

Charity registration number 1086396 (England and Wales)

Company registration number 04189311

THE HILL FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

THE HILL FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A R C Tulloch Mr J Nightingale Prof Catriona Kelly
Secretary	D A Forsdick
Charity number (England and Wales)	1086396
Company number	04189311
Registered office	4 Hill Street London W1J 5NE
Auditor	Gravita Audit Oxford LLP First Floor, Park Central 40-41 Park End Street Oxford OX1 1JD
Investment advisors	Cazenove Capital 1 London Wall Place London EC2Y 5AU

THE HILL FOUNDATION

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THE HILL FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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)".

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, when circumstances permit, to their homeland, 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.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Activities

The following charitable distributions had been made or agreed on behalf of the Foundation during the year: the selection committee awarded 13 Hill Foundation scholarships in the 2024-25 academic year (28 in 2023-24) to students of Russian nationality, of which 8 were on courses at Oxford University and 5 on courses at Cambridge University to read for either post-graduate degrees or doctorates. In addition, the charity provided a grant of £90,000 (2024: £80,000) to Royal Academy of Music.

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.

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 DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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 £3.5m and that such spending rate will result in the endowment reducing in value over time.

The trustees regard the current level of asset cover and cash reserves to be sufficient to meet future grant expenditure needs.

The total amount required for the new 2025-6 scholarship awards is projected to be approximately £3.5m with up to 36 new scholarships awarded. (2024-5 : £1,821,554 – 13 awards). In addition there is an ongoing commitment to the Royal Academy of Music for £90,000 (2024-5 £80,000).

The portfolio is invested directly in stocks for its equity allocation and in pooled funds for other asset classes. The current weighting is 83.6% (60%-90%) Equities, 4.7% (0-15%) Fixed Income and Cash, 5.8% (0-15%) Property, 4.5% (0-20%) Alternatives including Investment Trusts). 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 1.56% (2023: 1.61%) and the overall return for the year was +1.9% (2023: +21.47%). The portfolio is held in multiple currencies: 21.9% in GBP, 57.6% in USD, 2.9% in Euros and 17.6% for all others

Total realised and unrealised gains achieved were £374,039 (2024: Total realised and unrealised gains : £3,285,047 loss).

Reserves policy

As a result of the spending rate referred to above, 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.

The total reserves of the charity of £16,567,697 are all represented by expendable endowment funds.

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

- (i) to provide scholarship funding to Oxford and Cambridge Universities and Royal Academy of Music: and
- (ii) to extend the scope of the charity's activities to provide scholarship funding to Durham University.

The trustees intend to use the expendable endowment to the extent that income in the year is insufficient to meet the costs of the grants.

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 A R C Tulloch

Mr J Nightingale

Prof Catriona Kelly

THE HILL FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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. All 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. Student selection committees in each of the three Universities assess applications for scholarships.

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.

Statement of trustees' responsibilities

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; 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

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Disclosure of information to auditor

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.

Small company exemptions

This report has been prepared in accordance with the Small Companies Regime under Section 419(2) of the Companies Act 2026.

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



Mr A R C Tulloch

Trustee

Date: 6th July 2025

THE HILL FOUNDATION

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

Opinion

We have audited the financial statements of The Hill Foundation (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the statement of cash flows 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 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 2025 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 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, 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

THE HILL FOUNDATION

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, 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; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

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

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with directors/trustees and other management, and from our knowledge and experience of the client's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

THE HILL FOUNDATION

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

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

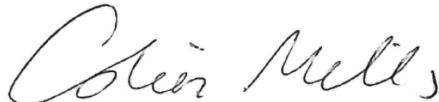
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims

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.

Use of our report

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



Colin Mills (Senior Statutory Auditor)

For and on behalf of Gravita Audit Oxford LLP, Statutory Auditor

Chartered Accountants

First Floor, Park Central

40-41 Park End Street

Oxford

OX1 1JD

Date: 9 July 2025.....

THE HILL FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds	Endowment funds	Total	Restated Unrestricted funds	Restated Endowment funds	Restated Total
		2025	2025	2025	2024	2024	2024
	Notes	£	£	£	£	£	£
Income from:							
Investments	3	322,645	-	322,645	350,018	-	350,018
Total income		322,645	-	322,645	350,018	-	350,018
Expenditure on:							
Raising funds	4	-	81,360	81,360	3,234	75,319	78,553
Charitable activities	5	3,322,354	-	3,322,354	2,301,810	-	2,301,810
Total expenditure		3,322,354	81,360	3,403,714	2,305,044	75,319	2,380,363
Net gains/(losses) on investments	11	-	374,039	374,039	-	3,285,047	3,285,047
Net income/(expenditure)		(2,999,709)	292,679	(2,707,030)	(1,955,026)	3,209,728	1,254,702
Transfers between funds		2,999,709	(2,999,709)	-	1,955,026	(1,955,026)	-
Net movement in funds	8	-	(2,707,030)	(2,707,030)	-	1,254,702	1,254,702
Reconciliation of funds:							
Fund balances at 1 April 2024		-	19,274,727	19,274,727	-	18,020,025	18,020,025
Fund balances at 31 March 2025		-	16,567,697	16,567,697	-	19,274,727	19,274,727

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE HILL FOUNDATION

SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2025

	All income funds	
	2025	2024
	£	£
Gross income	322,645	350,018
Transfer from endowment funds	2,999,709	1,955,026
	<hr/>	<hr/>
Total income in the reporting period	3,322,354	2,305,044
	<hr/>	<hr/>
Total expenditure from income funds	3,322,354	2,305,044
	<hr/>	<hr/>
Net expenditure for the year	-	-
	<hr/> <hr/>	<hr/> <hr/>

THE HILL FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2025

		2025		2024 as restated	
	Notes	£	£	£	£
Fixed assets					
Investments	13		20,656,460		21,977,613
Current assets					
Debtors	14	27,538		34,606	
Creditors: amounts falling due within one year	15	(4,116,301)		(2,737,492)	
Net current liabilities			(4,088,763)		(2,702,886)
Total assets less current liabilities			16,567,697		19,274,727
The funds of the charity					
Endowment funds	16		16,567,697		19,274,727
			16,567,697		19,274,727

The financial statements were approved by the trustees on 6th July 2025



Mr A R C Tulloch
Trustee

Company registration number 04189311 (England and Wales)

THE HILL FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash absorbed by operations	19	(2,017,837)		(2,382,605)	
Investing activities					
Purchase of investments		(2,168,855)		(2,794,989)	
Proceeds from disposal of investments		3,864,047		4,827,576	
Investment income received		322,645		350,018	
Net cash generated from investing activities		2,017,837		2,382,605	
Net cash generated from financing activities		-		-	
Net increase in cash and cash equivalents		-		-	
Cash and cash equivalents at beginning of year		-		-	
Cash and cash equivalents at end of year		-		-	

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

The Hill Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 4 Hill Street, London, W1J 5NE.

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" 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)". 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 £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Expendable endowment funds are subject to specific conditions by the donor that they should be treated as capital until the Trustees decide to convert the funds into income.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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 funds 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.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. For liabilities under long-term grant agreements, a liability is recognised for future amounts which would fall due in the notice period needed to terminate the grant agreements.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

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.

Cash balances held by the investment managers are presented within fixed asset investments.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the liability is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not discounted.

Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income from listed investments	300,249	338,719
Interest receivable	22,396	11,299
	<u>322,645</u>	<u>350,018</u>

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

4 Expenditure on raising funds

	Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Fundraising and publicity						
Other fundraising costs	-	-	-	3,234	-	3,234
Investment management	-	81,360	81,360	-	75,319	75,319
Total costs	-	81,360	81,360	3,234	75,319	78,553

5 Expenditure on charitable activities

	Scholarships	Scholarships
	2025	2024
	£	£
Direct costs		
Grant funding of activities (see note 6)	3,261,454	2,240,406
Share of support and governance costs (see note 7)		
Support	46,645	37,835
Governance	14,255	23,569
	3,322,354	2,301,810
Analysis by fund		
Unrestricted funds	3,322,354	2,301,810

6 Grants payable

	Scholarships	Scholarships
	2025	2024
	£	£
Grants to institutions:		
University of Oxford	838,695	1,216,631
The Cambridge Commonwealth, European & International Trust	982,759	943,775
Royal Academy of Music	90,000	80,000
University of Durham	1,350,000	-
	3,261,454	2,240,406

-

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

7 Support costs allocated to activities

	2025 £	2024 £
Student selection, secretarial support and dinner costs	14,775	11,878
Other expenses	2,957	356
Secretarial costs	28,913	25,211
Website costs	-	307
Bank interest	-	83
Governance costs	14,255	23,569
	<u>60,900</u>	<u>61,404</u>

Analysed between:

Scholarships	60,900	61,404
	<u>60,900</u>	<u>61,404</u>

	2025 £	2024 £
Governance costs comprise:		
Audit fees	8,400	6,272
Accountancy	2,642	14,063
Legal and professional	3,213	3,234
	<u>14,255</u>	<u>23,569</u>

8 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's auditor:		
- for the audit of the charity's financial statements	8,400	6,272
- for other financial services	3,000	-
	<u>11,400</u>	<u>6,272</u>

9 Trustees and related party transactions

None of the trustees received any remuneration or reimbursement of expenses during the year. TGW Law Solicitors, a firm connected to Alastair Tulloch (Trustee) was paid £32,126 (2024- £31,680) inclusive of VAT and disbursements in respect of the administration under the provisions in the governing document.

As at the year-end the charity owed TGW Law £32,126 (2024: £nil).

John Nightingale (Trustee) sold wine to the charity for £155 in the year (2024 £nil).

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Total	-	-

11 Gains and losses on investments

	Endowment funds 2025 £	Endowment funds 2024 £
Gains/(losses) arising on:		
Revaluation of investments	34,117	3,209,310
Sale of investments	339,922	75,737
	374,039	3,285,047

12 Taxation

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

13 Fixed asset investments

	Listed investments £	Cash in portfolio £	Total £
Cost or valuation			
At 1 April 2024	21,678,205	299,408	21,977,613
Additions	2,168,855	(2,168,855)	-
Valuation changes	374,039	-	374,039
Net cash expenditure	-	(1,695,192)	(1,695,192)
Disposals	(4,952,905)	4,952,905	-
At 31 March 2025	19,268,194	1,388,266	20,656,460
Carrying amount			
At 31 March 2025	19,268,194	1,388,266	20,656,460
At 31 March 2024	21,678,205	299,408	21,977,613

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

14 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Prepayments and accrued income	27,538	34,606

15 Creditors: amounts falling due within one year

	2025 £	restated 2024 £
Trade creditors	32,126	-
Grants payable	4,050,000	2,700,000
Accruals and deferred income	34,175	37,492
	4,116,301	2,737,492

16 Endowment funds

Expendable endowment funds represent funds where the capital can be converted into income at the discretion of the trustees. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 April 2024 £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
Expendable endowments					
Expendable endowment	19,274,727	(81,360)	(2,999,709)	374,039	16,567,697
Previous year:	At 1 April 2023 £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2024 £
Expendable endowments					
Expendable endowment	18,020,025	(75,319)	(1,955,026)	3,285,047	19,274,727

At the end of each year a transfer is made from expendable endowment to unrestricted funds to cover the net expenditure on unrestricted funds.

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

17 Analysis of net assets between funds

	Unrestricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
At 31 March 2025:			
Investments	4,068,946	16,587,514	20,656,460
Current assets/(liabilities)	(4,068,946)	(19,817)	(4,088,763)
	<u>-</u>	<u>16,567,697</u>	<u>16,567,697</u>
	Unrestricted funds 2024 £	Endowment funds 2024 £	Total 2024 £
At 31 March 2024:			
Investments	2,683,944	19,293,669	21,977,613
Current assets/(liabilities)	(2,683,944)	(18,942)	(2,702,886)
	<u>-</u>	<u>19,274,727</u>	<u>19,274,727</u>

18 Prior year adjustment

It has been identified that there were two errors in the previous year's financial statements

Expendable endowment fund

The expendable endowment fund of the charity was incorrectly presented as unrestricted in the previous year's financial statements.

Grants payable

It has been identified that there should have been a liability of £2,700,000 at both 31 March 2024 and 2023 for amounts due in the notice period of long-term grant agreements. This had no impact on the 2024 income and expenditure.

Corrections have been made and comparatives have been adjusted accordingly.

THE HILL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

19	Cash absorbed by operations	2025 £	2024 £
	(Deficit)/surplus for the year	(2,707,030)	1,254,702
	Adjustments for:		
	Investment income recognised in statement of financial activities	(322,645)	(350,018)
	Gain on disposal of investments	(339,922)	(75,737)
	Fair value gains and losses on investments	(34,117)	(3,209,310)
	Movements in working capital:		
	Decrease/(increase) in debtors	7,068	(3,784)
	Increase in creditors	1,378,809	1,542
	Cash absorbed by operations	<u>(2,017,837)</u>	<u>(2,382,605)</u>
20	Analysis of changes in net (debt)/funds		
	The charity had no material debt during the year.		