

## Fees in Advance Scheme

### Particulars and Terms & Conditions

#### Objective

The objective of the Fees in Advance Scheme ("the Scheme") is to provide a method where the cost of independent education at the School can be reduced by making an advanced lump sum payment. The payer can be the parents or guardian of the child or anyone else who wishes to help with the cost of educating the pupil.

#### Basis of the Scheme

In return for a lump sum payment at or after the acceptance of an offer of a place for the pupil, the School offers a credit to be applied against each term's fee invoice for a set number of terms. The total value of these credits will be commuted at an agreed rate to equal the amount of the lump sum payment. **Please note that making a lump sum payment does NOT fix the school fees** (see clause 3 below).

#### Terms and Conditions

1. These Terms and Conditions are supplemental to the School's standard terms and conditions that the parents or guardian agreed when accepting a place for the pupil concerned. These Terms and Conditions form part of the contractual relationship between the parents / guardian and the School.
2. All payments made in accordance with the Scheme form part of the general funds of the School and may be used for such purposes as the Governors may from time-to-time direct. In return for the payment, the School will make a specified payment to the fee account of the pupil of an agreed amount and for an agreed number of terms.
3. **The parents or guardians must meet the difference between the amount per term paid by the School under this Scheme and the total school fees due in respect of the pupil each term.** This will include increases in fees, extras and expenses incurred by the School on the child's behalf and will be detailed on the termly fee invoice. Payment of any such difference shall be made in accordance with the School's standard terms and conditions.
4. The Scheme may be used to provide advanced payments towards fees for any set number of terms during the pupil's potential time at the School, from a minimum of 4 terms for one pupil or 3 terms if advance covers more than one pupil, up to a maximum of 21 terms. The minimum amount accepted by way of payment into the Scheme is £25,000. The maximum amount is an amount equivalent to 21 terms times the termly tuition fee at the time of entering the Scheme.
5. To calculate the single sum advance payment needed for a set number of terms, please refer to the Standard Table (page 3) which is currently in effect. This table shows the commuted cost of providing £1,000 per term up to a maximum of 21 terms. The cost of providing other payments per term and the resulting commutation can be calculated from this table.

Date updated	June 2022	Date ratified by Governors	June 2022
Date for next review	June 2024	Reason for review	Biennial review

6. The commutation rate used in the current Standard Table is 2.00% per annum. The Standard Table and commutation rate will be periodically reviewed by the School. Payers should confirm the commutation rate and Standard Table currently in force immediately before making any single sum payment. Once payment is made the commutation rate will apply for the duration of the arrangement secured by that payment. On receipt, the School will confirm the amount of the payment, the number of terms intended to be covered by the arrangement, the applicable commutation rate and the amount to be credited against fees for each term.
7. The School must in all cases receive payment before the beginning of the first term to be covered. For the purposes of the scheme, terms will be deemed to commence as follows:

Autumn Term:	1 August
Spring Term:	1 December
Summer Term:	1 April
8. A single sum payment will only be accepted in respect of those children for whom a registration fee and deposit have been paid and an offer of a place accepted.
9. The payment of a single sum for the provision of a future fee credit does not in itself guarantee a child a place in the School, nor does it in any way alter the terms of entry to the School or entitle the child to preferential treatment.
10. The School's standard terms and conditions shall continue to bind the parents / guardian and if a child leaves the School for any reason prior to the commencement of the last term covered by this Scheme, the unused proportion of the payment made under the Scheme will be refunded to the parents/guardians (less any amounts owed to the School at the time of the refund, including any fees payable in lieu of notice). The Standard Table will be used to calculate the applicable commutation rate to calculate any such unused proportion.
11. If the child is admitted to another fee paying school, the unused proportion of the payment into the Scheme may be applied by the School to make payment towards the fees of that other school. This must be at the request of the payer and is at the School's discretion.
12. The balance of single sum payments can be transferred between pupils at the School who are siblings without restriction.
13. Queries or requests for information should be addressed to the Bursary at the School.
14. In the event of any change to the School's charitable status, the Governors reserve the right to make reasonable changes to the terms of the Scheme subject to a minimum notice period of three months.

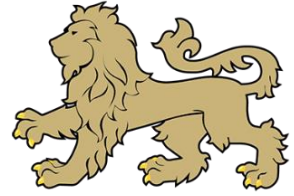
## **Taxation**

Parents, guardians or other payers may be concerned with the effect of taxation on the benefit provided under this Scheme.

As at December 2018 we were advised that the saving that is made on the fees, i.e. the rate of commutation, is not taxable. Paying fees in advance can be advantageous for Inheritance Tax purposes, particularly if the payer is not a parent. However, neither the School, its Governors nor Officers can accept responsibility for the accuracy of this information. Parents, guardians or other payers should therefore consult their own professional advisers



# HAMPTON SCHOOL TRUST



## Standard Table Fees in Advance Scheme

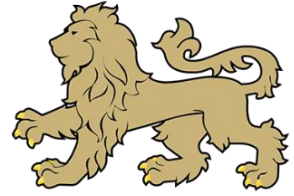
Cost of providing £1,000 of fees per term

Commutation Rate: 2.00% p.a.

Number of Terms Remaining	Amount Payable	Commutation
21	£19,600	£1,400
20	£18,733	£1,267
19	£17,860	£1,140
18	£16,980	£1,020
17	£16,093	£907
16	£15,200	£800
15	£14,300	£700
14	£13,393	£607
13	£12,480	£520
12	£11,560	£440
11	£10,633	£367
10	£9,700	£300
9	£8,760	£240
8	£7,813	£187
7	£6,860	£140
6	£5,900	£100
5	£4,933	£67
4	£3,960	£40
3	£2,980	£20
2	£1,993	£7
1	£1,000	£0



# HAMPTON SCHOOL TRUST



## PAYMENT EXAMPLES:

### Example 1:

Your son has 11 terms remaining at school.

You wish to cover fees of £1,500 per term for 11 terms.

The amount payable to cover fees of £1,000 per term is £10,633 (see above)

To cover fees of £1,500 per term the amount payable is:

$$\begin{array}{r} \text{£10,633} \times \text{£1,500} = \text{£15,949.50} \\ \text{£1,000} \end{array}$$

Subject to the Terms and Conditions of Fees In Advance Scheme.

### Example 2:

To calculate the amount generated per term for a fixed sum of money the working is:

$$\frac{\text{Sum of money}}{\text{Amount payable (from table)}} \times \text{£1,000} = \text{Amount per term}$$

Amount payable (from table)

Your son has 11 terms remaining at school.

You wish to make a lump sum payment of £50,000.

The amount payable to cover fees of £1,000 per term is £10,633 (see above).

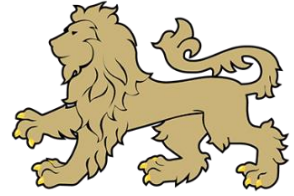
The amount generated per term from £50,000 over 11 terms is:

$$\begin{array}{r} \frac{\text{£50,000}}{\text{£10,633}} \times \text{£1,000} = \text{£4,702.34} \end{array}$$

Subject to the Terms and Conditions of Fees in Advance Scheme.



# HAMPTON SCHOOL TRUST



## FEES IN ADVANCE SCHEME APPLICATION FORM AND AGREEMENT

Name of Pupil .....

Who is \*currently in Year .....

\*entered for admission in .....

1. We/I agree to the conditions set out in the Fees in Advance Scheme Terms & Conditions dated February 2021.
2. We/I enclose a cheque for £..... made payable to **"HAMPTON SCHOOL"** on the basis of the current Standard Table.
3. We/I will make payment of £..... directly to the School's bank account:

Sort code        20-47-23

Account        10446874

Name        Hampton School

Ref        FEEADV + surname

4. In return for this sum, We/I require a payment of:

£ ..... per term from ..... [term and year] for ..... (No. of terms)

Signature of Parents or Guardian (required whoever makes the payment) ..... Date..... Permanent Address: ..... ..... ..... ..... .....	Signature of person making payment (if different from Parent/Guardian) ..... Relationship to the Pupil ..... Date..... Permanent Address: ..... ..... ..... .....
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Should you require further advice or information please contact:

The Bursary, Hampton School, Hanworth Road, Hampton, Middlesex TW12 3HD. Tel: 020 8979 0476.

Email [bursary@hamptonschool.org.uk](mailto:bursary@hamptonschool.org.uk)