

THE KINGHAM HILL TRUST

Company No. 00365812
Charity No 1076618

Report and financial statements
for the year ended
31 July 2024

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The Kingham Hill Trust

Company information

Trustees	Mr S.H.W. Pilcher (Chairman) Mr J.D.B. Anderson, CBE Mr. N.C.J. Bewes Mr. K.B. Civval (appointed 22 May 24) Mr. K.A.M. Edmunds Mrs. C.M. Pellereau Dr. N.A. Powell (appointed 7 Oct 24)
Secretary	Mrs. Fiona J. Edwards
Registered office	Kingham Hill School Kingham Chipping Norton Oxon, OX7 6TH
Auditors	Moore Kingston Smith LLP Chartered Accountants and Registered Auditors 9 Appold Street London, EC2A 2AP
Bankers	Barclays Bank PLC Wytham Court 11 West Way Oxford, OX2 0JB CCLA Investment Management Ltd 1 Angel Lane London, EC4R 3AB. National Westminster Bank PLC 1 Town Hall Buildings Bridge Street Banbury Oxon, OX16 5JS
Solicitors	Stone King LLP 13 Queen Square Bath, BA1 2HJ Veale Wasborough Vizards LLP Narrow Quay House Narrow Quay Bristol, BS1 4QA
Investment Managers	Investec Wealth & Investment Limited 30 Gresham Street London, EC2V 7QN

The Kingham Hill Trust

Report of the Trustees for the year ended 31 July 2024

The Kingham Hill Trust was brought into being and is sustained by the grace of our Heavenly Father, the Almighty God. He brought the work of the Trust into being through Charles Edward Baring Young and has sustained it through the challenges of many generations of staff and trustees; the Trustees look to Him for direction and provision for the future. The Kingham Hill Trust is governed by its Memorandum & Articles of Association adopted by Special Resolution on 14 December 2021 and continues the work of the unincorporated charity known as The Kingham Hill Trust which was originally established by a Trust Deed dated 16 December 1912 and amended by subsequent Deeds and Orders of Court. The Kingham Hill Trust is registered as a company limited by guarantee no. 00365812 and as charity no. 1076618. The Trustees are in no doubt that the Trust is a public benefit entity and set out later in this report details of the relevant activities at both Oak Hill College and Kingham Hill School.

Objects and activities

The principal objects of the Trust are: -

- To advance in accordance with the Protestant and Evangelical Faith understood as set out in Article 17 of the Articles of Association of the Charity ("the Christian Faith") the physical, mental and spiritual education of children resident in the United Kingdom or elsewhere by helping them to a start in life, especially those children who are in need of a boarding education through deficiencies in their economic, social or family circumstances, or owing to their particular educational or spiritual requirements providing that special regard should be paid to the needs of such children whose parents or guardians are of modest means;
- To train men and women for ordination or other ministries in the Church of England or other Protestant denominations in accordance with the Christian Faith provided that special regard shall be paid to the needs of those of modest means; and
- Otherwise to advance education in accordance with the Christian Faith.

In pursuance of these objects the Trust operates Kingham Hill School, a co-educational boarding and day school for children aged 11 to 18, and Oak Hill College, an evangelical theological college accredited by the Church of England and also serving other protestant denominations.

Strategic report

Achievements, performance and review of activities

The overall gain for the year was £28k (2023 losses – £114k), this being after net investment gains of £445k (2023 losses - £140k). Net funds at the year-end were £40.1 million (2023 - £40.1 million).

Oak Hill College

In line with the Trust's charitable objectives, 23 new students were welcomed to the College in September 2023, 21 at undergraduate level and 2 at postgraduate level (with a further 2 internal postgraduate admissions). These students came from a variety of backgrounds and denominations (Anglican and Independent) and the majority intend to enter full-time Christian ministry in due course. The College also welcomed back 54 returning students giving a student body of 77 in total.

September 2023 saw the third year of operation for our Access Bursary Scheme. The Bursaries are designed to provide financial support for prospective students from groups which are currently under-represented within the college community. During the 23/24 academic year we were able to award 9 new full-time bursaries and 2 part-time bursaries, along with 8 full-time and 2 part-time returning students. The College is very grateful to the donors who enable these bursaries to be awarded.

Revd Dr James Robson joined the College as Principal in the autumn of 2023. In addition, Jonny Reid joined as Director of Engagement in June 2024.

This year we were informed that Middlesex University was ending its relationship as Validating partner with a number of institutions, including Oak Hill. The College Council, following the recommendation of the executive leadership of the college, decided to seek validation through Durham University and the Common Awards

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programme, with the change happening from September 2025 entry. This has brought considerable work across the College, but it has also provided significant opportunity for new offerings. As well as providing pathways similar to the current offerings, we are seeking validation for two new programmes: a Foundation Award, to act as a ramp into further studies or as a foundation for ongoing Christian service; and an MA in Contemporary Christian Leadership. This latter offering is an exciting opportunity to bring in Christian leaders who have been serving for a number of years, to support them by providing an opportunity to develop and grow in their role and as the world develops around them. The new programme is currently undergoing validation but have already been granted permission to begin advertising the new Durham awards.

The new Leadership Team at the College has been working on a new Vision for Growth, to expand the College's programmes and increase access to them. We are also introducing a new appraisal system for staff, which will align College goals arising from the Vision for Growth and personal objectives. This appraisal system will help colleagues see how their roles engage with and contribute to the Vision for Growth and ensure the good communication channels and personal development that are vital for organisational health.

Student feedback continues to be regularly reviewed. The Chair and Vice-Chair of the Student Committee attend and report to College Council meetings and regularly meet with members of the Leadership Team to ensure that the student perspective is reflected both in strategic planning and in the day-to-day life of the College. Student feedback on both the formal teaching programmes and campus life has remained very positive throughout the year. Feedback from the students has been built into the formation of the Durham offerings.

The operational deficit (before donations) for the year amounted to £445k. Donations exceeded the operational deficit, enabling a surplus of £3k, which results in a stable cash position and robust reserves.

The College continues to face significant challenges, because of a national decrease in the number of those going forward for ordained ministry in the Church of England, and because of changing demands and competition in theological training more widely. However, the College remains very grateful to God, to its generous supporters, and to the students and staff for the way in which the College and its community have been able to operate during this period. The Vision for Growth and the new offerings that underpin it provide a potentially exciting way ahead. The College remains committed to providing the very best formation and learning experience that it can for the next generation of students, so that they in turn can spread the message of our Lord Jesus Christ to the Nations.

At the College the principal risks relate to the potential departure of the Church of England from a biblically orthodox understanding of human sexuality, ceasing to be a preferred Church of England training institution, a trend away from full-time residential training, and the financial dependency on a few major donors.

The College leadership and Chair of Council maintain a regular dialogue with the relevant officers within the National Church and a report of their activity in this field is a standing item for the Principal's report to Council. Efforts are being made to broaden the financial supporter base. New programmes are being validated for 2025 entry to widen the appeal. Progress will be monitored against the strategic plan.

Kingham Hill School

During the course of the academic year from September 2023 to July 2024 the school was inspected twice by the Independent Schools' Inspectorate (ISI) and, on both occasions, was found to be fully compliant with all relevant legislation, most notably the Independent Schools Standards Regulations and the National Minimum Standards for Boarding. Both inspection reports are available on the school's website. The second inspection was a Material Change Inspection which saw the school successfully apply to the DfE to have its maximum number of pupils increased from 370 to 405.

Since January 2024 the Trust has been working closely with Cairneagle, a firm of Management and Change consultants with a wealth of experience in the independent school sector. Interim reports were received from Cairneagle in May 2024 with the final reports expected later in the summer. The brief given to Cairneagle was to guide and support the Governors and Senior Leadership Team towards a sustainable economic future for the school, not least in the face of the expected change in Government which came to pass on 4th July 2024 and the

The Kingham Hill Trust

introduction of 20% VAT on independent school fees as well as the loss of Business Rate Relief. The school will continue to work closely with Cairneagle as it seeks to develop a sustainable cost base for the future. Linked to this the school undertook a consultation process to restructure the existing Admissions, Marketing and Development team in order to allow the school to devote more resources to the recruitment of new pupils, especially international boarders. The school began the school year with 348 pupils and ended the academic year with 349 pupils.

In June 2024 the school was awarded the Wellbeing Award for Schools which was developed by the National Children's Bureau with Optimus Education. This award focuses on changing the long-term culture of the whole school. Using an evidence-based framework to drive change, it will enable the school to deliver staff and pupil wellbeing, review our staff training, and revise our policies. This award will ensure that mental health and wellbeing sit at the heart of our school life. In conjunction with this award, a key member of staff has become a Mental Health First Aid trainer and is developing other staff.

The life of the school Chapel remains central to the work and mission of the school. The core pastoral team (i.e., chaplaincy, houseparents and senior pastoral staff) and all governors are committed Christians. Beyond Chapel both junior and senior Christian Unions are very well attended and smaller events (for example, voluntary "Bible Breakfasts") take place in the boarding houses. The annual "events week" was well-attended, with a range of speakers from within and without the school community. Most weeks a minibus full of pupils choose to attend the morning service at St Mary's Church Chipping Norton and to be involved with the church's Youth Group. This gives pupils the opportunity to be in an ordinary church family.

The school had another busy but successful public exam season with pupils sitting GCSE, A Level and Vocational qualifications. This year saw the pupils achieve 40% A* and A grades in the 6th form and 36% 9-7 grades at GCSE. The school was delighted that 88% of this year's University applicants gained places at their first-choice University, which reflects the excellent support and care provided by the team who guide University applications.

Kingham Hill remains one of only two British curriculum schools in the UK that offer an especially tailored American Program and it is now the only such school that can offer places to boarding pupils. This Program was developed a little over fifteen years ago in conjunction with the US State Department. The school is fully accredited to offer a US high school diploma alongside a British education. This accreditation is with the Middle States Association of Colleges and Schools Commissions on Elementary and Secondary Schools (MSA-CES) and is recognised by the US Department of Education. Each year we celebrate the achievements of our US and Canadian pupils with a North American style Graduation Programme and celebration with families and friends of the Graduands.

The school is up to date with all regulatory and compliance requirements. The Annual Review of Safeguarding was received and approved by the Governing Body. The school provides a counselling service which has been effectively and helpfully used by the pupils.

Reserves

The reserves held by the Trust are set out in detail in Note 26 to the financial statements. At 31 July 2024 the Trust had general reserves of £12.5m, (2023 - £12.4m); these are largely represented by the Trust's listed investments and investment cash valued at £8.8m (2023 - £8.1m) which are held primarily for the purposes of generating income and to provide a financial backstop in the event of adverse events at either School or College.

The Trustees recognise the need to maintain and enhance the value of the investment portfolio in real terms in order to provide on-going capital requirements from time to time. Under the Memorandum of Association, the Trustees are permitted to use capital as well as revenue reserves to fund any shortfalls of net income. Although operational deficits and the ability to respond to unexpected occurrences can be funded by drawdowns of capital from the investment portfolio, a 5% p.a. policy limit on the spending of the investments on ordinary activities has been in place for some time.

Investec Wealth and Investment Ltd has the management of the Trust's investment portfolio. An investment policy is in place that governs the management of the Trust's investment portfolio, and this is reviewed annually. The Trustees view the risk profile to be appropriate for the current environment.

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Principal risks and uncertainties

The Trustees are required to produce a statement of policy on risk identification and management, and this involves identifying the types of risks the Trust faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. This process is monitored by the Trustees annually and takes into account assessment of future uncertainties such as the supply of students at the College and the impact on parents of VAT on School fees. The separate nature of School and College means that each has its own risk register which is reviewed regularly by the Board of Governors or College Council with the appropriate report going to Trustees.

Both School and College continue to develop and update policies relevant to their spheres of operation; they include safeguarding, health and safety, whistle blowing and financial procedures policies.

Governance

The Trustees meet formally three times in the year to review the activities of the College and the School in relation to the terms of the Trust, paying close attention to the Founder's intentions, working together to keep both the College and the School loyal to his wishes. Both institutions continue to carry out the Objects of the Trust and the Trustees are constantly seeking ways for them to operate in an increasingly effective and relevant way. To this end, work is continuing on major strategic reviews at both College and School.

Trustees are recruited typically after having served as members of the College Council or of the School Board of Governors. Prospective Trustees will generally have served on one or more of the various establishments' sub-committees, and therefore already have good background knowledge of the charity's activities. In May a new Trustee, Keith Civval was recruited to join the School Board as Chair of Finance and General Purposes committee. Neil Powell, already a College Council member has also been appointed as a Trustee.

The Trust employs various professional organisations to ensure that processes, procedures and policies are developed which reflect the ever-changing statutory environment in which charities must operate. Trustees are supplied with information relating to these necessary changes on a regular basis.

The Trustees have delegated responsibility for most of the operational requirements to the Council of the College and Board of Governors of the School, with regular reporting requirements to enable the Trustees to continue their oversight and responsibilities. Trustees are supplied with minutes of all meetings of the College Council, the School Board of Governors and their related Finance and General Purposes Committees.

Systems for measuring key performance indicators are in operation at both School and College. They include performance against financial targets, compliance, academic standards, high quality of teaching, admissions, and staff development. Reports are presented to every meeting of both School Governors and College Council.

At both School and College, safeguarding is taken very seriously and safeguarding leads are allocated from the School Board of Governors and also the College Council. Both institutions have an appropriate safeguarding policy in place but also complaints policies and whistleblowing process.

The salaries of the senior management personnel at both School and College are subject to scrutiny by the relevant Finance & General Purposes Committee, acting as the Remuneration Committees. At Oak Hill College salaries are set with reference to the Church of England standard Lichfield scale, enhanced for additional duties. At Kingham Hill School salaries are determined by comparison with pay at other local independent schools, again with appropriate enhancements for additional levels of responsibility,

The Trustees continue to pray for the College President, Revd James Robson, and the Headmaster of the School, Peter Last, for the staff who serve alongside them, as well as for the Chair of the College Council, the Chair of the School Governors, and their respective teams.

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Trustees' responsibilities for the financial statements

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

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

- select suitable accounting principles and then apply them consistently.
- comply with applicable accounting standards including FRS 102, subject to any material departures therefrom being disclosed and explained in the financial statements.
- make judgments and estimates that are reasonable and prudent.
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Public Benefit

The Trustees regularly review all the activities of the Trust and consider how these contribute to the aims and objectives set by the charity's objects and confirm that they have complied with the duty in s.17 Charities Act 2011 by referencing their review to the Charity Commission's published guidance on public benefit under that Act. The Trustees are bound by the terms of the Trust to ensure that all the Trust's activities clearly express the evangelical Christian convictions of the Founder. In shaping our objectives for the year and planning our activities, the Trustees have considered the charity commission guidance on public benefit, including the guidance on public benefit: running a charity (PB2). Oak Hill College and Kingham Hill School are both educational establishments but are quite different from each other. The public benefit is therefore expressed in ways which reflect both the similarities and the differences.

The College provides public benefit by: advancing religion through providing ministers who have been taught to a high level in one of the UK's major religious traditions, including in areas pertaining to public concern such as safeguarding and the protection of at-risk individuals and; by advancing education through providing ministers to serve their local communities (many of which are disadvantaged) who have been taught to a tertiary level of education. General bursaries are provided that make the College affordable and accessible to many of our students, but it also provides Access Bursaries that are designed to provide financial support for prospective students from groups which are currently under-represented within the College community.

The School provides public benefit both to the local community and others by advancing both religion and education. The Founder's Pupils scheme also fulfils the Founder's vision by providing a boarding education to pupils from a disadvantaged background and for those who would benefit greatly from a Kingham education.

It provides this benefit through:

- the provision of scholarships and means tested bursaries which in 2024 amounted to £570k (2023: £614k).
- the Founder's Pupils programme which provides assistance to pupils who would benefit from a boarding education, as envisaged by Charles Edward Baring Young, the Trust's founder.
- providing curriculum enrichment for a number of local schools through invitations to School enrichments weeks activities and a series of science, art, music and modern foreign language events

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- Kingham Hill School community service programme whereby pupils take part in weekly activities such as helping the elderly, litter clearance and other projects.
- Kingham Hill School Leisure (KHL) enables the use of the school swimming pool, gym, astroturf, tennis courts, squash court and Sports Centre by the community, in addition to a number of local schools.
- fee concessions of 13.1% of gross fee income are provided.
- loan of School vehicles to local charities.
- community use of facilities for holiday camps, sports clubs, local voluntary groups

Fundraising

Fundraising requests are limited to alumni of School and College, to specific trusts and, to churches with a similar Christian ethos to that of the Trust; there has not been any fundraising from the general public. No complaint has been received about the Trust's fundraising efforts and Trust development staff work within The Code of Fundraising Practice.

Future plans

As set out above, both the School and the College face different challenges at this time. The Trustees are thankful that we have a heavenly Father who delights to hear our prayers and who can achieve more than we can ever ask or imagine. We are thankful too that we have an outstanding leadership team at each of the School and the College, that we are blessed with adequate financial reserves to tide us through difficult times and that we have ample liquidity in the event of adverse trading conditions. The Trustees remain of the view that KHT (and each of the School and the College) are going concerns.



S.H.W. Pilcher (Chair of Trustees)

28 November 2024

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KINGHAM HILL TRUST

Opinion

We have audited the financial statements of The Kingham Hill Trust ('the company') for the year ended 31 July 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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.

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 course of 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 themselves. 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

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Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Date 12 December 2024

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street
London
EC2A 2AP

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Statement of financial activities for the year ended 31 July 2024

		Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	Total funds 2024 £'000	Total funds 2023 £'000
	Note				
Income					
Donations	2	434	478	912	1,022
Income from charitable activities	3	9,696	-	9,696	9,582
Income from other trading activities	4	1,948	-	1,948	1,730
Investment income	5	445	18	463	269
Total income		12,522	496	13,018	12,603
Expenditure					
Cost of raising funds	6	211	-	211	166
Expenditure on charitable activities	7	12,831	95	12,926	12,170
Interest payable	23	299	-	299	237
Total expenditure		13,341	95	13,436	12,573
Total income less total expenditure		(818)	401	(417)	30
Net investment gains/(losses)	14	445	-	445	(144)
Net income for the year		(373)	401	28	(114)
Transfers	26	374	(374)	-	-
Net movement in funds for the year		1	27	28	(114)
Reconciliation of funds					
Total funds brought forward	26	39,692	418	40,110	40,224
Total funds carried forward	26	39,693	445	40,138	40,110

All activities are continuing operations of the Trust. There were no recognised gains or losses during the year other than those reported above.

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Statement of financial position for the year ended 31 July 2024

	Note	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Fixed assets					
Tangible assets	13		33,963		34,040
Investments	14		8,878		8,087
			42,841		42,127
Current assets					
Stock	15	14		25	
Debtors	16	952		641	
Cash at bank and in hand		3,811		4,053	
		4,777		4,719	
Creditors: amounts falling due within one year	17	(3,436)		(2,857)	
Net current assets			1,340		1,863
Total assets less current liabilities			44,181		43,990
Creditors: amounts falling due after more than one year	18		(4,044)		(3,880)
Net assets			40,138		40,110
Reserves					
Unrestricted income funds	26		39,693		39,692
Restricted income funds	26		445		418
Total charity funds			40,138		40,110

Company Registration Number: 00365812

The financial statements were approved by the trustees and authorised for issue on 28 November 2024 and signed on their behalf by:



S.H.W. Pilcher
Trustee



K.B. Civval
Trustee

The Kingham Hill Trust

Reconciliation of net income for the year to net cash flows from operating activities	2024 £'000	2023 £'000
Net income for the year before investments	(417)	32
Depreciation	955	1,072
Loss on sale of tangible fixed assets	25	-
Decrease/(increase) in stock	11	19
Decrease/(increase) in debtors	(312)	7
(Decrease)/increase in creditors	(477)	871
(increase)/decrease in provision	-	(7)
Return on investments	(172)	(60)
Net cash inflow from operating activities	(387)	1,934
Cash flows from investing activities		
Dividends and interest received	172	60
Purchases of tangible fixed assets	(974)	(382)
Sale proceeds of tangible fixed assets	7	-
Purchases of fixed asset investments	(998)	(4,239)
Sales of fixed asset investments	812	4,122
Net cash inflow/(outflow) from investing activities	(982)	(439)
Cash flows from financing activities		
Proceeds from bank loan	(322)	-
Repayment of bank loan	-	(312)
Proceeds from FIA cash receipts	1,610	-
Repayment of finance lease funding	(2)	(9)
Net cash (outflow)/inflow from financing activities	1,285	(321)
Change in cash and cash equivalents in the reporting period	(83)	1,174
Cash and cash equivalents at the beginning of the reporting period	5,922	4,749
Cash and cash equivalents at the end of the reporting period	5,839	5,922
Cash and cash equivalents consist of:		
Investment cash	2,029	1,869
Cash	3,811	4,053
	5,839	5,920

Analysis of changes in net debt	At 01/08/23 £'000	Cashflows £'000	Non-cash £'000	At 31/07/24 £'000
Cash	5,922	(83)	-	5,839
Loans due within one year	(552)	(5)	-	(557)
Loans due after more than one year	(3,645)	347	-	(3,298)
Finance lease obligations	(2)	2	-	-
	1,723	261	-	1,984

The Kingham Hill Trust

Notes to the financial statements for the year ended 31 July 2024

1. Accounting policies

Basis of accounting

The Trust is a charitable company, incorporated in England and Wales and limited by guarantee. The financial statements are prepared in accordance with: FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102), the Companies Act 2006 and other applicable accounting standards in the UK. As the Trust is a public benefit entity as defined by FRS 102 the accounts have also been prepared in accordance with the Charities SORP (FRS 102) "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 2015) (FRS 102 SORP) and the Charities Act 2011.

The financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of certain fixed assets. The Trustees have assessed whether the use of the going concern basis is appropriate, especially in the light of increased costs, (VAT, removal of charitable business rate and increased Employers National Insurance), and are confident that this remains appropriate.

The Trust has considerable financial flexibility given the significant portfolio of property assets that are not critical to the operation of either School or College and is further blessed by its investment portfolio and cash assets which are available to underpin the Trust's operations, as needed. The results of their enquiries have allowed Trustees to conclude that there is a reasonable expectation that the Trust has adequate resources to continue in operation for the foreseeable future and that, accordingly, it is appropriate to continue to adopt the going concern basis in the preparation of the Trust's financial statements. Trustees have also ensured that, as at the date of the signing-off of the accounts, there are no material uncertainties which need to be reflected within these accounts.

The accounts are prepared in sterling, which is the functional currency of the company, rounded to the nearest thousand pounds. The principal accounting policies which have been applied consistently throughout the year are set out below. All activities which are included in the "Statement of financial activities" relate to continuing operations.

Foreign currencies

Transactions in foreign currencies are translated into sterling at the rates ruling on the date of each transaction. The value of investments and cash deposits awaiting investment are translated at the rates ruling at the end of the accounting period.

Income

Income is recognised when there is entitlement to the funds, the receipt is probable, and the amount can be measured reliably.

Income from charitable activities represents fees invoiced to third parties for tuition and similar educational activities. They are stated net of bursaries and other fee remissions provided out of the Trust's unrestricted funds, which are disclosed elsewhere in the notes to the financial statements but include fee bursaries provided from restricted funds.

Income from other trading activities includes rent receivable from students and staff together with lettings to third parties. Investment income represents dividends and interest received during the year on the investment portfolio held by the Trust.

The Kingham Hill Trust

1. Accounting policies (continued)

Dividends and interest receivable

Dividends and interest are included in the accounts on the basis of the date such income is received by the Trust's investment managers with the exception of fixed interest securities where income is accounted for on an accruals basis.

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered. Charitable resources expended are analysed under seven headings. All costs are specifically allocated to one of the categories and no costs are apportioned between them.

Leases

Rentals payable on operating leases are recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Retirement benefits

The costs of retirement benefits provided to employees of the Trust through two multi-employer defined benefit pension schemes are accounted for as if these were defined contribution schemes as information is not available to use defined benefit accounting in accordance with the requirements of FRS 102. The Trust's contributions to these schemes are recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable. In addition, a liability is recognised as at the date of the Statement of financial position for the discounted value of the expected future contribution payments under the agreements with these multi-employer schemes to fund the past service deficits.

The Trust makes normal contributions on behalf of the teachers at Kingham Hill School to the Department of Education and Employment Teachers Pension Agency. The scheme is a defined benefit scheme, and the contributions are charged as an unrestricted expense in the Trust's accounts as they fall due for payment.

Taxation

The Trust, being a registered charity, is exempt from taxation on its income and capital gains to the extent that they are applied for charitable purposes.

Tangible fixed assets and depreciation

All tangible fixed assets held by the Trust are for charitable purposes and are shown in the Statement of financial position at cost or valuation less accumulated depreciation. All assets costing more than £1,000 are capitalised, those costing less being written off in the year of acquisition unless they form part of a larger project.

The Trust has adopted the transitional provisions of FRS 15 "Tangible fixed assets" and has not updated the last valuation of freehold land and buildings. Freehold land and buildings are stated at professional valuation using the depreciated replacement cost or open market value based at 31 July 1999. Expenditure from that date has been capitalised at cost, including, where appropriate interest and other borrowing costs incurred up to the date of practical completion.

Depreciation is provided evenly on the cost (or valuation where appropriate) of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Upon completion, new buildings are depreciated to write off the cost over 50 years unless otherwise stated. Buildings are depreciated over 50 years or the period of the lease (if shorter). No depreciation is provided on freehold land. Additions to buildings are depreciated over 50 years.

The principal annual rates used for other assets are:

I.T. equipment	33%
Equipment, fixtures & fittings	15%
Motor vehicles	25%
Other machinery	25%

Assets which reach the end of their estimated useful lives are generally scrapped and therefore removed from the fixed asset register.

The Kingham Hill Trust

1. Accounting policies (continued)

Listed Investments

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the accounting period.

Stock

Stocks are valued at the lower of cost and estimated net realisable value. Cost is determined on a first-in, first-out basis. Net realisable value is based on the estimated sales price.

Cash and cash equivalents

These include cash at banks and in hand and short-term deposits with a maturity date of three months or less.

Financial assets

The Trust has elected to apply the provisions of FRS 102 Section 11 'basic financial instruments' and Section 12 'Other financial instruments' issues to all of its financial instruments.

Financial assets are recognised in the company's Statement of financial position when the company becomes party to the contractual provisions of the instrument. They are classified into specified categories; the classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables 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.

Other financial assets classified as fair value through profit or loss are measured at fair value.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less any impairment.

Interest is recognised by applying the effective interest rate except for short term receivables where the recognition of interest would be immaterial. The effective interest rate is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at the end of each accounting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected with the impairment being recognised in profit or loss.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities

Basic financial liabilities are initially measured at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value. Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method with interest expense recognised on an effective yield basis. The effective yield basis is a method of calculating the amortised costs of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition. Financial liabilities are derecognised when and only when the company's obligations are discharged, cancelled or reach expiration.

The Kingham Hill Trust

1. Accounting policies (continued)

Fund accounting

Funds held by the charity are either:

Unrestricted funds

These are funds which can be used in accordance with the Trust's objects at the discretion of the trustees. Such funds include both Capital and Revaluation reserves, the combined amount of which represents the Trust's investment in land and buildings; these monies are not available to support operating activities or:

Restricted funds

These funds represent monies given to the Trust for specific purposes. They include benefactions for future development at both Oak Hill College and Kingham Hill School, a bursary fund to assist students at the College and funds to support certain educational activities at both College and School.

Critical accounting estimates and judgments

In the application of the company's accounting policies 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the revision occurs, should only affect that period, or in the period in which the revision occurs and future periods if relevant. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are:

Useful economic lives

The annual depreciation charge for buildings, plant, fixtures, and motor vehicles is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates based on technological advancement, future investment, economic utilisation, and the physical condition of the assets. Note 13 gives the carrying amount of the relevant assets and Note 1 details the useful economic life for each class of asset.

Recoverable value of fee debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. Note 16 gives details of the net carrying amount of debtors and the associated impairment provision.

Analysis of pupil deposits

Deposits held in respect of pupils in Years 7 to 9 are presumed to be repayable after more than one year while deposits held for pupils in subsequent years are treated as being repayable within one year.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any untaken holiday entitlements are recognised in the period in which the employees' services are received.

Termination benefits are recognised immediately as an expense once the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Provisions

Provisions have been made for post-employment benefits. These provisions are estimates and the actual costs and timing of future cash flows are dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period in which such determination is made.

The Kingham Hill Trust

2. Donations

		2024 £'000	2023 £'000
Restricted to development	8/9	29	30
Restricted to bursaries	8/9	374	292
Restricted to educational purposes	8/9	76	8
Unrestricted	8/9	433	692
		<u>912</u>	<u>1,022</u>

3. Income from charitable activities

Kingham Hill School	8	9,070	8,883
Oak Hill College	9	626	699
		<u>9,696</u>	<u>9,582</u>

4. Income from other trading activities

Kingham Hill School	8	909	751
Oak Hill College	9	1,039	979
		<u>1,948</u>	<u>1,730</u>

5. Investment income

Income from listed investments		216	190
Restricted interest receivable	8/9	18	10
Unrestricted interest receivable	8/9	229	69
		<u>463</u>	<u>269</u>

6. Cost of raising funds

Development Office Kingham Hill School	8	180	137
Investment Management		31	29
		<u>211</u>	<u>166</u>

7. Expenditure on charitable activities

Kingham Hill School unrestricted	8	9,925	9,510
Kingham Hill School restricted	8	95	92
Oak Hill College unrestricted	9	2,645	2,504
Strategic planning costs		132	-
Governance administration costs		129	64
		<u>12,926</u>	<u>12,170</u>

The Kingham Hill Trust

8. Kingham Hill School Income	2024 £'000	2023 £'000
Fees	10,485	10,346
Less: Bursaries & concessions	(1,415)	(1,463)
	<u>9,070</u>	<u>8,883</u>
Rental income	191	168
Investment income	75	19
Restricted donations	95	95
Unrestricted donations	4	104
Inter-trust Grants		41
Unrestricted other income	<u>717</u>	<u>583</u>
Total income	<u>10,152</u>	<u>9,893</u>
Expenditure		
Cost of generating funds		
Development	<u>180</u>	<u>137</u>
Charitable expenditure		
Academic	4,383	4,000
Restricted academic	95	92
Administrative		
Staff costs	483	403
Insurance costs	100	75
IT and office costs	213	192
Legal and professional	136	113
Bank Charges	15	12
Other costs	<u>6</u>	<u>8</u>
Total administrative costs	953	804
Marketing	195	158
Transport	282	276
Premises	1,350	1,798
Leisure centre	180	144
Catering	875	819
Domestic	489	463
Depreciation	636	649
Finance costs	299	237
Other	<u>582</u>	<u>399</u>
Total charitable expenditure	<u>10,319</u>	<u>9,839</u>
Total expenditure	<u>10,499</u>	<u>9,976</u>
Total income less total expenditure	(347)	(83)
Net movement in funds	<u>(347)</u>	<u>(83)</u>
Net assets of Kingham Hill School	<u>12,923</u>	<u>13,456</u>

The Kingham Hill Trust

9. Oak Hill College	2024	2023
Income	£'000	£'000
Church of England SLA funding	179	-
Fees	632	947
Less: Bursaries	(366)	(250)
	445	697
Rental income	908	920
Restricted donations	384	234
Unrestricted donations	429	588
Restricted investment income	18	10
Unrestricted investment income	154	50
Joint appointments	2	2
Other income	131	59
Total income	2,650	2,560
Expenditure		
Charitable expenditure		
Academic cost	857	791
Administrative costs		
Staff costs	231	235
Insurance costs	44	25
IT and office costs	68	57
Legal and professional	44	47
Bank Charges	2	3
Other costs	61	58
Total administrative costs	450	423
Admission and Marketing costs	136	136
Catering costs	137	133
Household costs	104	100
Premises costs	547	494
Depreciation	414	425
Total charitable expenditure	2,645	2,504
Total expenditure	2,645	2,504
Total income less total expenditure	5	56
Net movement in funds	5	56
Net assets of Oak Hill College	19,544	19,540

The Kingham Hill Trust

10. Auditors' remuneration

	2024 £'000	2023 £'000
Auditors' remuneration		
Audit fees	46	37
Other advice	3	2
Previous year under accrual	8	5
	<hr/>	<hr/>
Total auditors' remuneration	57	44
	<hr/>	<hr/>

11. Employees and payroll

	2024 No.	2023 No.
Average monthly number of employees		
Kingham Hill School	157	150
Oak Hill College	34	33
Governance	2	2
	<hr/>	<hr/>
	193	185
	<hr/>	<hr/>

	2024 £'000	2023 £'000
Staff costs		
Wages and salaries	5,636	4,950
Social security costs	542	483
Other pension costs	618	619
	<hr/>	<hr/>
	6,796	6,052
	<hr/>	<hr/>

Other pension costs comprise	2024 £'000	2023 £'000
Defined benefit schemes	324	285
Defined contribution scheme	293	334
	<hr/>	<hr/>
	617	619
	<hr/>	<hr/>

Five employees earned more than £60k during the accounting period (2023: five), one in the band £100k - £110k, one in the band £70-£80k and three in the band £60k - £70k (2023: four).

None of the above employees were a member of a defined benefit pension scheme into which the Trust made contributions on the employee's behalf. (2023: one)

Key management personnel include the Trustees and members of the senior management teams. The Trustees received no remuneration during the accounting period (2023: £Nil). There were 11 members of the senior management teams during the year (2023: 11) whose aggregate pay and benefits amounted £675k (2023: £593k). Employer's pension contributions for the senior management teams were £98k (2023: £94k).

There were 6 (2023: 6) members of the senior management teams who were provided with rent-free accommodation in order to enable them to undertake specific duties at both school and college.

There were three termination payments were made during the year of £105k (2023: £ nil)

The Kingham Hill Trust

11. Employees and pension costs (continued)

Pension schemes

Certain employees are members of one of three different defined benefit schemes. Clergy are members of the Church of England Funded Pension Scheme, teachers are members of the Teachers' Pension Scheme, and certain other employees are members of the Church of England Defined Benefits Scheme Section of the Church Workers' Pension Fund.

Teachers' Pension Scheme (TPS)

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £293k (2023 - £250k) and at the year-end £22k (2023 - £27k) 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%.

Church of England Funded Pension Scheme (CEFPS)

Oak Hill College participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit scheme. Kingham Hill School no longer has members in the scheme and has fully paid any obligations due during the previous financial year. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the responsible bodies. Each participating responsible body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific responsible body and also that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year £27k (2023: £29k) plus the figures shown in the table on the next page as being recognised in the SoFA, giving a total charge of £29k for 2024 (2023 charge: £29k)

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.
- RPI inflation of 3.6% p.a. (and pension increases consistent with this).
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards.
- Increase in pensionable stipends in line with CPIH.

The Kingham Hill Trust

11. Employees and pension costs (continued)

- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following the finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the scheme was fully funded. The deficit recovery contribution under the recovery plan in force at each 31st of December were as follows:

31 December 2021 7.1%

31 December 2022 nil

31 December 2023 nil

An interim reduction to the deficit contributions to 3.2% of pensionable stipends was made with effect from April 2022, and remained in place until December 2022.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2023 is nil. The movement in the balance sheet liability over 2022 and over 2023 is set out in the table below.

	31-12-23 £'000	31-12-22 £'000
Balance sheet liability at 1 August	-	7
Deficit contributions paid	-	(4)
Interest cost (recognised in SoFA)	-	-
Remaining charge* (recognised in SoFA)	-	(3)
Balance sheet liability at 31 December 2022	-	-

* Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

As at December	2023	2022	2021
Discount rate pa	n/a	n/a	0.0%
Price inflation pa	n/a	n/a	n/a
Increase to total pensionable payroll pa	n/a	n/a	-1.5%

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

Church Workers Pension Fund (CWPF)

Oak Hill College participates in the Defined Benefits Scheme (DBS) section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the employer and other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classis and a cash balance section known as Pension Builder 2014.

The Kingham Hill Trust

Both sections of the Pension Builder Scheme are classified as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors. There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is a multi-employer scheme as described in S.28 of FRS 102. It is not possible to attribute the scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. This means that contributions are accounted for as if the Scheme were a defined contribution scheme. No pensions costs were charged to the SoFA in the year as contributions (2023: £nil) or deficit payments (2023: £nil)

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of the DBS is carried out once every three years, the most recent having been carried out as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and this was notionally transferred from the employers' sub-pools to the Life Risk Section. This increased the Employer contributions that would otherwise have been payable. The overall deficit in the DBS was £11.3m. The next actuarial valuation was due at 31st of December 2022 (yet to be published)

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability.

The movement in the provision is set out below:

	2023 £'000	2022 £'000
Balance sheet liability at 1 August 2022	-	-
Deficit contributions paid	-	-
Interest cost (recognised in SoFA)	-	-
Remaining charge* (recognised in SoFA)	-	-
Balance sheet liability at 31 December 2023	-	-

* Comprises change in agreed deficit recovery plan and change in discount rate between years-ended December

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	Dec 23	Dec 22	Dec 21
Discount rate	0%	0%	0%

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

12. Transactions involving trustees and related parties

Travel, subsistence and training expenditure paid on behalf of or reimbursed to trustees amounted to £0.01 (2023 - £0.1). Total aggregated donations received from Trustees and related parties during the accounting period amounted to £270k (2023: £409k). This amount disclosed is gross of Gift Aid received on the donations of £67.5k (2023: £71k).

The Kingham Hill Trust

13. Tangible fixed assets

	Freehold land and buildings	Fixtures, fittings and equipment	Motor vehicles	Total
Cost or valuation	£'000	£'000	£'000	£'000
At 1 August 2023	41,358	6,761	240	48,358
Additions	498	435	41	974
Transfers	-	-	-	-
Disposals	-	(34)	(32)	(66)
At 31 July 2024	41,856	7,162	249	49,267
Depreciation				
At 1 August 2023	8,260	5,823	236	14,318
Charged for the year	694	318	10	1,021
Transfers	-	-	-	-
Released on disposal	-	(34)	(32)	(66)
At 31 July 2024	8,953	6,108	213	15,274
Net book value				
At 31 July 2024	32,903	1,055	5	33,963
At 31 July 2023	33,099	937	4	34,040

The freehold land and buildings were revalued at 31 July 1999 on the basis of their depreciated replacement cost and open market value by Weatherall Green and Smith, Chartered Surveyors. As allowed by accounting standards, this valuation has been used as deemed cost going forward and the Trust has not adopted a policy of valuation for its tangible fixed assets.

If the properties had not been revalued they would have been included in the balance sheet at the following amounts:

	2024 £'000	2023 £'000
Cost	22,488	21,751
Depreciation	(6,822)	(6,749)
	15,666	15,002

The Kingham Hill Trust

14. Fixed asset investments

	2024 £'000	2023 £'000
Investments (at market value) are represented by:		
Fixed interest securities	1,277	1,034
Managed Funds	933	1,098
Equity shares	4,639	4,086
	<u>6,849</u>	<u>6,218</u>
Cash Deposits	2,029	1,869
	<u>8,878</u>	<u>8,087</u>

No individual holding is considered material in the context of the overall portfolio

Investment Comprise:

UK Fixed interest	842	450
Overseas Fixed Interest	435	584
Equities and Unit Trusts	5,572	5,184
Short Term Deposits	2,029	1,869
	<u>8,878</u>	<u>8,087</u>

Valuation at 31 st July 2023	6218	6,245
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Movements in the year:

Purchases at cost	997	4,239
Sales at proceeds	(812)	(4,122)
Unrealised Gain/(Losses)	445	(144)
	<u>6218</u>	<u>6,245</u>

Valuation at 31 July 2024	<u>6,849</u>	<u>6,218</u>
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15. Stock

	2024 £'000	2023 £'000
Raw materials and consumables	13	24
Goods for resale	<u>1</u>	<u>1</u>
	<u>14</u>	<u>25</u>

The Kingham Hill Trust

16. Debtors

	2024 £'000	2023 £'000
Fees	675	493
Less provision for doubtful debts	(123)	(114)
	552	379
Prepayments and accrued income	250	201
Other debtors	150	62
	952	642
Provision for doubtful debts		
At 1 August	(114)	(108)
Further provisions	(37)	(57)
Amounts recovered	18	51
Amounts written off	10	-
	(123)	(114)
At 31 July		

17. Creditors: amounts falling due within one year

	2024 £'000	2023 £'000
Fees and Deposits received in advance	1,928	1,229
Trade creditors	364	514
Other creditors	237	206
Other taxation and social security	86	81
Bank loan (see Note 23)	578	552
Finance lease funding (see Note 25)	-	2
Accruals and deferred income	243	273
	3,436	2,857

Included in Other creditors above is £22k (2023 - £28k) in respect of the company's defined contribution pension plans.

Included within accruals is £95k for deposits (currently £33k) (2023 - £154k)

18. Creditors: amounts falling due after more than one year

	2024 £'000	2023 £'000
Deposits received in advance	746	234
Bank Loan (see note 23)	3,298	3,646
	4,044	3,880

The Kingham Hill Trust

19. Provisions for liabilities

	2024 £'000	2023 £'000
At 1 August 2023	-	7
Deficit payments	-	(7)
Deficit interest	-	-
Other movement	-	-
	<u>-</u>	<u>-</u>
At 31 July 2024	<u>-</u>	<u>-</u>

The provision reflects the Trust's estimated share of the deficits of the Church Workers Pension Scheme and the Church of England Funded Pension Scheme (see Note 11).

20. Analysis of net funds

	Tangible assets £'000	Investments £'000	Net current assets/ (liabilities) £'000	Creditors due after one year & provisions £'000	Total £'000
Unrestricted					
Revaluation	16,895	-	-	-	16,895
Capital	10,217	-	-	-	10,217
General	6,407	8,878	1,340	(4,044)	12,581
Restricted					
Oak Hill College	-	-	302	-	302
Kingham Hill School	-	-	143	-	143
	<u>33,519</u>	<u>8,878</u>	<u>1,785</u>	<u>(4,044)</u>	<u>40,138</u>
Net funds	<u>33,519</u>	<u>8,878</u>	<u>1,785</u>	<u>(4,044)</u>	<u>40,138</u>

21. Operating leases

At 31 July 2024 the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows

	2024 £'000	2023 £'000
Motor vehicles and office equipment	-	-
Expiring within one year	68	55
Expiring within two to five years	83	89
	<u>151</u>	<u>144</u>
Lease payments recognised in expenditure	<u>59</u>	<u>27</u>

In September 2015 the Trust entered into an agreement with Biomass Heat Projects Ltd (BHP) for the supply of biomass energy. The Trust granted BHP a 20-year lease at a peppercorn rent over land at Kingham Hill School, upon which BHP constructed a boiler house which contains a biomass boiler and fuel storage. The present value of the building and equipment at the end of the lease cannot be determined and accordingly has not been included in the accounts. At the end of the lease the building and equipment become the property of the Trust.

In December 2015 a Deed of Novation transferred the lease and contract to Aggregated Micro Power (AMO) Heat plc. The contract for the supply of biomass energy is for the same 20-year period as the lease. The price of energy is calculated by a fixed formula which has inflation and the Biomass Fuel index as constituent parts.

The Kingham Hill Trust

22. Post Balance sheet events

There were no reportable post balance sheet events.

23. Bank loan

The bank loan is secured under a legal charge over Kingham Hill School and its associated assets, with the original agreement resulting in the final repayment due January 2034. With the rise in interest rates the Trust has increased its repayments to £312k, which with interest totals £578K (2023: £552k) per annum, payable in four instalments to repay the loan ahead of the original timescale. Interest has been charged at 2% p.a. over base rate.

The capital part of the loan is repayable as below:

	2024	2023
	£'000	£'000
Within 1 year	303	277
Within 2 – 5 years	1,432	1,333
Over 5 years	<u>2,040</u>	<u>2,588</u>
	<u>3,875</u>	<u>4,198</u>

24. Finance lease

	2024	2023
	£'000	£'000
Within 1 year	-	2
Within 1 – 2 years	-	-
	<u>-</u>	<u>2</u>

25. Capital commitments

As at 31 July 2024 the school had £138k of capital commitments approved and not accrued (2023: nil)

The Kingham Hill Trust

26. Reserves

	Unrestricted income funds				Restricted income funds			
	Revaluation reserve £'000	Capital reserve £'000	General reserve £'000	Total Unrestricted funds £'000	Oak Hill College £'000	Kingham Hill School £'000	Total restricted funds £'000	Total funds £'000
At 1 August 2023	16,895	10,381	12,416	39,692	270	148	418	40,110
Income	-	-	12,522	12,522	401	95	496	13,018
Expenditure	-	-	(13,341)	(13,341)	-	(95)	(95)	(13,436)
Investment gains/(losses)	-	-	445	445	-	-	-	445
Transfers (see below)	-	164	538	374	(370)	(4)	(374)	-
Depreciation on revalued assets	-	-	-	-	-	-	-	-
Net movement in funds	-	(164)	165	1	32	(4)	27	28
As at July 2024	16,895	10,217	12,581	39,693	302	143	445	40,138
	Revaluation reserve	Capital reserve	General reserve	Total Unrestricted funds	Oak Hill College	Kingham Hill School	Total restricted funds	Total funds
At 1 August 2022	16,895	11,118	11,741	39,754	326	144	470	40,224
Income	-	-	12,263	12,263	244	-	244	12,507
Expenditure	-	-	(12,481)	(12,481)	-	-	-	(12,481)
Investment gains/(losses)	-	-	(144)	(144)	-	4	4	(140)
Transfers (see below)	-	(737)	1,037	300	(300)	-	(300)	0
Depreciation on revalued assets	-	-	-	-	-	-	-	-
Net movement in funds	-	(737)	675	(62)	(56)	4	(52)	(114)
At 31 July 2023	16,895	10,381	12,416	39,692	270	148	418	40,110

The transfer from capital reserves reflects the movement in net book value of freehold buildings within tangible fixed assets.

Transfers from Kingham Hill Trust unrestricted funds comprised £4k (2023 - £(40.5)k) to Kingham Hill School General reserves for the pursuit of various capital and income generating projects.

Designated, restricted and endowment funds.

The Revaluation and Capital reserves in total reflect the amount of reserves committed to land and buildings. The Oak Hill College restricted income funds are for certain academic costs, the provision of bursaries and future development of the site. In respect of bursaries, £370k (2023: - £2k) was transferred from restricted funds to general reserve to cover bursaries granted during the year. The Kingham Hill School restricted income funds are for certain educational purposes (Founder's pupils and the provision of additional sports, music and arts equipment) and future development of the site.