

REGISTERED COMPANY NUMBER: 05212585 (England and Wales)
REGISTERED CHARITY NUMBER: 1106136

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025
FOR
HAMPSHIRE CHRISTIAN EDUCATION TRUST**

HAMPSHIRE CHRISTIAN EDUCATION TRUST

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HAMPSHIRE CHRISTIAN EDUCATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2025. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

- A) The advancement of education on the basis of Christian principles in the county of Hampshire and elsewhere including (but not by way of limitation) the provision of such education in any educational establishment for the general education of children or adults on the basis of such Christian principles as the trustees may from time to time think fit;
- B) The advancement of the Christian faith in accordance with the doctrines set out in the schedule to the articles and the worship of God in the county of Hampshire and elsewhere as the trustees may from time to time think fit including (but not by way of limitation) the preaching and proclamation of the Christian gospel and the teaching of Christian doctrine and principles and other such purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the charity.
- C) The relief of persons who are in conditions of hardship or distress or who are aged or sick in the county of Hampshire and elsewhere as the trustees may from time to time think fit.

Significant activities

The Trust runs The King's School which has a primary department and senior department located on one site. The school currently has 234 pupils, 72 at primary and 162 at senior.

Public benefit

The King's School provides benefit to the public within Hampshire by providing an excellent education based on Christian principles for children aged 4 to 16. Fees are intended to be affordable for families on average incomes and are deliberately kept below the normal rates for similar independent schools. In addition, the school offers bursary assistance to families on low income (to the value of £125k in the year ending 31 August 2025).

Children are drawn from families across the full range of Christian denominations as well as a proportion from families with no church connections. There are no academic selection criteria and whenever possible the school will accommodate pupils with learning difficulties and physical disabilities. There has been an increase in educational support for children with additional needs and improvements to the site for disabled access.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The trustees refer to public benefit throughout this report.

Volunteers

The school has voluntary help from parents and others in a wide range of activities, including governorship, support with events and the general maintenance of facilities.

HAMPSHIRE CHRISTIAN EDUCATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2025

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

In February 2023, King's School underwent its first full inspection by the Independent Schools Inspectorate (ISI), comprising both a Focused Compliance and Educational Quality Inspection. The school met all regulatory requirements, with ISI awarding a judgement of Good for pupils' achievement, including academic development, and Excellent for pupils' personal development.

Academic outcomes continue to be strong. For the year ended 31 August 2025, 80% of pupils achieved five or more standard pass grades at GCSE, including English and Mathematics. Additionally, 35.6% of all grades awarded were at Grades 7-9, a particularly impressive outcome given the national decline in top grades and the school's non-selective admissions policy. These results reflect the school's commitment to academic excellence and inclusive support across a broad ability range.

Charitable Engagement

King's School is actively involved in charitable giving at both local and international levels. The school community supports several charities through regular fundraising initiatives. Pupils play a central role in these efforts, participating in events and campaigns to raise funds and awareness—fostering values of compassion, service, and global citizenship.

FINANCIAL REVIEW

Financial Review

The trust's income in the year ending 31 August 2025 was £1.88 million in comparison to £1.76 million the previous year. The majority of the income was from school fees and extracurricular activities, and the remainder was from fundraising activities, donations and the gift aid claimed on these.

Total expenditure for the year ending 31 August 2025 was £2.013 million, compared with the £1.798 million the previous year. This resulted in a shortfall of £125k.

The majority of expenditure was on the costs of charitable activities which are divided between:

- a) The salaries of all of our staff which amount to £1,151k a £46K increase (over half of which was NI and Pensions due to changes in levels and thresholds)
The direct costs of education amounted to £498K, a £47k increase from the previous year (mainly due to planned and urgent build works).
- b) The Ski trip cost £51K - most of the money for this trip was received in the same year.
- c) Support costs (e.g. insurance, cleaning, general overheads) decreased to £324k (from £332k) despite a £32k increase in Business Rates. The savings are from reduced utility bills (increased efficiency of the site), reductions in IT support costs and a refund of VAT due to the Capital Goods scheme.

A number of Key Performance Indicators are being used to plan and improve financial performance. One of these is the ratio of staff costs to net fee income for which the target is 60-65%. The ratio in the year ending August 2025 was 76% (the increase was almost wholly due to the increase in Employers National Insurance contributions).

During the year the advance fees balance decreased to £418k and the deposits balance decreased to £184k.

Deposits have decreased due to a change in the Assisted Places policy.

Advance fees are not positively sought from parents as the school does not wish to be reliant on them. Historically, some parents who have the money to pay in advance are then able to have peace of mind that their child's fees are paid for a defined period. To enable more parents to have stability with their fees, the Trust has introduced multi-year agreements which fix the costs for a longer term.

HAMPSHIRE CHRISTIAN EDUCATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2025

FINANCIAL REVIEW

Principal funding sources

Operational costs are met primarily from school fees which are set at an affordable rate for the target market. Additional funding comes from donations.

The capital projects are now funded from cash reserves which are backed by a bank mortgage and advance fee payments.

Reserves policy

The Trust has most of its reserves in the buildings (Lakesmere House and the Homelodge building) which were valued at £2.1m in February 2020. A new valuation is due by the end of financial year 2025-26.

It is the aim of the Trustees to build up reserves to a level equal to three month's regular expenditure (monthly expenditure is currently around £165k). This aim has been met this year as current assets plus bank loan payments due within one year and deposits stand at £626k (August 2025).

The school plans to replace the existing temporary buildings with a permanent structure within the next two years. The school has planning permission and a preferred builder, is fundraising and is in discussions regarding finance. The Trustees will review the policy in light of project needs.

FUTURE PLANS

The focus for the future will be to continue to strive for excellence in educational provision and to market the school effectively so that all 305 places are taken. Maximum pupil numbers are 15 per year in Reception, Years 1, 2 and 3; and 20 each in Years 4-6 (total primary 120 pupils - currently 72). In senior we can have 35 per year in Years 7-9 and 40 per year in Years 10 & 11 (total senior 185 - currently 1162). Longer term aims include a replacement of some temporary buildings on the school site which is expected to increase primary capacity to 140.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The articles of association allows for the members of the charity to appoint new trustees and to vary the number of trustees (minimum of three). Any person appointed as a trustee must fully accept the doctrines set out in the articles of association.

Recruitment and appointment of new trustees

The articles of association allows for the members of the charity to appoint new trustees and to vary the number of trustees (minimum of three). Any person appointed as a trustee must fully accept the doctrines set out in the articles of association.

Organisational structure

Governance and management of The King's School is undertaken by the Senior Leadership Team and the Governance Board. The Leadership Team is responsible for day to day operations. Their job is to deliver quality Christian education within the necessary legal and regulatory requirements. The Leadership Team is accountable to the Governance Board. The Governance Board comprises both Trustees and Governors and their responsibility is supporting and empowering the Leadership Team to carry out its responsibilities effectively.

Induction and training of new trustees

Induction and training of new trustees is carried out by meetings with other trustees and key people, review of key documents and involvement in the life of the school.

Pay and Remuneration

Salary levels are set annually. Key management personnel are paid less than would be expected within the state sector at rates of between 70 -75% of salaries based on DfE figures. The school has a desire to increase salaries where possible such that all staff are paid more in line with those in the state system. However, this will be a gradual process and not something that can be achieved currently. It is under review for 2025-26.

HAMPSHIRE CHRISTIAN EDUCATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Wider network

The school is a member of the Independent Schools Association (ISA). It is also a member of the Christian Schools Trust (CST), Independent Schools Bursar Association (ISBA) and Association for Families of Independent Schooling (AFIS).

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The main risks identified by the Trustees are set out below. These are not all new risks to the trust and have been successfully managed in previous years by exercising care in budgeting and decision-making.

The main risks at present are connected with the external economy.

- 1) Pupil numbers have remained relatively static with the year ending with 234 pupils on role (September 2025). Current pupil numbers are 244 (April 2026). Improving marketing continues to be a priority to draw new pupils to the school. The majority of new pupils come from within the larger church community and by word of mouth.
- 2) The proportion of pupils requiring bursaries has reduced with improved processes for awarding and reviewing bursaries. However, this still represents a risk to the school's income.
- 3) External factors have increased the risk of existing parents defaulting on fee payments. This risk has been managed by continuing to ensure that a member of staff is given time to keep abreast with credit control, however the engagement of a Debt Management company may be required in a small number of cases.
- 4) The deterioration of the primary accommodation is a serious cause of concern. The school is actively pursuing replacement accommodation to resolve this.
- 5) Future rises in interest payments on the trust's borrowing are also a potential risk.
- 6) All of the above give rise to a risk of cash flow problems. Alongside prudent budgeting and regular monitoring, we have the ability to improve cash flow through moving parents to Direct Debit plans and the adoption of multi-year agreements.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05212585 (England and Wales)

Registered Charity number
1106136

Registered office
The King's School Senior
Lakesmere House
Allington Lane, Fair Oak
Eastleigh
Hampshire
SO50 7DB

HAMPSHIRE CHRISTIAN EDUCATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2025

Trustees

S F Kinchin

A Johnston

S Froud

J Hatcher (appointed 1 September 2024)

C Caws (resigned March 2025)

M Parker (resigned 31 August 2024)

C Dendy (resigned June 2025)

Secretary

A Scurr

Auditors

MC Audit Limited

Statutory Auditors

Lake House

2 Port Way

Port Solent

Portsmouth

Hampshire

PO6 4TY

Bankers

Barclays Bank

Portsmouth City Branch

Portsdown Group

PO Box 6

Portsmouth

Hampshire

PO6 7DB

COMMENCEMENT OF ACTIVITIES

The charity which has been trading since 1995, was incorporated as a Company limited by guarantee, in August 2004. Dormant company accounts were prepared for the year to 31 August 2005 and the running of the school transferred to the new charitable company on 1 September 2005.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Hampshire Christian Education Trust for the purposes of company law) are responsible for preparing the Report of the Trustees 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. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 those 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

HAMPSHIRE CHRISTIAN EDUCATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, MC Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 29 April 2026 and signed on its behalf by:


.....
S F Kinchin - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HAMPSHIRE CHRISTIAN EDUCATION TRUST

Opinion

We have audited the financial statements of Hampshire Christian Education Trust (the 'charitable company') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 August 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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 the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HAMPSHIRE CHRISTIAN EDUCATION TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HAMPSHIRE CHRISTIAN EDUCATION TRUST

Our 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 a Report of the Independent Auditors 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:

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HAMPSHIRE CHRISTIAN EDUCATION TRUST**

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 auditors' 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.

M. J. Southern

Martin Southern BA(Hons) FCA (Senior Statutory Auditor)
for and on behalf of MC Audit Limited
Statutory Auditors
Lake House
2 Port Way
Port Solent
Portsmouth
Hampshire
PO6 4TY

Date: *22/5/26*

HAMPSHIRE CHRISTIAN EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	64,206	-	64,206	51,562
Charitable activities	5				
Advancement of education		1,808,283	-	1,808,283	1,613,306
Other trading activities	3	2,225	-	2,225	808
Investment income	4	12,949	-	12,949	100,256
Total		<u>1,887,663</u>	<u>-</u>	<u>1,887,663</u>	<u>1,765,932</u>
EXPENDITURE ON					
Raising funds	6	16,000	-	16,000	24,582
Charitable activities	7				
Advancement of education		1,997,051	-	1,997,051	1,774,335
Total		<u>2,013,051</u>	<u>-</u>	<u>2,013,051</u>	<u>1,798,917</u>
NET INCOME/(EXPENDITURE)		(125,388)	-	(125,388)	(32,985)
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		462,444	-	462,444	-
Net movement in funds		<u>337,056</u>	<u>-</u>	<u>337,056</u>	<u>(32,985)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		2,433,714	-	2,433,714	2,466,699
TOTAL FUNDS CARRIED FORWARD		<u><u>2,770,770</u></u>	<u><u>-</u></u>	<u><u>2,770,770</u></u>	<u><u>2,433,714</u></u>

The notes form part of these financial statements

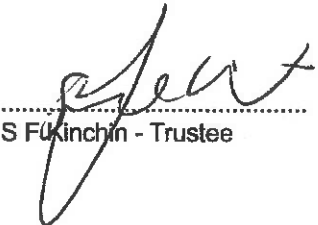
HAMPSHIRE CHRISTIAN EDUCATION TRUST (REGISTERED NUMBER: 05212585)

**BALANCE SHEET
31 AUGUST 2025**

	Notes	2025 £	2024 £
FIXED ASSETS			
Intangible assets	14	500	-
Tangible assets	15	2,764,327	2,409,793
		<u>2,764,827</u>	<u>2,409,793</u>
CURRENT ASSETS			
Debtors	16	236,915	1,190,474
Cash at bank		860,309	974,224
		<u>1,097,224</u>	<u>2,164,698</u>
CREDITORS			
Amounts falling due within one year	17	(783,275)	(1,632,860)
		<u>313,949</u>	<u>531,838</u>
NET CURRENT ASSETS			
		<u>313,949</u>	<u>531,838</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,078,776</u>	<u>2,941,631</u>
CREDITORS			
Amounts falling due after more than one year	18	(308,006)	(507,917)
		<u>2,770,770</u>	<u>2,433,714</u>
NET ASSETS		<u>2,770,770</u>	<u>2,433,714</u>
FUNDS	23		
Unrestricted funds		2,770,770	2,433,714
TOTAL FUNDS		<u>2,770,770</u>	<u>2,433,714</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 29 April 2026 and were signed on its behalf by:


.....
S F Kinchin - Trustee

The notes form part of these financial statements

HAMPSHIRE CHRISTIAN EDUCATION TRUST

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	(100,296)	265,962
Interest paid		(34,316)	(2,582)
Finance costs paid		16,000	(12,135)
Net cash (used in)/provided by operating activities		<u>(118,612)</u>	<u>251,245</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(625)	-
Purchase of tangible fixed assets		(7,627)	(11,888)
Interest received		12,949	6,059
Finance interest income		-	94,197
Net cash provided by investing activities		<u>4,697</u>	<u>88,368</u>
Change in cash and cash equivalents in the reporting period		<u>(113,915)</u>	<u>339,613</u>
Cash and cash equivalents at the beginning of the reporting period		<u>974,224</u>	<u>634,611</u>
Cash and cash equivalents at the end of the reporting period		<u><u>860,309</u></u>	<u><u>974,224</u></u>

The notes form part of these financial statements

HAMPSHIRE CHRISTIAN EDUCATION TRUST

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2025

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(125,388)	(32,985)
Adjustments for:		
Depreciation charges	115,661	110,650
Interest received	(12,949)	(6,059)
Interest paid	34,316	2,582
Finance costs	(16,000)	12,135
Amortisation charges	125	-
Finance interest income	-	(94,197)
Revaluation surplus	(462,444)	-
Decrease/(increase) in debtors	953,559	(1,039,738)
(Decrease)/increase in creditors	(587,176)	1,313,574
Net cash (used in)/provided by operations	(100,296)	265,962

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.24 £	Cash flow £	At 31.8.25 £
Net cash			
Cash at bank	974,224	(113,915)	860,309
	<u>974,224</u>	<u>(113,915)</u>	<u>860,309</u>
Debt			
Debts falling due within 1 year	(36,376)	(4,594)	(40,970)
Debts falling due after 1 year	(261,428)	37,170	(224,258)
	<u>(297,804)</u>	<u>32,576</u>	<u>(265,228)</u>
Total	676,420	(81,339)	595,081

The notes form part of these financial statements

HAMPSHIRE CHRISTIAN EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have 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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Going concern

The trustee directors consider that there are no material uncertainties regarding the charitable company's ability to continue as a going concern.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 10% on cost and 2% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets are reviewed for indicators of impairment at each reporting date. If an asset's carrying amount exceeds its recoverable amount, an impairment loss is recognised in the Statement of Income..

Individual fixed assets costing £500 or more are capitalised at cost, with the exception of computer equipment which is capitalised if the individual cost is £250 or more.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

HAMPSHIRE CHRISTIAN EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2025

1. ACCOUNTING POLICIES - continued

Fund accounting

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable investments in stocks and shares. The measurement basis used for these financial instruments is detailed below.

Debtors

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

Cash at bank & in hand

Cash at bank and in hand includes cash held on deposit or in a current account.

Creditors and provisions

Creditors and provisions are recognised where the charitable company 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 trade discounts due.

2. DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations	64,206	51,562

3. OTHER TRADING ACTIVITIES

	2025	2024
	£	£
Fundraising events	2,225	808

HAMPSHIRE CHRISTIAN EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2025

4. INVESTMENT INCOME

	2025	2024
	£	£
Deposit account interest	12,949	6,558
Unwinding the discount on fees received in advance	-	93,698
	<u>12,949</u>	<u>100,256</u>

All investment income is derived from assets held in the United Kingdom.

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2025	2024
		£	£
School fees and bursaries	Advancement of education	1,524,164	1,386,431
School trips and sales	Advancement of education	111,434	70,704
Rental income	Advancement of education	4,232	3,808
Sundry income	Advancement of education	168,453	152,363
		<u>1,808,283</u>	<u>1,613,306</u>

6. RAISING FUNDS

Raising donations and legacies

	2025	2024
	£	£
Finance cost	<u>16,000</u>	<u>24,582</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Advancement of education	<u>1,124,168</u>	<u>872,883</u>	<u>1,997,051</u>

HAMPSHIRE CHRISTIAN EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2025

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2025	2024
	£	£
Staff costs	947,956	931,464
Educational resources	31,368	33,341
Trips, camps and events	93,370	24,999
Training	3,441	8,945
DBS and licences	12,764	6,802
Fundraising costs	35,269	18,325
	<u>1,124,168</u>	<u>1,023,876</u>

9. SUPPORT COSTS

	Management	Finance	Governance	Totals
	£	£	costs	£
Advancement of education	<u>868,238</u>	<u>125</u>	<u>4,520</u>	<u>872,883</u>

Support costs, included in the above, are as follows:

Management

	2025	2024
	Advancement	Total
	of	activities
	education	£
	£	£
Wages	203,182	173,958
Hire of plant and machinery	1,825	36,150
Rates and water	3,505	4,395
Insurance	25,724	23,154
Light and heat	52,419	57,958
Minibus and car park expenses	10,239	10,384
Legal and professional fees	10,844	21,960
Repairs and maintenance	328,756	198,944
Stationery, postage and phone	33,874	34,152
Sundry expenses	47,971	71,751
Donations	47	30
Depreciation of tangible assets	115,536	110,651
Bank interest	1,843	2,582
Unwinding the discount on fees received in advance	32,473	-
	<u>868,238</u>	<u>746,069</u>

HAMPSHIRE CHRISTIAN EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2025

9. SUPPORT COSTS - continued Finance

	2025 Advancement of education £	2024 Total activities £
Amortisation of intangible fixed assets	125	-

Governance costs

	2025 Advancement of education £	2024 Total activities £
Auditors' remuneration	4,520	4,390

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2025 £	2024 £
Auditors' remuneration	4,520	4,390
Depreciation - owned assets	115,537	110,650
Hire of plant and machinery	1,825	36,150
Website amortisation	125	-

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2025 nor for the year ended 31 August 2024.

Trustees' expenses

During the year no trustees (2024: none) were reimbursed for out of pocket expenses.

12. STAFF COSTS

	2025 £	2024 £
Wages and salaries	1,053,118	1,022,592
Social security costs	80,058	64,807
Other pension costs	17,962	18,023
	1,151,138	1,105,422

HAMPSHIRE CHRISTIAN EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2025

12. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2025	2024
Advancement of Education	52	53
Support staff	9	9
	<u>61</u>	<u>62</u>

No employees received emoluments in excess of £60,000.

Key management personnel

The key management personnel of the charitable company comprise, the Head Teacher, the Deputy Head Teacher, the Business Development Manager, the Head of Options and the Head of English. The total employee benefits of the key management personnel of the charitable company were £203,182 (2024: £195,953). This does not include remuneration for trustees, all of which is reported as per note 11.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	51,562	-	51,562
Charitable activities			
Advancement of education	1,613,306	-	1,613,306
Other trading activities	808	-	808
Investment income	100,256	-	100,256
Total	<u>1,765,932</u>	<u>-</u>	<u>1,765,932</u>
EXPENDITURE ON			
Raising funds	24,582	-	24,582
Charitable activities			
Advancement of education	1,774,335	-	1,774,335
Total	<u>1,798,917</u>	<u>-</u>	<u>1,798,917</u>
NET INCOME/(EXPENDITURE)	(32,985)	-	(32,985)
RECONCILIATION OF FUNDS			
Total funds brought forward	2,466,699	-	2,466,699
TOTAL FUNDS CARRIED FORWARD	<u>2,433,714</u>	<u>-</u>	<u>2,433,714</u>

HAMPSHIRE CHRISTIAN EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 AUGUST 2025**

14. INTANGIBLE FIXED ASSETS

	Website £
COST	
At 1 September 2024	4,500
Additions	625
	<hr/>
At 31 August 2025	5,125
	<hr/>
AMORTISATION	
At 1 September 2024	4,500
Charge for year	125
	<hr/>
At 31 August 2025	4,625
	<hr/>
NET BOOK VALUE	
At 31 August 2025	500
	<hr/>
At 31 August 2024	-
	<hr/>

15. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £
COST OR VALUATION			
At 1 September 2024	2,142,333	450,482	24,195
Additions	-	6,038	-
Revaluations	287,667	-	-
	<hr/>	<hr/>	<hr/>
At 31 August 2025	2,430,000	456,520	24,195
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 September 2024	131,930	77,786	21,766
Charge for year	42,847	45,652	2,429
Revaluation adjustments	(174,777)	-	-
	<hr/>	<hr/>	<hr/>
At 31 August 2025	-	123,438	24,195
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 August 2025	2,430,000	333,082	-
	<hr/>	<hr/>	<hr/>
At 31 August 2024	2,010,403	372,696	2,429
	<hr/>	<hr/>	<hr/>

HAMPSHIRE CHRISTIAN EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2025

15. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION				
At 1 September 2024	109,160	14,700	91,238	2,832,108
Additions	642	-	947	7,627
Revaluations	-	-	-	287,667
At 31 August 2025	109,802	14,700	92,185	3,127,402
DEPRECIATION				
At 1 September 2024	94,237	14,700	81,896	422,315
Charge for year	15,565	-	9,044	115,537
Revaluation adjustments	-	-	-	(174,777)
At 31 August 2025	109,802	14,700	90,940	363,075
NET BOOK VALUE				
At 31 August 2025	-	-	1,245	2,764,327
At 31 August 2024	14,923	-	9,342	2,409,793

Cost or valuation at 31 August 2025 is represented by:

	Freehold property £	Improvements to property £	Plant and machinery £
Valuation in 2025	287,667	-	-
Cost	2,142,333	456,520	24,195
	2,430,000	456,520	24,195

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2025	-	-	-	287,667
Cost	109,802	14,700	92,185	2,839,735
	109,802	14,700	92,185	3,127,402

Cost or valuation of freehold property at 31 August 2025 is represented by:

	£
Valuation in 2010	1,627,715
Valuation in 2015	272,285
Valuation in 2020	200,000
Additions	42,333
Valuation in 2025	287,667

HAMPSHIRE CHRISTIAN EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 AUGUST 2025**

15. TANGIBLE FIXED ASSETS - continued

2,430,000

The Trust's other tangible fixed assets are included at cost.

If freehold property had not been revalued it would have been included at the following historical cost:

	2025 £	2024 £
Cost	<u>2,049,402</u>	<u>2,049,402</u>
Aggregate depreciation	<u>949,973</u>	<u>908,985</u>

Freehold property was revalued on an open market basis in 2025 by Vail Williams LLP.

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade debtors	160,502	1,143,605
Other debtors	23,516	21,176
Prepayments	52,897	25,693
	<u>236,915</u>	<u>1,190,474</u>

In the prior financial year, invoices were raised in June 2024 due to changes in VAT legislation affecting private schools. As a result, trade debtors were higher in the prior year.

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Bank loans and overdrafts (see note 19)	40,970	36,376
Fees in advance	334,602	1,375,800
Trade creditors	92,339	24,105
Social security and other taxes	19,762	13,516
VAT	96,887	-
Other creditors	8,950	4,643
Deposits	183,596	170,769
Accruals and deferred income	6,169	7,651
	<u>783,275</u>	<u>1,632,860</u>

Fees in advance represents school fees received in advance for future academic years.

	2025 £	2024 £
Brought forward	1,622,289	209,687
Amount released to incoming resources	(1,438,104)	(43,699)
Amount deferred in year	<u>234,165</u>	<u>1,456,303</u>
Carried forward	<u>418,350</u>	<u>1,622,289</u>

HAMPSHIRE CHRISTIAN EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2025

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Fees received in advance are lower because the school raised more invoices in June 2024.

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025 £	2024 £
Bank loans (see note 19)	224,258	261,428
Fees in advance	83,748	246,489
	<u>308,006</u>	<u>507,917</u>

19. LOANS

An analysis of the maturity of loans is given below:

	2025 £	2024 £
Amounts falling due within one year on demand:		
Bank loans	<u>40,970</u>	<u>36,376</u>
Amounts falling due between two and five years:		
Bank loans	<u>116,451</u>	<u>113,962</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans	107,807	147,466

20. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2025 £	2024 £
Within one year	15,161	9,414
Between one and five years	<u>46,654</u>	<u>-</u>
	<u>61,815</u>	<u>9,414</u>

HAMPSHIRE CHRISTIAN EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2025

21. SECURED DEBTS

The following secured debts are included within creditors:

	2025 £	2024 £
Bank loans	<u>265,228</u>	<u>297,804</u>

The bank loan was secured by a legal charge over the freehold property at Lakesmere House, Allington Lane, Fair Oak, Eastleigh.

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
Fixed assets	2,764,827	-	2,764,827	2,409,793
Current assets	1,097,224	-	1,097,224	2,164,698
Current liabilities	(783,275)	-	(783,275)	(1,632,860)
Long term liabilities	(308,006)	-	(308,006)	(507,917)
	<u>2,770,770</u>	<u>-</u>	<u>2,770,770</u>	<u>2,433,714</u>

23. MOVEMENT IN FUNDS

	At 1.9.24 £	Net movement in funds £	At 31.8.25 £
Unrestricted funds			
General fund	2,383,116	(138,521)	2,244,595
Revaluation reserve	50,598	462,444	513,042
IM Assisted Places	-	12,633	12,633
IM Building Fund	-	500	500
	<u>2,433,714</u>	<u>337,056</u>	<u>2,770,770</u>
TOTAL FUNDS	<u>2,433,714</u>	<u>337,056</u>	<u>2,770,770</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,874,530	(2,013,051)	-	(138,521)
Revaluation reserve	-	-	462,444	462,444
IM Assisted Places	12,633	-	-	12,633
IM Building Fund	500	-	-	500
	<u>1,887,663</u>	<u>(2,013,051)</u>	<u>462,444</u>	<u>337,056</u>
TOTAL FUNDS	<u>1,887,663</u>	<u>(2,013,051)</u>	<u>462,444</u>	<u>337,056</u>

HAMPSHIRE CHRISTIAN EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 AUGUST 2025**

23. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.23 £	Net movement in funds £	Transfers between funds £	At 31.8.24 £
Unrestricted funds				
General fund	2,316,580	(32,985)	99,521	2,383,116
Revaluation reserve	50,598	-	-	50,598
Enrichment fund	99,521	-	(99,521)	-
	<u>2,466,699</u>	<u>(32,985)</u>	<u>-</u>	<u>2,433,714</u>
TOTAL FUNDS	<u>2,466,699</u>	<u>(32,985)</u>	<u>-</u>	<u>2,433,714</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,765,932	(1,798,917)	(32,985)
	<u>1,765,932</u>	<u>(1,798,917)</u>	<u>(32,985)</u>
TOTAL FUNDS	<u>1,765,932</u>	<u>(1,798,917)</u>	<u>(32,985)</u>

Enrichment Fund

This fund is a fund designated by the trustee directors to be a physical account where fundraising events and school trips could be accounted for to ensure that all monies raised in this way could be spent on enhancements to the school rather than lost in the day to day running of the school.

IM Assisted Places

This fund is designated to support families who apply for a reduction in school fees.

IM Building Fund

This fund is designated for a new primary classroom block.

Revaluation reserve

The reserve relates to the revaluation surplus of the freehold property which is revalued every 5 years.

HAMPSHIRE CHRISTIAN EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2025

24. EMPLOYEE BENEFIT OBLIGATIONS

The charitable company operates a defined contribution scheme which is administered independently. The costs to the charitable company for the year was £17,962 (2024: £18,201). There was £5,353 due to the pension scheme administrator at the year end (2024: £3,634).

25. RELATED PARTY DISCLOSURES

Purchases of £nil (2024: £22,092) have been paid to a company who has a common director to Hampshire Christian Education Trust.

During the year 2 (2024: 3) trustees had a total of 4 (2024: 5) children attending the school. The total fees paid relating to these school places was £26,742 (2024: £16,202).

26. ULTIMATE CONTROLLING PARTY

The charitable company is not under the control of another entity or any one individual.

27. LEGAL STATUS

The charitable company is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.