durston agreed to provide a loan to Harvington as working capital for the operation of its activities as a school of up to £1.5m. At 31 August 2022 the amount due to Durston was £377,722. The loan was secured on the freehold land and buildings. Interest was charged at 4% above the base rate of Barclays Bank plc, as varied from time to time. During the year loan interest was charged by Durston to Harvington of £49,485 (2022: £2,721) in respect of the loan made.

See note 13 regarding the transfer of assets and liabilities from Harvington School Educational Trust Limited to Durston House School Educational Trust Limited. At 31 August 2023, an amount of £25,941 was due to Durston from Harvington.

11. PENSION COMMITMENTS

Teaching staff - Durston

The school's contributions to the pension scheme for teaching staff in the year were £392,270 (2022: £369,619)

Non-teaching staff – Durston

The school's contributions to the pension schemes of non-teaching staff in the year were £103,085 (2022: £126,778).

Teaching staff – Harvington

Harvington School Educational Trust Limited participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £91,608 (2022: £107,738) and at the year—end £Nil (2022 — £Nil) was accrued in respect of contributions to this scheme.

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

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

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members. The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2023

12. MERGER WITH HARVINGTON SCHOOL EDUCATIONAL TRUST LIMITED

Durston House School Educational Trust Limited became the sole member of Harvington School Educational Trust Limited on 23 April 2022, and so Harvington School Educational Trust Limited became a subsidiary of Durston House School Educational Trust Limited from this date.

The following table shows the fair value of the net assets of Harvington School Educational Trust Limited on 23 April 2022, which became part of the group reserves at this date:

	£
Tangible fixed assets	5,887,888
Cash	187,841
Other net liabilities	(1,023,791)
Total net assets	5,051,938

13. TRANSFER OF ASSETS AND LIABILITIES OF HARVINGTON SCHOOL EDUCATIONAL TRUST LIMITED TO DURSTON HOUSE SCHOOL EDUCATIONAL TRUST LIMITED

On 31 August 2023 the trade and assets and liabilities of Harvington School Educational Trust Limited were transferred to Durston House School Educational Trust Limited. The following table shows the net assets transferred to Durston House School Educational Trust Limited on 31 August 2023:

	£
Tangible fixed assets	5,806,826
Other net liabilities	(1,427,286)
Total net assets	3,193,765

14. SUBSIDIARY CHARITY

Durston House School Educational Trust Limited became the sole member of Harvington School Educational Trust Limited, a charitable company registered in England and Wales (Company number: 00979140, Charity number: 312621), on 23 April 2022. Harvington School Educational Trust Limited has been consolidated into these accounts. A summary of the Statement of Financial Activities and Balance Sheet are given below:

Statement of Financial Activities for the year ended 31 August:	2023 £	2022 £
Income	1,136,249	1,201,307
Expenditure	(1,562,637)	(1,717,869)
Deficit for the year	(426,388)	(516,562)
Transfer of assets and liabilities to Durston House	(3,193,765)	-
Total funds brought forward	3,620,153	4,136,715
Total funds carried forward	£-	£3,620,153
Balance Sheet as at 31 August:		
Tangible fixed assets	-	4,691,766
Current assets	25,941	87,117
Current liabilities	(25,941)	(1,032,280)
Long term liabilities	-	(126,450)
Accumulated Funds	£-	£3,620,153