

Charity registration number 1086396

Company registration number 04189311 (England and Wales)

THE HILL FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

THE HILL FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Alastair Tulloch Prof Catriona Kelly Prof John Nightingale
Secretary	Mrs D Forsdick
Charity number	1086396
Company number	04189311
Registered office	4 Hill Street Mayfair London W1J 5NE
Auditor	BKL Audit LLP 35 Ballards Lane London N3 1XW
Bankers	Schroder & Co 1 London Wall Place London EC2Y 5AU
Investment advisors	Cazenove Capital Management Limited 12 Moorgate London EC2R 6DA

THE HILL FOUNDATION

CONTENTS

	Page
Trustees' report	1 - 4
Statement of trustees' responsibilities	5
Independent auditor's report	6 - 8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 19

THE HILL FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The charity's objects are that of the advancement of education and the relief of poverty, and to promote such other purposes as are now or may hereafter be deemed by English law to be charitable.

The policies adopted in furtherance of the Foundation's charitable objects have to date been the provision of student scholarships at Oxford University and Cambridge University, known as the Hill Foundation Scholarships. The awards have been made to outstanding young citizens and nationals of the Russian Federation who had a first degree from a Russian university and intended to return to their homeland at the end of their studies, for at least one year, and to spend their lives in ways beneficial to their home society: whether in business, academic life, public service, the arts or the professions. The charity has also supported cultural activities relating to the furtherance of its objectives, namely, to foster positive relations between the UK and the Russian Federation.

The trustees continue to keep these policies under careful review in the light of the war in Ukraine and have made adjustments where required, while remaining committed to the long-term objective of fostering positive relations between the UK and the Russian Federation.

Activities

The following charitable distributions had been made or agreed on behalf of the Foundation during the year: the selection committee awarded 28 Hill Foundation scholarships in the 2023-24 academic year (24 in 2022-23) to students of Russian nationality, of which 14 were on courses at Oxford University and 14 on courses at Cambridge University to read for either post-graduate degrees or doctorates.

All activities pursuant to the above policies are considered to be ultimately for the public good in so far as the charity seeks scholarship applicants who wish to spend their lives in ways that are beneficial to society, whether in business, academic life, public service, the arts or the professions.

Grant making policy

The charity's grant making policy includes support for specific one-off events such as cultural exchanges and conferences from time to time, together with sponsoring academic fellowships at other UK universities. In 2024, the charity made a further grant of £80,000 (2023: £80,000) to the Royal Academy of Music.

Achievements and performance

Significant activities and achievements against objectives

The charity's main achievements are reflected in the high academic success of its scholars who contribute to society in general and Anglo-Russian relations in particular. There is a thriving alumni group whose members promote the charity's core values of sharing the Oxbridge spirit and promoting international co-operation and togetherness.

THE HILL FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Financial review

The charity funds its regular commitments to the Hill Foundation Scholarships out of its expendable endowment and income /capital gains arising from the endowment. The trustees envisage that the aggregate annual value of the scholarships awarded by the charity will be between £2.2m and £2.7m and that such a rate of spending will result in the endowment reducing in value over time.

The portfolio is invested directly in stocks for its equities allocation and in pooled funds for other asset classes. The long term strategic asset allocation is 84% (60%-90%) Equities, 3.1% (0-15%) Fixed Income, 5.9% (0-15%) Property, 5.2% (0-20%) Alternatives inc Absolute Return) . The portfolio is invested within the agreed parameters and the yield is the function of the tactical asset allocation. The overall yield for the year was 1.61% (2023: 1.63%) and the overall return for the year was +21.47% (2023: +1.0%).

The portfolio is held in multiple currencies: 27% in GBP, 46.3% in USD, 5.8% in Euros and 20.9% for all others and held by class: 80.2% equities, 4.9% bonds, 12.1 % alternatives and 2.8% cash.

Total realised and unrealised gains achieved were £3,285,047 (2023: Total realised and unrealised gains : -£37,975 loss).

Reserves policy

As a result of the global pandemic and geopolitical and economic events impacting global investment assets, the charity expects the proportion of its total expenditure that comes from capital, rather than income, to increase. There should be no impact on the charity's ability to continue as a going concern as explained at note 1.2 in the Statutory Accounts.

The fund managers continue to take an active approach within all asset classes. The managers continue to use appropriate asset allocation strategies, benchmarking and performance management tools.

Having regard to the charity's investment based income; the reserves to cover fluctuations in donations are not required. Instead the charity's investment policy plans for fluctuations in income and capital growth and the need for funds to meet on-going commitments of the charity during periods of low dividend yield and nil or negative capital growth.

Major risks

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. The trustees continue to take legal advice as appropriate.

Plans for future periods

The charity's future plans are to continue to provide scholarship funding to Oxford and Cambridge Universities to cover the costs of Russian students studying at Oxford and Cambridge Universities and to make one-off grants for cultural activities and academic fellowships. The trustees intend to use the expendable endowment if income in the year is insufficient to meet the costs of the grants. The trustees will continue to have careful regard to the potential reputational and other risks to the charity arising from the war in Ukraine.

Structure, governance and management

The charity is a company limited by guarantee and is governed by the Memorandum of Association adopted 28th March 2001 and updated on 6th December 2022.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Alastair Tulloch

Prof Catriona Kelly

Prof John Nightingale

THE HILL FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Recruitment and appointment of trustees

The recruitment and appointment of trustees is carried out by the board of trustees and only individuals with the necessary expertise are invited to join the board.

None of the trustees has any beneficial interest in the company. The majority of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Organisational structure

The trustees conduct the overall supervision and monitoring of the financial position of the organisation. The day to day administration is delegated to TGW Law. A student selection committee assesses applications for awards and grants.

Other matters

There are no specific restrictions imposed by the governing document concerning the way the charity can operate. However, the donor of the expendable endowment fund expressed a wish, which is non-binding upon the trustees, that the income from these funds be directed towards the integration of the Russian Federation into the wider world, with the sponsorship of Russian students at schools and universities outside of Russia being specified as the most direct way of assisting such integration.

There are no specific investment powers. The trustees have delegated investment of the expendable endowment fund to professional investment managers. The investment managers have declared that their investment objectives are based on an active approach for asset allocation and have transitioned to segregated equities to keep costs down. They have adopted strategies to meet the target return over the long term whilst minimising volatility.

Relationship with related parties

The scholarship sponsorship costs are paid to the Oxford and Cambridge Universities and further details are set out in the notes to the Accounts.

Promoting the success of the company

The trustees regard the current level of asset cover and cash reserves to be sufficient to meet future grant expenditure needs and will closely monitor this situation particularly as the student funding commitments to both Oxford and Cambridge University are likely to rise in 2024-25.

The total amount required for the new 2024-25 scholarship awards is projected to be approximately £2.4m with 23 new scholarships awarded. (2023-24 : £2,160,406 - 28 awards). In addition there is an ongoing commitment to the Royal Academy of Music for £80,000 (2023-24: £80,000).

Auditor

Under section 487(2) of the Companies Act 2006, BKL Audit LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Disclosure of information to auditors

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

THE HILL FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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



.....
Mrs D Forsdick

Secretary

29/11/2024

Date:

THE HILL FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of The Hill Foundation for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

THE HILL FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HILL FOUNDATION

Opinion

We have audited the financial statements of The Hill Foundation (the 'charitable company') for the year ended 31 March 2024 set out on pages 9 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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 Charities Act 2011.

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 charity 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 charity'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 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 this gives rise to 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.

THE HILL FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE HILL FOUNDATION

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiring of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

THE HILL FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE HILL FOUNDATION

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 purpose of expressing an opinion of the effectiveness of the charity'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 charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' 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 Auditors' Report. However, future events or conditions may cause the charity 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BKL Audit LLP

**Chartered Accountants
Statutory Auditor**

BKL Audit LLP

.....

35 Ballards Lane
London
N3 1XW

BKL Audit LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

29/11/2024

THE HILL FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
Investments	2	350,018	314,204
Total income		350,018	314,204
Expenditure on:			
Raising funds	3	78,553	77,229
Charitable activities	4	2,301,810	2,435,500
Total expenditure		2,380,363	2,512,729
Net gains/(losses) on investments	10	3,285,047	(37,975)
Net income/(expenditure) and movement in funds		1,254,702	(2,236,500)
Reconciliation of funds:			
Fund balances at 1 April 2023		20,720,025	22,956,525
Fund balances at 31 March 2024		21,974,727	20,720,025

All income and expenditure derives from continuing activities.

THE HILL FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Investments	12		21,977,613		20,725,153
Current assets					
Debtors	13	34,606		30,822	
Creditors: amounts falling due within one year	14				
		(37,492)		(35,950)	
Net current liabilities			(2,886)		(5,128)
Total assets less current liabilities			21,974,727		20,720,025
The funds of the charity					
Unrestricted funds	15		21,974,727		20,720,025
			21,974,727		20,720,025

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

27/11/2024

The financial statements were approved by the trustees on



Mr Alastair Tulloch
Trustee

Company registration number 04189311 (England and Wales)

THE HILL FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	17		(2,382,605)		(2,502,188)
Investing activities					
Purchase of investments		(2,794,989)		(3,249,731)	
Proceeds from disposal of investments		4,827,576		5,386,242	
Investment income received		350,018		314,204	
Net cash generated from investing activities			2,382,605		2,450,715
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			-		(51,473)
Cash and cash equivalents at beginning of year			-		51,473
Cash and cash equivalents at end of year			-		-

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

The Hill Foundation is a private company limited by guarantee incorporated in England and Wales. It was incorporated on 28th March 2001 under company number 04189311. The registered office is 4 Hill Street, Mayfair, London, W1J 5NE. The Hill Foundation is also a UK Charity (no 1086396).

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

At the reporting date, the charity held £21,678,205 in investments together with an additional £299,408 in liquid funds within the investment portfolio. All the assets are unrestricted and expendable. In the year under review, whilst the charity had insufficient income from donations and investment income to meet the cost of its charitable activities, this is based on a trustee decision to utilise the expendable endowment over time. It also posted a revaluation gain of £3,285,047, which more than covered the running deficit for the year under review. Although the charity had net current liabilities of £2,886 at 31 March 2024, included within the investment portfolio held within fixed assets is cash held within the portfolio as stated above of £299,408.

The overall value of the investments is more than 9 times the cost of total resources expended in the year, which indicates that there are sufficient reserves to meet the charity's annual commitments.

Consequently the trustees believe that they should continue to prepare the Accounts on a going concern basis.

1.3 Charitable funds

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objective of the charity and which have not been designated for other purposes. The charity has no restricted funds.

1.4 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor.

Interest on fund held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank.

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of investments management.
- Expenditure on charitable activities includes the costs of student selection, secretarial support and other related activities undertaken to further the purposes of the charity and associated student support costs.
- Governance costs are costs relating to meeting the constitutional and statutory requirements of the charity.
- Other expenditure represents those items not falling into any other heading.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.9 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.10 Debtors

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

1.11 Creditors and provisions

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

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

2 Investment income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from listed investments	292,194	275,042
UK Bonds interest	31,961	32,630
Overseas fund interest	14,564	1,689
Other Interest	11,299	4,843
	<u>350,018</u>	<u>314,204</u>

3 Raising funds

	2024 £	2023 £
Other fundraising costs	3,234	3,222
Investment management costs	75,319	74,007
	<u>78,553</u>	<u>77,229</u>

In addition to the management fees incurred, there were underlying instrument costs of £28,511 (2023: £32,392). In line with MIFID II disclosure requirements, combined with transaction fees, the overall investment management costs were £137,049 or 0.65% of investment assets.

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

4 Charitable activities

	2024 £	2023 £
Grant funding of activities (see note 5)	2,240,406	2,369,407
Share of support costs (see note 6)	37,835	44,528
Share of governance costs (see note 6)	23,569	21,565
	<u>2,301,810</u>	<u>2,435,500</u>
Analysis by fund		
Unrestricted funds	<u>2,301,810</u>	
	<u>2,301,810</u>	
For the year ended 31 March 2023		
Unrestricted funds		<u>2,435,500</u>
		<u>2,435,500</u>

5 Grants payable

	2024 £	2023 £
Grants to institutions:		
University of Oxford	1,216,631	1,164,756
The Cambridge Commonwealth, European & International Trust	943,775	1,013,451
Royal Academy of Music	80,000	80,000
Liverpool John Moores University	-	111,200
	<u>2,240,406</u>	<u>2,369,407</u>

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

6 Support costs

	Support costs £	Governance costs £	2024 £	Support costs £	Governance costs £	2023 £
Student Selection, secretarial support and dinner costs	11,878	-	11,878	18,294	-	18,294
Other expenses	356	-	356	554	-	554
Secretarial support	25,211	-	25,211	25,237	-	25,237
Website expenses	307	-	307	443	-	443
Bank Interest	83	-	83	-	-	-
Audit fees	-	6,272	6,272	-	5,948	5,948
Accountancy	-	14,063	14,063	-	12,395	12,395
Legal and professional	-	3,234	3,234	-	3,222	3,222
	<u>37,835</u>	<u>23,569</u>	<u>61,404</u>	<u>44,528</u>	<u>21,565</u>	<u>66,093</u>
Analysed between Charitable activities	<u>37,835</u>	<u>23,569</u>	<u>61,404</u>	<u>44,528</u>	<u>21,565</u>	<u>66,093</u>

7 Net movement in funds

2024
£

2023
£

The net movement in funds is stated after charging/(crediting):

Fees payable for the audit of the charity's financial statements	<u>6,272</u>	<u>5,948</u>
--	--------------	--------------

8 Trustees

None of the trustees received any remuneration or reimbursement of expenses during the year. TGW Law Solicitors, a firm connected to Alastair Tulloch was paid £31,680 (2023- £31,680) inclusive of VAT and disbursements in respect of the administration under the provisions in the governing document.

9 Employees

There were no employees during the year.

10 Gains and losses on investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Gains/(losses) arising on:		
Revaluation of investments	3,209,310	(118,219)
Sale of investments	75,737	80,244
	<u>3,285,047</u>	<u>(37,975)</u>

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10 Gains and losses on investments

(Continued)

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the statement of financial activities.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Fixed asset investments

	Listed investments £	Cash in portfolio £	Total £
Cost or valuation			
At 1 April 2023	20,135,570	589,583	20,725,153
Additions	2,794,989	-	2,794,989
Valuation changes	3,209,310	-	3,209,310
Movement in year	-	(290,175)	(290,175)
Disposals	(4,461,664)	-	(4,461,664)
At 31 March 2024	21,678,205	299,408	21,977,613
Carrying amount			
At 31 March 2024	21,678,205	299,408	21,977,613
At 31 March 2023	20,135,570	589,583	20,725,153

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

12 Fixed asset investments

(Continued)

Investment Risk

All investments are listed on recognised stock exchanges. Day-to-day management of the investments was delegated by the trustees during the year to Cazenove Capital, a division of the Schroder Group.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance section of the Trustees' Annual report. The main risk to the charity from financial instrument lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all are traded investments and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The charity's investments are mainly traded in markets with good liquidity with high traded volumes.

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

13 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Other debtors	34,606	30,822

14 Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals	37,492	35,950

15 Unrestricted funds

	At 1 April 2023 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2024 £
General funds	20,720,025	350,018	(2,380,363)	3,285,047	21,974,727

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Unrestricted funds (Continued)

Previous year:	At 1 April 2022	Incoming resources	Resources expended	Gains and losses	At 31 March 2023
	£	£	£	£	£
General funds	22,956,525	314,204	(2,512,729)	(37,975)	20,720,025

16 Related party transactions

There were no disclosable related party transactions during the year (2023- none) other than those disclosed in note 7.

17 Cash generated from operations	2024 £	2023 £
Surplus/(deficit) for the year	1,254,702	(2,236,500)
Adjustments for:		
Investment income recognised in statement of financial activities	(350,018)	(314,204)
Gain on disposal of investments	(75,737)	(80,244)
Fair value gains and losses on investments	(3,209,310)	118,219
Movements in working capital:		
(Increase)/decrease in debtors	(3,784)	10,203
Increase in creditors	1,542	338
Cash absorbed by operations	(2,382,605)	(2,502,188)

18 Analysis of changes in net (debt)/funds

The charity had no debt during the year.

The Hill Foundation

4 Hill Street, Mayfair, London, W1J 5NE

27/11/2024

Date:

Your ref: **H0989/IS/TJ**

BKL Audit LLP
35 Ballards Lane
London
N3 1XW

Dear Sirs

THE HILL FOUNDATION

This representation letter is provided in connection with your audit of the financial statements of the Charity for the year ending 31 March 2024 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the results and financial position of the Charity in accordance with the Companies Act 2006, the Charities Act 2011 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

GENERAL

1. We have fulfilled as directors our responsibility under the Companies Act 2006 and the Charities Act 2011 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice) which give a true and fair view and for making accurate representations to you. All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the Charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management and shareholders meetings, have been made available to you.
2. We confirm that the financial statements are free of material misstatements, including omissions.
3. We believe that the effect of uncorrected misstatements is immaterial both individually and in total.

INTERNAL CONTROL

4. We acknowledge our responsibility for the design and implementation of internal control systems to prevent and detect fraud. We confirm that following our risk assessment, in our opinion, the financial statements are not materially misstated as a result of fraud.

The Hill Foundation

4 Hill Street, Mayfair, London, W1J 5NE

5. We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

ASSETS AND LIABILITIES

6. We confirm that assets are included on the balance sheet at no more than their recoverable amounts and that liabilities are included at their expected cost to the charity.
7. We confirm that the Charity has satisfactory title to all assets and there are no liens or encumbrances on the Charity's assets, except for those that are disclosed in the notes to the financial statements.
8. We confirm that we have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and have disclosed in the notes to the financial statements all guarantees that have been given to third parties.
9. We confirm that we have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

INCOME AND EXPENDITURE

10. We confirm that the Charity received no donations or investment income in the year other than that included in the accounts. All expenditure made is in line with the objects of the charity.

ACCOUNTING ESTIMATES

11. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

LEGAL CLAIMS

12. We confirm that all claims in connection with litigation that have been, or are expected to be received have been properly accrued for in the financial statements.

LAWS AND REGULATIONS

13. We confirm that we are not aware of any irregularities, including fraud, involving management or employees of the Charity; nor are we aware of any breaches or possible breaches of statute, regulations, contracts, agreements or the Charity's Memorandum and Articles of Association which might prejudice the Charity's going concern status or that might result in the Charity suffering significant penalties or other loss. We further confirm that no allegations of such irregularities, including fraud, or such breaches have come to our notice.

Registered office: 4 Hill Street, Mayfair, London, W1J 5NE

Registered in England & Wales no. 4189311

Registered charity no. 1086396

The Hill Foundation

4 Hill Street, Mayfair, London, W1J 5NE

LOANS AND ARRANGEMENTS WITH DIRECTORS

14. We confirm that the Charity has not had nor entered into at any time during the year, any arrangement, transaction or agreement to provide credit facilities (including loans, quasi-loans or credit facilities) for directors nor to guarantee or provide security for such matters other than those disclosed in the financial statements.

TRANSACTIONS WITH OTHER RELATED PARTIES

15. We confirm that we have disclosed to you the identity of the entity's related parties and all related party relationships and transactions relevant to the Charity that we are aware of and that all related party transactions have been fully disclosed in the notes to the accounts.

POST-BALANCE SHEET EVENTS

16. We confirm that there have been no events since the balance sheet date which necessitate revision of the figures included in the financial statements or inclusion of a note thereto. Should further material events occur, which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, we will advise you accordingly.

GOING CONCERN

17. We believe that the Charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding and or support will be more than adequate for the Charity's needs. We have considered a period of twelve months from the date of approval of the financial statements.

RESTRICTED INCOME AND EXPENDITURE

18. We confirm that there have been no grants, donations or other monies, of which the receipt was subject to specific terms or conditions. We further confirm that all funds are expendable.

We confirm to the best of our knowledge and belief that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that we can properly make each of the above representations to you.

The Hill Foundation

4 Hill Street, Mayfair, London, W1J 5NE

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that, so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. Each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'N. Hill'.

Signed on behalf of the Board of Directors

The Hill Foundation

Registered office: 4 Hill Street, Mayfair, London, W1J 5NE

Registered in England & Wales no. 4189311

Registered charity no. 1086396


The Hill Foundation 2024 Accounts Pack to Sign


Final Audit Report


2024-11-29


Created:	2024-11-27
By:	External Accounts BKL (externalaccounts@bkl.co.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAA5EMWSnJAXW3pfsDjVq4nQluGgNA43gSQ


"The Hill Foundation 2024 Accounts Pack to Sign" History


 Document created by External Accounts BKL (externalaccounts@bkl.co.uk)
2024-11-27 - 09:55:43 GMT- IP address: 193.17.86.220


 Document emailed to atulloch@tgwlaw.co.uk for signature
2024-11-27 - 09:57:59 GMT


 Email viewed by atulloch@tgwlaw.co.uk
2024-11-27 - 10:05:25 GMT- IP address: 79.173.135.34


 Signer atulloch@tgwlaw.co.uk entered name at signing as Alastair Tulloch
2024-11-27 - 10:06:27 GMT- IP address: 79.173.135.34


 Document e-signed by Alastair Tulloch (atulloch@tgwlaw.co.uk)
Signature Date: 2024-11-27 - 10:06:29 GMT - Time Source: server- IP address: 79.173.135.34


 Document emailed to dforsdick@tgwlaw.co.uk for signature
2024-11-27 - 10:06:31 GMT

 Email viewed by dforsdick@tgwlaw.co.uk
2024-11-27 - 10:37:46 GMT- IP address: 172.226.0.26

 Email viewed by dforsdick@tgwlaw.co.uk
2024-11-29 - 10:22:35 GMT- IP address: 79.173.135.34

 Signer dforsdick@tgwlaw.co.uk entered name at signing as Denise Forsdick
2024-11-29 - 10:29:41 GMT- IP address: 79.173.135.34

 Document e-signed by Denise Forsdick (dforsdick@tgwlaw.co.uk)
Signature Date: 2024-11-29 - 10:29:43 GMT - Time Source: server- IP address: 79.173.135.34


 Document emailed to ian.saunderson@bkl.co.uk for signature
2024-11-29 - 10:29:46 GMT

 Email viewed by ian.saunderson@bkl.co.uk

2024-11-29 - 10:31:10 GMT- IP address: 104.47.11.62

 Signer ian.saunderson@bkl.co.uk entered name at signing as BKL Audit LLP

2024-11-29 - 10:33:04 GMT- IP address: 86.167.40.86

 Document e-signed by BKL Audit LLP (ian.saunderson@bkl.co.uk)

Signature Date: 2024-11-29 - 10:33:06 GMT - Time Source: server- IP address: 86.167.40.86

 Agreement completed.

2024-11-29 - 10:33:06 GMT