

THE NOTTING HILL PREP FOUNDATION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

(Registered Charity No 1132512)

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THE NOTTING HILL PREP FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS

TRUSTEES	John Mittell Curtis (resigned 21 January 2020) Caroline Gladstone (Co-Chair) Jessica Benson (Co-Chair) Caroline Armstrong Rebecca Balon Jane Cameron (appointed 21 January 2020) Georgie Burleigh (appointed 21 January 2020)
CHARITY REGISTERED NUMBER	1132512
PRINCIPAL OFFICE	95 Lancaster Road London W11 1QQ
INDEPENDENT EXAMINER	Anastasia Frangos ACA Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
BANKERS	CAF Bank

THE NOTTING HILL PREP FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees submit their annual report and the financial statements of The Notting Hill Prep Foundation ("the charity") for the year ended 31 August 2020. The Trustees confirm that the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document and the smaller charity provisions of the Statement of Recommended Practice (SORP FRS 102)

REFERENCE AND ADMINISTRATIVE INFORMATION

Notting Hill Prep Foundation registered as a charity on 6 November 2009 (registered charity number 1132512). The principal address of the charity is 95 Lancaster Road, London, W11 1QQ.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is constituted under a Trust deed dated 25 August 2009.

Directors and Professional Advisors

A list of Trustees and professional advisors appears on page 2.

Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. Trustees are nominated by the Board of Trustees. The charity's Trustees are appointed at a meeting of the Board of Trustees, following a selection process which takes into consideration eligibility, personal competence, specialist skills and local availability. New Trustees are inducted into the workings of the Foundation, including the provision of key information covering board policy, School ethos and financial information.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the Trust. The internal controls already in place are commensurate with the size of the charity and provide a high degree of comfort. The Trustees are satisfied that systems are in place to mitigate the charity's exposure to any major risks.

OBJECTS AND ACTIVITIES

Charitable objects

The principal object of the charity is the advancement of education of the public through the provision of bursaries to pupils of Notting Hill Preparatory School.

The charity does not currently employ any staff. The Trustees are responsible for the management of the charity and for the furtherance of the objects for which it is established. The Trustees meet on a regular basis to discuss the affairs of the charity.

Grant making policies

The Trust provided grants and bursaries during the year to pupils of Notting Hill Preparatory School ("NHP") for the furtherance of their education.

Volunteers

In addition to the Trustees there is a Fundraising Committee, all of whom give their time freely.

FINANCIAL AND BUSINESS REVIEW

Review of the year

The charity has traditionally offered means-tested bursary places to incoming Year 7 pupils, for which it is largely reliant on gifts and donations. In its early years, the charity funded one pupil per year. Through continued fundraising, and thanks to the ongoing generosity of parents, the Notting Hill Prep Foundation is now able to offer at least two places each year. In addition to those places, in September 2019, we welcomed into Year 4 the first recipient of the Jane Cameron Bursary for excellence in performing arts. Thanks to the enthusiastic and generous community response to the 2018/19

THE NOTTING HILL PREP FOUNDATION

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

fundraising drive to create this award in perpetuity, we are able, going forward, to have one Jane Cameron Bursary ("JCB") recipient as a member of the NHP student body at all times.

By March of 2020, it was clear that the disruption caused by Covid-19 was going to result in a year that was unpredictable at best. With the understanding that the upheaval could possibly limit donations to the optional fee add-on, and with the loss of our director of development to a job that was closer to her home in West Sussex, the trustees accepted that this would likely be a lean fundraising year—possibly one in which we would have to dip into our reserves. While not a desirable course of action, we felt confident that we were adequately funded to absorb that should it become necessary.

In an effort to balance our strong commitment to our bursary programme with the unprecedented circumstances of lockdowns, home schooling and general financial uncertainty, the charity decided to focus our efforts on an examination of our overall mission and whether we were meeting those goals.

The results were:

1. A renegotiation of the fee agreement with NHP, which will result in a substantial reduction in the amount per pupil cost to the Foundation, beginning in 2021.
2. A broadening of our mission and scope to include NHP's more general charitable outreach under the umbrella of the Foundation. If an aspect of our mission is to honour the core values around which the school was founded by serving the diverse local community in ways that enhance and improve the lives of local primary school children, we feel we can effectively accomplish this through:
 - a. Charitable outreach which involves the harnessing of the collective power of the NHP community to support local initiatives through fundraising, time commitment and the sharing of resources.
 - b. Providing fully funded, means-tested bursary places.We view these two means as interconnected rather than separate, with our ability to award bursary places as the most valuable and lasting contribution to a child's life that we as a school can make.
3. An ambitious but realistic ten-year plan to expand our bursary offerings, both in the number of students and in the year groups in which we offer places. Concurrent with this expansion, we will be broadening the wrap-around pastoral care we provide to our bursary pupils.
4. A revision to the charter to specify that 25% of any major PA fundraising events will be donated to the Foundation to directly fund bursaries.

By bringing these two things together under the charity, we feel we have not only been able to more cleanly separate the charitable arm of the NHP from the business arm of the school, but that it will result in enhanced awareness and visibility of our bursary programme and its importance throughout the school and local communities.

Towards the end of 2020, Kirsty Murdoch was hired as the new director of development. With her in place, we look forward to moving ahead and meeting our goals for a robust bursary programme alongside enhanced community service and involvement.

Financial review

During the year the charity raised £162,704 (2019: £375,623), including donations of £128,869 (2019: £268,468). The charity provided grants and bursaries during the year to pupils of Notting Hill Preparatory School for the furtherance of their education. During the year eight (2019: seven) grants were given to individuals totalling £118,610 (2019: £110,199).

The Trustees consider that the charity is adequately funded and has sufficient income and resources to continue its work.

Investment Policy and Performance

Funds generated by the Foundation are invested in managed unit trusts for Charities which match our investment objectives and aims to provide an income return to use to fund its bursaries and capital growth to reflect inflation and the future anticipated increase in school fees.

THE NOTTING HILL PREP FOUNDATION

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

This is achieved by investing in a managed unit trust for charities which matches our investment objectives as follows:

1. An annual yield above that available from the FTSE All-Share Index
2. An income stream that increases every year
3. A level of capital growth, net of charges, that is higher than inflation over any the-year period, as measured by the U.K. Retail Price Index

By using a managed fund this enables the Foundation to obtain a better mix in its portfolio to spread the risk of its investment. Returns on investments are not guaranteed.

Professional advice on the investments and the investment policy will be reviewed annually.

Public Benefit

The Trustees in this report describe how those activities undertaken by the charity further its charitable purposes for the public benefit. The Trustees confirm that they comply with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance

Fundraising activities

The Trust raised money during the year through voluntary donations and social events.

Reserves policy

The charity is in large part dependent upon donations from parents of pupils at the School. The charity has been fortunate in the past to receive donations but this is not a guaranteed source of income. The Trustees therefore intend to maintain a level of unrestricted reserves which generates sufficient investment income to continue the charity's activities on an ongoing basis. At present the unrestricted reserves of the charity amount to £475,986 of which £86,074 represents those funds currently held in the charity's current account.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees 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).

The law applicable to charities in England & Wales 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 of the charity for that period. 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 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper 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 Charities Act 2011. 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.

This report was approved by the Trustees on 28 May 2021 and signed on their behalf, by:

Jessica Benson..... *Caroline Armstrong*.....
Trustee Trustee

**INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF
THE NOTTING HILL PREP FOUNDATION**

We report on the accounts of the charity for the year ended 31 August 2020 which are set out on pages 6 to 13.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act"). The trustees are satisfied that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and have chosen instead to have an independent examination.

I report in respect of my examination of the Trust's accounts as carried out under section 44 (1) (c) of the 2005 Act and section 145 of the 2011 Act. In carrying out my examination I have followed the requirements of the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity has prepared its accounts on an accruals basis your examiner must be a member of a body listed in the 2011 Act. I can confirm that I am qualified to undertake the examination because I am a registered member of the ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



**Anastasia Frangos ACA
For and on behalf of
Haysmacintyre LLP
Chartered Accountants**

**10 Queen Street Place
London
EC4R 1AG**

Date: 18 June 2021

THE NOTTING HILL PREP FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2020

		General Fund	
	Notes	2020	2019
		£	£
Income from			
Voluntary income:			
Donations	2	128,869	268,468
Investments		28,568	8,545
Other	3	5,267	98,610
Total Income		<u>162,704</u>	<u>375,623</u>
Expenditure on			
Charitable activities	4	<u>120,200</u>	<u>119,250</u>
Total expenditure		<u>120,200</u>	<u>119,250</u>
Net income		42,504	256,373
Loss on investments:			
Unrealised		(108,040)	(6,593)
Realised		-	-
Net movements in funds		<u>(65,536)</u>	<u>249,780</u>
Total funds brought forward	9	<u>541,522</u>	<u>291,742</u>
Total funds carried forward		<u><u>475,986</u></u>	<u><u>541,522</u></u>

All the amounts arise from continuing activities and there are no recognised gains or losses other than those shown above in the statement of financial activities.

The notes on pages 9 to 13 form part of these financial statements.

THE NOTTING HILL PREP FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2020

	Notes	£	2020 £	£	2019 £
FIXED ASSETS					
Investments	5		447,682		440,722
CURRENT ASSETS:					
Debtors	6	-		4,555	
Cash at bank and in hand	7	86,074		97,745	
			<u>86,074</u>	<u>102,300</u>	
LIABILITIES:					
Creditors: amounts falling due within one year	8	(57,771)		(1,500)	
NET CURRENT ASSETS					
			28,303		100,800
TOTAL NET ASSETS					
			<u>475,985</u>	<u>541,522</u>	
FUNDS OF THE CHARITY					
Unrestricted funds	9		475,985		541,522
TOTAL CHARITY FUNDS					
			<u>475,985</u>	<u>541,522</u>	

The financial statements were approved and authorised for issue by the Board of the Trustees on 28 May 2021 and were signed on their behalf by:

Jessica Benson

Trustee

Caroline Armstrong

Trustee

The notes on pages 9 to 13 form part of these financial statements.

THE NOTTING HILL PREP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES

General information

The Charity is registered in England and Wales (charity number: 1132512). The Charity's registered office address and principal place of business is: 95 Lancaster Road, London, W11 1QQ.

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Statement of Recommended Practice (SORP FRS 102).

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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 accounts have been prepared under the historical cost convention. The principal accounting policies adopted in the preparation of the Financial Statements are as follows:

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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. In particular the trustees have reviewed the charity's cash flow forecasts and costs in light of COVID-19. There is considered to be sufficient resources to continue to discharge the liabilities of the charity for a period of at least 12 months from the date of the trustees report, thus the trustees continue to adopt the going concern basis of accounting in the financial statements.

Incoming resources

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.

Investment income is accounted for on an accruals basis.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Resources expended

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

THE NOTTING HILL PREP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

Investments

All other investments are stated at market value. Realised gains and losses on investments represent the difference between sale proceeds and opening market value (or cost at date of purchase if lower). Unrealised gains and losses represent the change in market value of the investment portfolio in the year.

Debtors

Other debtors are recognised at the settlement amounts due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Cash and cash equivalents

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors 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.

Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. There were no restricted funds in the current, or prior year.

THE NOTTING HILL PREP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

2. DONATIONS			2020	2019
			£	£
Donations			128,869	268,468
3. OTHER INCOME			2020	2019
			£	£
Deposits			4,737	15,900
Auction income			-	80,285
Other			530	2,425
			5,267	98,610
4. TOTAL EXPENDITURE	Grant funding of activities	Support costs	Total 2020	Total 2019
	£	£	£	£
Advancement of education	118,610	-	118,610	110,199
Fundraising	-	-	-	6,881
Administration	-	1,590	1,590	2,170
	118,675	1,590	120,200	119,250
4a. CHARITABLE EXPENDITURE	2020		2019	
	Number	£	Number	£
Individual grants payable – education	8	118,610	7	110,199
4b. GOVERNANCE COSTS INCLUDED IN SUPPORT COSTS			2020	2019
			£	£
Independent Examiner’s fees			1,500	1,500
Bank charges			90	670
			1,590	2,170

During the year eight (2019: seven) grants were paid to pupils of Notting Hill Preparatory School. During the year, no Trustees (2019: none) received any remuneration, benefits in kind or reimbursement of travel expenses.

THE NOTTING HILL PREP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

5.	INVESTMENTS				2020	2019
	UK listed investments					
	At 1 September at market value				440,722	229,825
	Additions				115,000	445,000
	Disposals				-	(228,275)
	Unrealised loss				(108,040)	(5,828)
	Realised gain				-	-
	At 31 August at market value				447,682	440,722
	At 31 August at cost				560,678	445,678
6.	DEBTORS				2020	2019
					£	£
	Balance due from Notting Hill Preparatory School				-	359
	Accrued income				-	4,196
					-	4,555
7.	CASH AND CASH EQUIVALENTS				2020	2019
					£	£
	Cash at bank				86,074	97,745
8.	CREDITORS: amounts falling due within one year				2020	2019
					£	£
	Accruals				1,500	1,500
	Balance due to Notting Hill Preparatory School				56,271	-
					57,771	1,500
9.	STATEMENT OF FUNDS	Brought Forward	Incoming Resources	Resources Expended	Investment Gains	Carried forward
		£	£	£	£	£
	Unrestricted funds					
	General funds	541,522	162,704	(120,200)	(108,040)	475,986

Included in the total income of the Foundation is £53,579 (2019: £303,126) relating to the Jane Cameron Bursary fundraising. In addition to this at the year end there was a further £53,000 of longer term pledges that will be received in future years, giving a total of £410,000.

THE NOTTING HILL PREP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

11. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (2019)

		General Fund	
	Notes	2019 £	2018 £
Income from			
Voluntary income:			
Donations	2	268,468	94,296
Investments		8,545	22
Other	3	98,610	5,140
Total Income		<u>375,623</u>	<u>99,458</u>
Expenditure on			
Charitable activities	4	<u>119,250</u>	<u>91,733</u>
Total expenditure		<u>119,250</u>	<u>91,733</u>
Net income		256,373	7,725
(Losses)/gains on investments:			
Unrealised	5	(6,593)	(6,663)
Realised	5	-	987
Net movements in funds		<u>249,780</u>	<u>2,049</u>
Total funds brought forward	9	<u>291,742</u>	<u>289,693</u>
Total funds carried forward		<u><u>541,522</u></u>	<u><u>291,742</u></u>

12. COMPARATIVE STATEMENT OF FUNDS (2019)

	Brought Forward £	Incoming Resources £	Resources Expended £	Investment Gains £	Carried forward £
Unrestricted funds					
General funds	<u>291,742</u>	<u>375,623</u>	<u>(119,250)</u>	<u>(6,593)</u>	<u>541,522</u>