

KITE COLLEGE

Trustees' Report and Financial Statements

For the Year Ended 31 August 2025

KITE COLLEGE

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Reference and Administrative Details of the Charity, its Trustees and Advisers For the Year Ended 31 August 2025

Trustees	Bob Law, Chair Josephine Campbell (resigned 15 July 2025) John Saville Bentley Simon Bounds (resigned 4 December 2024) Nikki Clark Timothy O'Connor Stephanie Baiardo Rose Bradley Pam Jones Neil Paul (resigned 31 December 2024) Emma Harvey Joanne Olagboyega Nicola Petri Emma Gray (appointed 4 December 2024) Neil Rees-Davies (appointed 9 October 2024)
Charity registered number	1193244
Principal office	Unit 1 Bonham Drive Eurolink Business Park Sittingbourne Kent ME10 3RY
Senior Management Team	S. Miller - Principal H. Cardy - College Business Manager A. Websper - Deputy Head S. Cumming - Deputy Head S. Murphy - Deputy Head
Independent auditors	Xeinadin Audit Limited Chartered Accountants Statutory Auditor 12 Conqueror Court Sittingbourne Kent ME10 5BH

KITE COLLEGE

Trustees' Report For the Year Ended 31 August 2025

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2024 to 31 August 2025. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

Objectives and activities

a. Policies and objectives

KITE College is an independent specialist Post-16 provision offering vocational pathways for young people in Kent who hold Education, Health and Care Plans. Since opening in September 2021, the College has become a haven for learners with a wide range of barriers to learning, particularly those with Social, Emotional and Mental Health needs.

Many of our learners arrive having struggled in mainstream settings—some carrying the weight of emotional school-based anxiety, some out of education altogether. At KITE, they rediscover what learning can feel like when an environment bends toward their strengths rather than their difficulties. Our ethos is inclusive, calm and responsive; a space where learners are supported to re-engage, rebuild confidence, and move toward independence.

Personal Development sits at the heart of our offer. It threads through every vocational course and is also taught discretely, shaping the rhythm of daily life and helping students cultivate resilience, self-awareness, and the social skills they need to thrive beyond education.

KITE College Board of Trustees are dedicated in their support & commitment to KITE College and its mission. We are ensuring the college continues to provide a nurturing environment where learners can flourish and reach their full potential. We will continue to support the college's growth, fostering its unique approach to education, and advocating for the needs of our learners. Together, we are passionate about empowering young people to overcome their challenges and build a brighter future.

KITE College aim to be Kent's leading independent specialist education and training provision for Post 16 learners with SEND, who hold an EHCP.

b. Strategies for achieving objectives

To expand specialist provision across Kent, strengthening the local offer.

To welcome learners from other local authorities through statutory consultation. (As KITE is not Section 41 approved, local authorities can name the college only with mutual agreement).

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Trustees' Report (continued) For the Year Ended 31 August 2025

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

To improve life chances and opportunities to all young people with learning difficulties and SEMH needs through ambitious and inspirational, lifelong learning and skills programmes.

These include vocational training in:

- Construction,
- Motor Vehicle Technology,
- Hair and Beauty
- Employability & Life Skills
- IT
- Hospitality

Additionally formal qualifications in Maths and English including GCSEs.

The College, is leased from Kent County Council and is located on the Euro Link Industrial Estate in Sittingbourne, opened on 1st September 2021.

Our Values

- Kindness
- Integrity
- Tolerance
- Excellence

d. Main activities undertaken to further the Charity's purposes for the public benefit

The college provides a range of full time vocational training opportunities as well as Maths and English for its students, funded by the public purse, aimed ultimately at them being ready and able to enter the world of work and become a productive member of the community.

Achievements and performance

a. Main achievements of the Charity

During the academic year, the college supported some 126 students, 112 were from Kent with 13 from Medway and 1 from another local authority.

KITE COLLEGE

Trustees' Report (continued) For the Year Ended 31 August 2025

Achievements and performance (continued)

b. Key performance indicators

1. Financial

The college is operating within planned financial parameters. The year end position is reported as £772,637, with a year end surplus of £293,833.

Cash Days in Hand remain stable at 104 (2024: 111), indicating sufficient short term liquidity.

Calculation:

Cash Days in Hand = Cash Available ÷ Daily Operating Cost

- Cash available = cash at bank

- Daily operating cost = annual expenditure ÷ 365

****Sector Reference Points:****

- 30–60 days: healthy
- 20–30 days: adequate
- <20 days: emerging liquidity risk
- <10 days: significant concern

Staff Costs as % of Income:

Staff costs represent 62% of income (2024: 75%). This is below the typical sector range for specialist post-16 provision (generally 70–80%). The lower proportion in the current year primarily reflects increased income levels, rather than a reduction in staffing capacity. The organisation continues to prioritise high-quality specialist provision, and staffing levels remain aligned with service delivery needs. Trustees will continue to monitor this ratio to ensure it remains appropriate as activity levels and funding streams evolve.

Financial Health Rating:

The DfE financial health score 'satisfactory' is consistent with expectations and reflects appropriate financial controls and oversight.

Summary:

Financial management processes are operating effectively. External cost pressures and funding constraints remain areas requiring continued monitoring through scenario planning and curriculum linked financial modelling.

2. Curriculum & Learners

Learner Numbers:

Learner Numbers have increased from 12 learners in 2021 to 126 learners in the current year.

For the September 2026 intake, the college has received over 400 local authority referrals for approximately 60 available places, demonstrating a level of demand that significantly exceeds capacity. The majority of referrals originate from Kent, with around 10% from Medway and a small proportion from other Greater London authorities, reflecting both strong regional need and the widening geographical reach of the college's provision. This sustained pressure is driven not only by the college's strong reputation for high quality specialist education, but also by the limited availability of suitable Post 16 specialist pathways across the region.

Pathway Demand:

- Motor Vehicle: Oversubscribed
- Construction: Oversubscribed
- Hair & Beauty: Oversubscribed
- IT: Increasing demand reflected in referral patterns
- Hospitality: Growing department following launch in Sept 2025

LMI Alignment:

- Local labour market intelligence indicates sustained demand for technical, construction, digital and service sector skills.
- Curriculum planning for 2025/26 is being aligned to these trends to ensure capacity, staffing and resources match projected learner demand.

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Trustees' Report (continued) For the Year Ended 31 August 2025

Achievements and performance (continued)

Retention & Achievement:

- Retention rates remain strong, supported by effective early intervention processes.
- National post 16 achievement rates for study programmes remain broadly stable at approximately 84–86%.

Achievement in post 16 English and maths continues to be lower nationally, with GCSE resit pass rates around 15–25%. KITE QAR data is in line with National outcomes.

Attendance:

Attendance remains broadly stable and continues to sit close to the aspirational expectations for specialist post 16 provision. Figures reflect the complex health, therapeutic and transport challenges of a typical of a high needs cohort, overall patterns remain in line with national benchmarks for specialist colleges.

Monitoring processes, pastoral interventions, and incentive strategies are contributing to incremental improvement.

Summary:

Curriculum and learner performance indicators demonstrate positive trends. The relationship between curriculum viability, recruitment patterns, and financial sustainability is being monitored appropriately.

3. Governance & Compliance

Regulatory Compliance:

All statutory returns, including ILR submissions, DfE financial returns, safeguarding compliance reporting, and SEND related local authority obligations, have been completed in line with required deadlines.

Safeguarding & Wellbeing:

- Safeguarding training compliance remains high and a college priority.
- Case volumes are consistent with sector norms.
- Processes were externally validated through an independent safeguarding review (Kent ESS, January 2024).

Summary:

Governance and compliance arrangements are robust. Risk based decision making is embedded and supports organisational resilience.

4. Overall Assurance Summary

Performance across financial, curriculum/learner, and governance indicators is strong. The college demonstrates effective control environments and stable operational performance.

c. Review of activities

The Principal reports on a regular basis on the activities and operation of the college and adjusts the offers available annually to the students based upon the demands/requests of the students and their families.

d. Factors relevant to achieve objectives

The college ensures they have employed the necessary quality staffing to teach and support the students and monitor this regularly.

e. Fundraising activities and income generation

No fundraising activities other than an occasional grant bid.

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Trustees' Report (continued) For the Year Ended 31 August 2025

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The Trustees have added to their reserve policy that there should be sufficient reserves to cover at least two month's running costs. The level of reserves held at the year end was £772,637 (2024: £478,804), which exceeds the policy of two month's running costs of £359,985 (2024: £282,542).

c. Review

The College's funds carried forward at the year end total £772,637. The Trustees have reviewed the reserves position and consider this level to be appropriate and prudent for the College's current and future needs. In reaching this view, the Trustees have taken into account the College's operational requirements, anticipated commitments, and the financial risks to which the College is exposed. The reserves provide sufficient working capital to support day to day activities, ensure resilience against unforeseen events, and enable the College to continue delivering its charitable objectives sustainably.

In year funds received are used to support the continued delivery of high quality specialist education. This includes staffing, therapeutic and clinical support, curriculum resources, and the infrastructure required to meet the needs of students with Education, Health and Care Plans (EHCPs). The funding also enables the College to respond effectively to mid year admissions and ensures that all learners receive the personalised support necessary for positive outcomes.

The College is funded through the DfE funding agreement, as well as High Needs Funding received directly from KCC SEN. Individual Funding Arrangements (IFAs) with a small number of Other Local Authorities, are in place, for non-Kent young people at the College.

d. Principal risks and uncertainties

The college whilst being publicly funded and supporting a category of students where to numbers continue to rise locally is always at risk of the funding being reduced or not keeping pace with inflation and the funders reducing the number of students they are prepared to support.

e. Financial risk management objectives and policies

No policy is currently in place, but a Risk Register is due to be developed shortly. On an on-going basis the risks are considered at each meeting of the SFP when it reviews the management accounts

Structure, governance and management

a. Constitution

KITE College was registered with the Charity Commission on 26th January 2021 as a Charitable Incorporated Organisation (CIO) with a board of trustees consisting of 8 members.

b. Methods of appointment or election of Trustees

Trustees are appointed to KITE College primarily based on their skills, experience, expertise, and qualifications.

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Trustees' Report (continued) For the Year Ended 31 August 2025

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The Trust has one full Committee supported by 2 permanent sub committees:

- Staffing, Finance and Premises (SFP)
- Learning and Inclusion (LI)

And a Pay Committee is appointed when needed during the year.

Day to day operational and financial decisions are delegated to the Principal but the approved Finance Policy sets out when and where approval is needed from either the SFP or the Board.

d. Policies adopted for the induction and training of Trustees

Trustees are appointed to KITE College primarily based on their skills, experience, expertise, and qualifications.

1. **Skills and Expertise:** Trustees are appointed based on their specific skills and expertise that align with the needs of KITE College. For example, finance, business, HR, health and safety, Social Services, health & wellbeing, psychology, education and quality control inspection.
2. **Experience:** Trustees bring valuable experience from their professional or personal backgrounds that can benefit KITE College. This could include experience in leadership roles, strategic planning, fundraising, or community engagement.
3. **Qualifications:** Trustees may have specific qualifications that make them well-suited for their roles. These could include educational degrees, professional certifications, or relevant training in areas such as governance, law, or management.
4. **Diversity:** Diversity among trustees is crucial to ensuring a well-rounded and inclusive governing body. Trustees from diverse backgrounds bring different perspectives, ideas, and approaches to problem-solving, which can enrich the decision-making process and better represent the interests of the organization's stakeholders.

Skills-gap analysis is undertaken on a regular basis. When gaps are identified suitable practitioners are sort, approached and proposed by current trust members and/or the principal and if seconded, then CVs and Bios are shared with all sitting trustees and voted on at full trustee meetings.

All Trustees receive a planned induction which is supplemented by external providers as necessary. New trustees are provided with a copy of "GUIDANCE The essential trustee: what you need to know, what you need to do", made aware of the instrument of governance for KITE-College and reminded that all trustees are required to follow the Nolan principles (conduct in public office).

e. Pay policy for key management personnel

All key management posts have a set grade and are increased annually after a review by the appointed Pay Committee and agreed by the Board of Trustees.

f. Related party relationships

The Trustees are drawn from a variety of organisations that support or have an interest in the type of student that the college supports.

The Chair of Trustees also holds positions at two other charities where there were financial transactions during the year.

KITE COLLEGE

Trustees' Report (continued) For the Year Ended 31 August 2025

Structure, governance and management (continued)

g. Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

The college is filling a gap in the support that is available to its students as is evident in the growing number of applications for places at the college that has more than doubled in the last year.

Looking forward, the Trustees plan to increase the numbers they can accommodate in Sittingbourne whilst expanding its operation to other locations across the county.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Xeinadin Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 31 March 2026 and signed on their behalf by:



Bob Law
(Chair of Trustees)

KITE COLLEGE

Statement of Trustees' responsibilities For the Year Ended 31 August 2025

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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 adequate accounting records that are sufficient to show and explain the Charity's transactions and 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. 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.

Approved by order of the members of the board of Trustees on 31 March 2026 and signed on its behalf by:



Bob Law
(Chair of Trustees)

KITE COLLEGE

Independent Auditors' Report to the Members of KITE College

Opinion

We have audited the financial statements of KITE College (the 'charity') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

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Independent Auditors' Report to the Members of KITE College (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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 charity or to cease operations, or have no realistic alternative but to do so.

KITE COLLEGE

Independent Auditors' Report to the Members of KITE College (continued)

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

1. Assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud may occur.
2. Held discussions with the client regarding their policies and procedures on compliance with laws and regulations.
3. Held discussions with the client regarding their policies and procedures on fraud risks, including knowledge of any actual suspected or alleged fraud.

We consider the entity's controls effective in identifying fraud. We do not consider there to be significant difficulty in detecting irregularities.

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

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 Auditors' Report.

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Independent Auditors' Report to the Members of KITE College (continued)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Xeinadin Audit Limited

Chartered Accountants

Statutory Auditor

12 Conqueror Court

Sittingbourne

Kent

ME10 5BH

9 April 2026

Xeinadin Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

KITE COLLEGE

Statement of financial activities For the Year Ended 31 August 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	3	199	78,826	79,025	2,401
Charitable activities	4	2,427,067	-	2,427,067	1,688,337
Investments		7,000	-	7,000	6,000
Other income	5	12,648	-	12,648	4,101
Total income		2,446,914	78,826	2,525,740	1,700,839
Expenditure on:					
Charitable activities	6	2,152,697	7,210	2,159,907	1,695,253
Total expenditure		2,152,697	7,210	2,159,907	1,695,253
Net income		294,217	71,616	365,833	5,586
Transfers between funds	15	71,616	(71,616)	-	-
Net movement in funds before other recognised gains/(losses)		365,833	-	365,833	5,586
Other recognised gains/(losses):					
Actuarial gains on defined benefit pension schemes	22	317,000	-	317,000	23,000
Pension surplus not recognised	22	(389,000)	-	(389,000)	(81,000)
Net movement in funds		293,833	-	293,833	(52,414)
Reconciliation of funds:					
Total funds brought forward		478,804	-	478,804	531,218
Net movement in funds		293,833	-	293,833	(52,414)
Total funds carried forward		772,637	-	772,637	478,804

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 35 form part of these financial statements.

KITE COLLEGE

Balance Sheet As at 31 August 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	11	166,893	154,550
Current assets			
Debtors	12	194,711	17,420
Cash at bank and in hand		617,435	513,436
		<u>812,146</u>	<u>530,856</u>
Current liabilities			
Creditors: amounts falling due within one year	13	(206,402)	(206,602)
Net current assets		<u>605,744</u>	<u>324,254</u>
Total net assets		<u><u>772,637</u></u>	<u><u>478,804</u></u>
Charity funds			
Restricted funds	15	-	-
Unrestricted funds	15	772,637	478,804
Total funds		<u><u>772,637</u></u>	<u><u>478,804</u></u>

The financial statements were approved and authorised for issue by the Trustees on 31 March 2026 and signed on their behalf by:



Bob Law
(Chair of Trustees)

The notes on pages 17 to 35 form part of these financial statements.

KITE COLLEGE

Statement of Cash Flows For the Year Ended 31 August 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	106,928	56,512
Cash flows from investing activities		
Purchase of tangible fixed assets	(74,545)	(88,055)
Capital grants from DfE	71,616	-
Net cash used in investing activities	(2,929)	(88,055)
Change in cash and cash equivalents in the year	103,999	(31,543)
Cash and cash equivalents at the beginning of the year	513,436	544,979
Cash and cash equivalents at the end of the year	617,435	513,436

The notes on pages 17 to 35 form part of these financial statements

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

1. General information

KITE College is a Charitable Incorporated Organisation, registered in England and Wales. The registered office is KITE College, Unit 1 Bonham Drive, Eurolink Business Park, Sittingbourne, Kent, ME10 3RY.

The principal activity of the Charity is to provide independent specialist education and training to young people.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

KITE College meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions which may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

2. Accounting policies (continued)

2.4 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. 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. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities upon the completion of the relevant performance-related conditions. Other grants that are not subject to performance-related conditions are credited to the Statement of Financial Activities as the grant proceeds are received. Grants received prior to the revenue recognition criteria being satisfied are recognised as a liability.

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Improvements to leasehold property	- straight line over 10 years
Workshop equipment	- straight line over 2 years
Fixtures, Fittings and Equipment	- straight line over 4 years

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

2. Accounting policies (continued)

2.8 Debtors

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

2.9 Cash at bank and in hand

Cash at bank and 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.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.11 Financial instruments

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

2.12 Redundancy and Termination Payments

Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the College is demonstrably committed to either: terminate the employment of an employee or group of employees before normal retirement date; or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. The College is considered to be demonstrably committed only when it has a detailed formal plan for the termination and is without realistic possibility of withdrawal from the plan.

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

2. Accounting policies (continued)

2.13 Pensions

The Charity operates a defined benefit pension scheme by the Local Government Pension Scheme ("LGPS").

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Charity in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and current to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current services costs and the costs of scheme introductions, benefit changes, settlements and curtailments, they are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

2.14 Agency arrangements

The college acts as an agent in distributing 16-19 bursary funds from DfE. Payments received from DfE and subsequent disbursements to students are excluded from the statement of financial activities as the college does not have control over the charitable application of the funds. The college can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. the funds received and paid, and any balances held are disclosed in note 25.

2.15 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

3. Income from donations and capital grants

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Capital Grants	-	71,616	71,616	-
Other Grants	199	7,210	7,409	2,401
	<u>199</u>	<u>78,826</u>	<u>79,025</u>	<u>2,401</u>
<i>Total 2024</i>	<u>-</u>	<u>2,401</u>	<u>2,401</u>	

4. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Educational Operations	2,427,067	2,427,067	1,688,337
	<u>2,427,067</u>	<u>2,427,067</u>	<u>1,688,337</u>
<i>Total 2024</i>	<u>1,688,337</u>	<u>1,688,337</u>	

5. Other incoming resources

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Other incoming resources	12,648	12,648	4,101
	<u>12,648</u>	<u>12,648</u>	<u>4,101</u>
<i>Total 2024</i>	<u>4,101</u>	<u>4,101</u>	

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Educational Operations	2,152,697	7,210	2,159,907	1,695,253
<i>Total 2024</i>	1,692,852	2,401	1,695,253	

7. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Educational Operations	1,574,491	585,416	2,159,907	1,695,253
<i>Total 2024</i>	1,244,819	450,434	1,695,253	

Analysis of direct costs

	Educational Operations 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	1,350,020	1,350,020	1,108,568
Curriculum resources	50,331	50,331	28,539
Learner registration and exam fees	27,534	27,534	10,214
Brought in professional services	99,642	99,642	67,605
Agency Costs	46,964	46,964	29,893
	1,574,491	1,574,491	1,244,819
<i>Total 2024</i>	1,244,819	1,244,819	

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational Operations 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Staff costs	215,364	215,364	165,480
Depreciation	48,702	48,702	35,800
Staff development and training	21,668	21,668	30,577
ICT resources	73,168	73,168	43,312
Admin supplies	7,840	7,840	8,060
Building maintenance and repairs	42,413	42,413	46,136
Cleaning	22,484	22,484	13,288
Water and sewerage	1,681	1,681	1,578
Energy	26,375	26,375	38,261
Insurances	14,753	14,753	1,953
Catering supplies	13,273	13,273	13,188
Equipment leasing	18,341	18,341	4,473
Telephone and fax	290	290	-
Agency costs	12,971	12,971	4,725
Gain/loss on disposal of fixed assets	13,500	13,500	-
Other	33,868	33,868	18,823
Governance costs	18,725	18,725	24,780
	585,416	585,416	450,434
<i>Total 2024</i>	450,434	450,434	

8. Auditors' remuneration

	2025 £	<i>2024 £</i>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	15,975	21,600
Fees payable to the Charity's auditors associates in respect of: All non-audit services not included above	2,750	3,180

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

9. Staff costs

	2025 £	2024 £
Wages and salaries	1,213,992	999,855
Social security costs	126,586	92,579
Contribution to defined contribution pension schemes	9,806	1,614
Operating costs of defined benefit pension schemes	215,000	180,000
	<u>1,565,384</u>	<u>1,274,048</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2024 - £12,720).

The average number of persons employed by the Charity during the year was as follows:

	2025 No.	2024 No.
Teaching Staff	18	14
Leadership and Finance	5	5
Support	13	12
	<u>36</u>	<u>31</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-

The key management personnel of the entity comprise the trustees and the senior management team as listed on page 1. Total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by the key management personnel for their services to the charity was £388,947 (2024 - £205,732).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 August 2025, expenses totalling £461 were reimbursed or paid directly to 3 Trustees (2024 - £1,419 to 4 Trustees). These expenses were incurred in the course of carrying out their duties as trustees and relate to travel, accommodation, and other related costs.

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

11. Tangible fixed assets

	Long-term leasehold property Imp'ments £	Garage Equipment £	Fixtures, Fittings and Equipment £	Total £
Cost or valuation				
At 1 September 2024	148,135	23,755	73,670	245,560
Additions	4,547	-	69,998	74,545
Disposals	(17,866)	(5,139)	(2,786)	(25,791)
At 31 August 2025	<u>134,816</u>	<u>18,616</u>	<u>140,882</u>	<u>294,314</u>
Depreciation				
At 1 September 2024	33,373	23,755	33,882	91,010
Charge for the year	13,481	-	35,221	48,702
On disposals	(5,360)	(5,139)	(1,792)	(12,291)
At 31 August 2025	<u>41,494</u>	<u>18,616</u>	<u>67,311</u>	<u>127,421</u>
Net book value				
At 31 August 2025	<u>93,322</u>	<u>-</u>	<u>73,571</u>	<u>166,893</u>
At 31 August 2024	<u>114,762</u>	<u>-</u>	<u>39,788</u>	<u>154,550</u>

12. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	2,466	4
Prepayments and accrued income	192,245	17,416
	<u>194,711</u>	<u>17,420</u>

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

13. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	47,575	45,498
Other taxation and social security	108,784	22,650
Other creditors	19,998	9,546
Accruals and deferred income	30,045	128,908
	<u>206,402</u>	<u>206,602</u>
	2025 £	2024 £
Deferred income at 1 September 2024	89,832	67,074
Resources deferred during the year	-	89,832
Amounts released from previous periods	(89,832)	(67,074)
Deferred income at 31 August 2025	<u>-</u>	<u>89,832</u>

Deferred income in the year ended 31 August 2024 represented DfE funding received in advance for the year ended 31 August 2025.

14. Financial instruments

	2025 £	2024 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>617,435</u>	<u>513,436</u>

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

15. Statement of funds

Statement of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
Unrestricted funds						
Designated funds						
Designated funds	102,083	-	-	37,917	-	140,000
General funds						
Unrestricted funds	376,721	2,446,914	(2,152,697)	33,699	(72,000)	632,637
Total Unrestricted funds	478,804	2,446,914	(2,152,697)	71,616	(72,000)	772,637
Restricted funds						
Restricted Funds	-	78,826	(7,210)	(71,616)	-	-
Total of funds	478,804	2,525,740	(2,159,907)	-	(72,000)	772,637

Restricted funds totalling £71,616 were received for the purchase of fixed assets. These funds were fully spent on capital expenditure during the year, resulting in the release of the restriction. The charity is free to use the fixed assets in line with its charitable objectives; accordingly, the assets are recognised within unrestricted funds through a transfer between funds.

The specific purposes for which the funds are to be applied are as follows:

The designated fund represents amounts set aside in relation to potential unpaid rental fees with Kent County Council following ongoing negotiations regarding the property in use.

Unrestricted funds are applied to the general work of the Charity to support all charitable objectives.

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2024 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2024 £</i>
Unrestricted funds						
Designated funds						
Designated funds	-	-	-	102,083	-	102,083
General funds						
Unrestricted funds	531,218	1,698,438	(1,692,852)	(102,083)	(58,000)	376,721
Total Unrestricted funds	531,218	1,698,438	(1,692,852)	-	(58,000)	478,804
Restricted funds						
Restricted Funds	-	2,401	(2,401)	-	-	-
Total of funds	531,218	1,700,839	(1,695,253)	-	(58,000)	478,804

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

16. Summary of funds

Summary of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
Designated funds	102,083	-	-	37,917	-	140,000
General funds	376,721	2,446,914	(2,152,697)	33,699	(72,000)	632,637
Restricted funds	-	78,826	(7,210)	(71,616)	-	-
	<u>478,804</u>	<u>2,525,740</u>	<u>(2,159,907)</u>	<u>-</u>	<u>(72,000)</u>	<u>772,637</u>

Summary of funds - prior year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Designated funds	-	-	-	102,083	-	102,083
General funds	531,218	1,698,438	(1,692,852)	(102,083)	(58,000)	376,721
Restricted funds	-	2,401	(2,401)	-	-	-
	<u>531,218</u>	<u>1,700,839</u>	<u>(1,695,253)</u>	<u>-</u>	<u>(58,000)</u>	<u>478,804</u>

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	166,893	166,893
Current assets	812,146	812,146
Creditors due within one year	(206,402)	(206,402)
Total	772,637	772,637

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	154,550	154,550
Current assets	530,856	530,856
Creditors due within one year	(206,602)	(206,602)
Total	478,804	478,804

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	365,833	5,586
Adjustments for:		
Depreciation charges	48,702	35,800
Capital grants from DfE	(71,616)	-
Loss on the sale of fixed assets	13,500	-
Increase in debtors	(177,291)	(5,395)
Increase/(decrease) in creditors	(200)	78,521
Pension LGPS	(72,000)	(58,000)
Net cash provided by operating activities	106,928	56,512

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

19. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	617,435	513,436
Total cash and cash equivalents	617,435	513,436

20. Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash at bank and in hand	513,436	103,999	617,435
	513,436	103,999	617,435

21. Contingent liabilities

Kite College has entered into a lease agreement with Kent County Council, under which rental payments are due. The college is currently in dispute with Kent County Council over remedial works which were due to take place prior to occupation but are still outstanding. It is the belief of the Trustees that no rental amounts will be due until after the remedial works have taken place. If in the rare circumstance that KCC charge backdated rent at this point, the potential liability to the college up to 31 March 2025 will be £140,000. At the date of signing, the amount of any additional rent from April 2025 to August 2025 cannot be reliably estimated.

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

22. Pension commitments

The Charity operates a defined benefit pension scheme.

The Charity's employees belong to Local Government Pension Scheme (LGPS), which is managed by Kent County Council.

The latest actuarial valuation of the LGPS related to the period ended 31 March 2022.

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2025 was £348,000 (2024 - £289,000), of which employer's contributions totalled £281,000 (2024 - £233,000) and employee's contributions totalled £67,000 (2024 - £56,000). The agreed contribution rates for future years are 26.8 per cent for employers and variable per cent for employees.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 August 2025	<i>At 31 August 2024</i>
	%	<i>%</i>
Discount rate	6.20	<i>5.15</i>
Future salary increases	3.60	<i>3.80</i>
Future pension increases	2.60	<i>2.80</i>

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 August 2025 Years	<i>At 31 August 2024 Years</i>
Mortality rates (in years)		
- for a male aged 65 now	21.4	<i>20.7</i>
- at 65 for a male aged 45 now	23.0	<i>22.0</i>
- for a female aged 65 now	23.7	<i>23.3</i>
- at 65 for a female aged 45 now	25.4	<i>24.7</i>

The Charity's share of the assets in the scheme was:

	At 31 August 2025 £	<i>At 31 August 2024 £</i>
Equities	840,000	<i>564,000</i>
Gilts	74,000	<i>69,000</i>
Other bonds	203,000	<i>143,000</i>
Property	111,000	<i>91,000</i>
Cash and other liquid assets	40,000	<i>24,000</i>
Absolute return	70,000	<i>50,000</i>
Infrastructure	65,000	<i>46,000</i>
Total fair value of assets	1,403,000	<i>987,000</i>

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

22. Pension commitments (continued)

The actual return on scheme assets was £81,000 (2024 - £60,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2025 £	2024 £
Current service cost	215,000	180,000
Interest income	(59,000)	(41,000)
Interest cost	52,000	35,000
Total amount recognised in the Statement of Financial Activities	208,000	174,000

Movements in the present value of the defined benefit obligation were as follows:

	2025 £	2024 £
Opening defined benefit obligation	798,000	536,000
Current service cost	215,000	180,000
Interest cost	42,000	30,000
Contributions by scheme participants	67,000	56,000
Actuarial gains	(295,000)	(4,000)
Benefits paid	(12,000)	-
Closing defined benefit obligation	815,000	798,000

Movements in the fair value of the Charity's share of scheme assets were as follows:

	2025 £	2024 £
Opening fair value of scheme assets	987,000	639,000
Expected return on assets	59,000	41,000
Actuarial gains	22,000	19,000
Contributions by employer	280,000	232,000
Contributions by scheme participants	67,000	56,000
Benefits paid	(12,000)	-
Closing fair value of scheme assets	1,403,000	987,000

The Charity has an unrecognised surplus of £588,000 (2024 - £189,000) in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

KITE COLLEGE

Notes to the Financial Statements For the Year Ended 31 August 2025

23. Operating lease commitments

At 31 August 2025 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Not later than 1 year	11,129	12,817
Later than 1 year and not later than 5 years	25,167	11,211
	36,296	24,028

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2025 £	2024 £
Operating lease rentals	19,249	2,230
	19,249	2,230

24. Related party transactions

During the year, the college received a grant totalling £Nil (2024: £2,400) from Red Hill Trust, a charity which Bob Law, the Chair of the College, is also a Trustee. Payments were made to The Social, Emotional and Behavioural Difficulties Association (SEBDA), a charity which Bob Law is a Trustee of, totalling £394 (2024: £1,374). Payments were also made to Challenger Troop CIC, an entity in which Bob Law is a non-executive director, totalling £900 (2024: £3,600). At the Balance Sheet date, no amounts were owed or owing in relation to these transactions.

During the year, the college received income totalling £560 (2024: £Nil) from Canterbury Christchurch University, a university which Pam Jones, a trustee of the College, is a Governor. At the Balance Sheet date £Nil (2024: £Nil) was outstanding.

During the year, the college purchased a second hand car from a close family member of Stuart Cumming, a member of the senior leadership team. The payment totalled £450 (2024: £Nil) and was fully paid by the year end (2024: £Nil).

25. Agency Arrangement

The college distributes 16-19 bursary funds to students as an agent for DfE. In the accounting period ending 31 August 2025 the college received £23,216 and disbursed £16,266 from the fund, including £Nil for administration of the fund. An amount of £16,371 is included in other creditors relating to undistributed funds that is repayable to DfE. Comparative for the accounting period ending 31 August 2024 are £4,340 received, £1,480 disbursed and £9,421 included in other creditors.