



Hazelwood School

Advance Payment of Fees or Composition Fee Scheme

Some Questions and Answers

Q. *What is meant by “Advance Payment of Fees”?*

A. Hazelwood School operates a scheme under which a family member, or someone else with the consent of the parents, may make an advance payment of fees by depositing a lump sum in the general funds of the School at any time after a place at the School has been accepted. In exchange for the Advance Payment, the School allows a discount in the fees.

An Advance Payment can be made by electronic transfer or by cheque (cash cannot be accepted) and may cover any number of terms subject to a minimum of 3 terms.

Q. *How is the discount calculated?*

A. The amount of the discount depends on bank interest rates at the time when the Advance Payment is made. A quotation will be provided on request. The rate of discount is reviewed annually by the Governors.

Q. *Who is entitled to make an Advance Payment?*

A. Anyone with parental responsibility or with the consent of those who have parental responsibility may make an Advance Payment.

Q. *What are the benefits to the family of making an Advance Payment?*

A. The benefits can include:

- Guarding against a future change in circumstances that might put the cost of private education beyond a family's means.
- Providing an opportunity for estate planning for the purposes of inheritance and other taxes. In any such case, professional advice should be obtained from a qualified tax advisor or accountant.
- Obtaining a significant discount on the fees payable.
- Flexibility – an advance payment can be topped up or adjusted according to the number of children to be covered and a variety of other circumstances.

- The discount obtained from the payment of a lump sum under this scheme is equivalent to an investment at compound interest and is not taxed. This can be very beneficial when parents and others are assessed at a higher rate of tax.

Q. *Does the Advance Payment cover future fee increases?*

A. An estimate for annual fee increases can be built into a quotation. Alternatively, a payer can opt to have a fixed rate for the period of the fund and any fee increases would be invoiced to payers or parents in the normal way together with Extras.

Q. *Is the family committed to this School once the Advance Payment has been made? What if we change our minds?*

A. If for any reason a child does not enter the School, the fund will be repaid. If the pupil leaves early, the balance of the fund after payment of all outstanding sums due to the School will be refunded. Alternatively upon written request in accordance with the Scheme Conditions the School can transfer the balance of the fund to the next fee paying school where the children will go.

Q. *Does an Advance Payment guarantee a place for my child?*

A. No. Every pupil must be able to satisfy the admission requirements at the time which may include an academic assessment and a reference as to the pupil's character and general progress.

Q. *What other terms and conditions apply to Advance Payments?*

A. All payments are accepted under the Scheme Conditions which are available on request and are provided as part of the quote process. They in turn refer to the School's standard terms and conditions, as varied from time to time, which also apply. In general the person who makes an Advance Payment does not acquire any rights or obligations under the contact with the School unless he/she is a person with parental responsibility.

Q. *What is the next step?*

A. Contact: The Bursar (Mr Nick Tappin), Hazelwood School, Wolfs Hill, Limpsfield, Surrey RH8 0QU –Telephone 01883 712194 – E-mail bursar@hazelwoodschool.com - for a quotation.