

KNOWLE HILL SCHOOL FUND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 8 AUGUST 2021

KNOWLE HILL SCHOOL FUND

CHARITY INFORMATION FOR THE YEAR ENDED 8 AUGUST 2021

Reference and administrative information:

Trustees:	Mr. J.A. Cooke (Chairman) Dr. G. Raper Mr. P. Murphy Mr. R. Sweeney Mrs. J. Richmond Mr. R. Smith Mr. M. Coker	Nominative trustee Co-optative trustee Co-optative trustee Nominative trustee Co-optative trustee Co-optative trustee Co-optative trustee
Clerk:	Nicholas R. Wilson, Solicitor	
Principal office:	13 Windy Arbour Kenilworth CV8 2AT	
Charity No:	231807	
Independent Examiner:	Richard Miller FCA, MA (Oxon) Dafferns LLP Chartered Accountants One Eastwood Harry Weston Road Binley Business Park Coventry CV3 2UB	
Bankers:	Coventry Building Society Economic House P O Box 9 High Street Coventry CV1 5QN Nationwide Building Society 37 Warwick Road Kenilworth CV8 1HN	
Investment advisers:	CCLA Investment Management Limited Senator House 85 Queen Victoria Street London EC4V 4ET	

KNOWLE HILL SCHOOL FUND

TRUSTEES REPORT FOR THE YEAR ENDED 8 AUGUST 2021

The trustees present their report and financial statements for the year ended 8 August 2021. The trustees have adopted the provisions of Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The unincorporated charity was established by a Scheme dated 8 August 1985 and is registered with the Charity Commission, No. 231807.

Recruitment, appointment, induction and training of Trustees

An amendment to the Charity Scheme was made on 16 January 2003 to alter the number of Trustees to not less than six and not more than nine, being two nominative Trustees and not less than four, nor more than seven co-optative Trustees.

The nominative Trustees are appointed by Warwickshire County Council as local education authority and the co-optative Trustees are persons who through residence, occupation or employment, or otherwise have special knowledge of the County of Warwickshire.

Co-optative Trustees serve for a term of five years from date of appointment.

The Trustees met on four occasions to consider applications and award grants.

All Trustees give of their time freely and no trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 2 to the accounts.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to these.

The Trustees consider variability of investment returns on the endowment to constitute the charity's major financial risk. The trustees have invested the endowed funds in "Charities official investment fund" to mitigate this risk.

Key management personnel remuneration

The charity retains the services of the clerk, Mr N R Wilson, and review his remuneration annually and any changes are minuted.

OBJECTIVES AND ACTIVITIES

The charity is established to assist with and promote the education of young people under the age of 25 years, who are, or who have a parent resident in the old County of Warwick, as constituted in 1905. This included Solihull and part of the eastern side of Birmingham as well as the whole of Coventry.

In particular the charity may apply its income:-

- (a) In providing for any county or voluntary school in the area of the County of Warwick as constituted on the 14 April 1905 (hereinafter called the area of benefit) such special benefits of any kind not normally provided by the local education authority as may from time to time be agreed between the School Governors and the Trustees after consultation with the local education authority.

KNOWLE HILL SCHOOL FUND

TRUSTEES REPORT FOR THE YEAR ENDED 8 AUGUST 2021

OBJECTIVES AND ACTIVITIES CONT'D

- (b) In making grants to or providing special benefits for any charitable independent school in the area of benefit.
- (c) In advancing the education, including social and physical training, of persons under the age of 25 years who are or who have a parent or parents resident in the area of benefit and who are in need of financial assistance in one or more of the following ways:
 - (i) In awarding to such persons exhibitions tenable at any secondary school, college of education, university, or other institution of further (including professional and technical) education approved by the Trustees;
 - (ii) In providing financial assistance, outfits, clothing, tools, instruments or books to enable such persons on leaving school, university or any other educational establishment, to prepare for, or to enter a profession, trade or calling;
 - (iii) In awarding bursaries or maintenance allowances to enable such persons to travel, whether in this country or abroad, to pursue their education;
 - (iv) In providing financial assistance to enable such persons to study music or other arts;
 - (v) In otherwise promoting the education of such persons.

The Trustees have full power to make rules for the award of exhibitions, bursaries or maintenance allowances or other benefits, including rules as to the value and period of tenure of the awards, and the qualifications and method of ascertainment and selection of persons to benefit.

The Trustees, where appropriate, consult the local education authority as to their general action under this clause and as to the educational qualifications of candidates for benefit.

Applications for grants are elicited by formal means, including limited targeted advertising in the local press and registration with appropriate grant search organisations.

The Trustees confirm that they have referred to the guidance contained in the Charity Commissioner's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

ACHIEVEMENTS AND PERFORMANCE

The Trustees endeavour to keep expenses to a minimum. Total resources expended in the year to 8 August 2021 were £35,222 (2020: £10,440) of which awards and grants amounted to £28,049 (2020: £3,735).

	<u>2021</u>		<u>2020</u>	
	<u>£</u>	<u>No.</u>	<u>£</u>	<u>No.</u>
Grants to individuals	11,040	35	1,360	11
Grants to Schools	0	0	2,375	2
Post Graduate grant	17,009	9	0	0

The large number of small sums which are awarded to individual applicants inevitably creates a high degree of paperwork and administration relative to the amounts, but the Trustees feel very strongly that in this way they are able to give assistance to those in the most need.

The attached financial statements show the current state of the finances which the Trustees consider to be sound.

The charity is reliant on income from its investment. The charity's investment of 54,164.46 income units in the Charities Official Investment Fund is invested to achieve both capital growth and generate income. During the year the investment realised income of £28,361 (2020: £27,803) and achieved capital growth of £142,891 (2020: £23,827).

KNOWLE HILL SCHOOL FUND

TRUSTEES REPORT FOR THE YEAR ENDED 8 AUGUST 2021

FINANCIAL REVIEW

The financial policy is to aim to expend the most part of the annual income from investments, the greater part of which is invested through the Charity Commissioners for capital growth as well as income return.

Reserves policy

It is the policy of the Charity to maintain a minimum reserve of one year's expenditure.

Unrestricted 'free' reserves were £67,248 at the year-end which is sufficient to meet one years expected expenditure.

FUTURE PLANS

The Trustees intend to continue providing grants in a similar way to the recent past.

TRUSTEES RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees Annual 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 and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its position at the end of the year. In preparing financial statements, giving a true and fair view, the trustees should follow best practice and:-

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 its activities.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

INDEPENDENT EXAMINER

The Trustees intend to ask the existing examiner to undertake the independent examination of the Charity in the following year.

Approved by the Trustees on 22 February 2022 and signed on their behalf by:

Mr. J.A. Cooke - Chairman

KNOWLE HILL SCHOOL FUND

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF KNOWLE HILL SCHOOL FUND

I report to the charity trustees on my examination of the accounts of the charity for the year ended 8 August 2021 which are set out on pages 6 to 12.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination 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 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.

Richard Miller FCA, MA (Oxon)
Dafferns LLP
Chartered Accountants
One Eastwood
Harry Weston Road
Binley Business Park
Coventry
CV3 2UB

Dated: 2022

KNOWLE HILL SCHOOL FUND

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 8 August 2021

	Notes	Unrestricted accumulated income £	Endowment funds £	Total 2021 £	Total 2020 £
INCOME AND ENDOWMENTS					
Income and endowments from:					
Investment income		28,361	-	28,361	27,803
Interest receivable		29	-	29	235
Other Income		1,553	-	1,553	-
Total income and endowments		<u>29,943</u>	<u>-</u>	<u>29,943</u>	<u>28,038</u>
Expenditure on:					
Charitable activities					
Awards and grants	4	28,049	-	28,049	3,735
Clerk's fees		4,955	-	4,955	4,886
Support costs:					
Accountancy and independent examination	5	1,156	-	1,156	998
Printing, stationery and advertising		865	-	865	616
Trustees liability insurance		197	-	197	205
Total expenditure		<u>35,222</u>	<u>-</u>	<u>35,222</u>	<u>10,440</u>
Other recognised gains/(losses):					
Net unrealised gain/loss on investments	6	85	142,806	142,891	23,827
Net income/ (expenditure)		<u>(5,279)</u>	<u>-</u>	<u>(5,279)</u>	<u>17,598</u>
Net movement in funds		<u>(5,194)</u>	<u>142,806</u>	<u>137,612</u>	<u>41,425</u>
Reconciliation of funds:					
Fund balances brought forward at 9 August 2020		72,442	920,367	992,809	951,384
Fund balances carried forward at 8 August 2021	9	<u>67,248</u>	<u>1,063,173</u>	<u>1,130,421</u>	<u>992,809</u>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

KNOWLE HILL SCHOOL FUND

BALANCE SHEET

8 August 2021

		<u>2021</u>	<u>2020</u>
	<u>Notes</u>	£	£
FIXED ASSETS			
Investments	6	1,063,806	920,915
CURRENT ASSETS			
Debtors	7	8,711	7,212
Building society deposits		59,435	71,189
		<u>68,146</u>	<u>78,401</u>
CREDITORS:			
Amounts falling due within one year	8	<u>1,531</u>	<u>6,507</u>
NET CURRENT ASSETS		66,615	71,894
NET ASSETS		<u>1,130,421</u>	<u>992,809</u>
FUNDS OF THE CHARITY			
Endowment fund	9	1,063,173	920,367
Unrestricted income fund	9	67,248	72,442
TOTAL FUNDS		<u>1,130,421</u>	<u>992,809</u>

Approved by the Trustees on 22 February 2022 and signed on their behalf by:-

Mr. J.A. Cooke - Trustee

Dr. G. Raper - Trustee

KNOWLE HILL SCHOOL FUND

NOTES TO THE FINANCIAL STATEMENTS for the year ended 8 August 2021

1. ACCOUNTING POLICIES

The following policies have been used consistently in dealing with items which are considered material in relation to the charity's accounts.

(a) **Basis of preparation**

Knowle Hill School fund is an unincorporated charity registered in England and Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity operations and principal activities is to assist with and promote the education of young people under the age of 25 years who are, or who have a parent resident in the old county of Warwick as constituted 1905.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

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 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) issued 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.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) **Capital and income**

Capital and income are separated in accordance with Trust Law.

(c) **Income**

All incoming resources are recognised once the charity has entitlement to the resources, it is probable that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

(d) **Investment income**

Investment income is accounted for in the period in which the charity is entitled to receipt and represents unrestricted income.

(e) **Expenditure and irrecoverable VAT**

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Fund. The grants are accounted for where either the Trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the Fund.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

KNOWLE HILL SCHOOL FUND

NOTES TO THE FINANCIAL STATEMENTS for the year ended 8 August 2021

1. ACCOUNTING POLICIES (CONT'D)

(f) **Fixed asset investments**

Investments are recognised initially at fair value which is normally transaction price excluding transaction costs. Subsequently they are measured at fair value with changes recognised in net gains/(losses) on investments' in the statement of financial activities if the shares are publically traded or their fair value can otherwise be measured reliably.

(g) **Realised gains and losses**

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

(h) **Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are record at transaction price. Any losses arising from impairment are recognised in expenditure.

(i) **Funds**

Endowment funds

This fund consists of the original endowment together with the accumulated gains and losses arising from its investment, and may only be applied in the acquisition of other investments.

Unrestricted funds

This fund consists of accumulated surpluses of income not applied to other purposes, which the Charity may use for purposes designated by its governing Scheme.

(j) **Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements.

2. RELATED PARTY TRANSACTIONS AND TRUSTEES' REMUNERATION

Trustees received no emoluments (2020: £Nil) nor expenses in the year (2020: £Nil).

3. INCOME AND ENDOWMENTS

All income received in the current and preceding year is wholly attributable to the Unrestricted accumulated income fund.

KNOWLE HILL SCHOOL FUND

NOTES TO THE FINANCIAL STATEMENTS for the year ended 8 August 2021

4. AWARDS AND GRANTS	2021	2020
	£	£
Grants to Institutions		
Milverton Primary School	-	600
Dunchurch Boughton Junior School	-	1,775
	<hr/>	<hr/>
	-	2,375
	<hr/>	<hr/>
Post Graduate Award Scheme		
Connie Barns	2,000	-
Emily Osullivan	2,000	-
Helen Logah	2,000	-
Simon Payani	209	-
Megan O'Brien	1,000	-
Charlotte Daintith	3,000	-
Paul-Hendrik Reiman	800	-
Daniel Brennan	3,000	-
Millie Jacoby	3,000	-
	<hr/>	<hr/>
	17,009	-
	<hr/>	<hr/>
Grants to individuals 35 (2020: 11)	11,040	1,360
	<hr/>	<hr/>
Total	28,049	3,735
	<hr/>	<hr/>

All awards and grants are made from the Unrestricted accumulated income fund in the current and preceding year.

In relation to grants to individuals the Trustees require applicants to complete a comprehensive form which sets out, inter alia, the purpose of the application, the means of the applicant and details of the applicant's family including co-habitees and children who may not be subject of the application. In accordance with the charity deed applicants should be in need of financial assistance and fall within three main categories as follows :-

1. Assistance with school uniform and equipment.
2. For attendance upon organised school trips (usually residential for 5 days) where the individual families are unable to meet the cost (normally around £380 per applicant).
3. Where applicants have been referred direct from social workers. The Trustees tend to be more supportive of this category of application.

5. SUPPORT COSTS

All support costs relate to the charity's one charitable activity and are wholly attributable to the Unrestricted accumulated income fund in both the current and preceding year.

KNOWLE HILL SCHOOL FUND

NOTES TO THE FINANCIAL STATEMENTS for the year ended 8 August 2021

6. FIXED ASSET INVESTMENTS

£

54,164.46 Income shares in the Charities Official Investment Fund

Market value at 9 August 2020	920,915
Unrealised gain	142,891

Market value at 8 August 2021	1,063,806
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Historical cost at 8 August 2021	262,350
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7. DEBTORS

<u>2021</u>	<u>2020</u>
£	£

Accrued dividends	7,144	7,144
Accrued interest	14	68
Other debtors	1,553	-

8,711	7,212
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8. CREDITORS: Amounts falling due within one year

Independent Examiners fees	1,051	1,005
Clerk fees	-	4,886
Printing, Stationery & Advertising	480	616

1,531	6,507
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9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>Investments</u>	<u>Cash</u>	<u>Other net current</u>	<u>Total</u>
	£	balances	assets/ (liabilities)	£
		£	£	
Endowment fund	1,063,173	-	-	1,063,173
Unrestricted accumulated income fund	633	59,435	7,180	67,248
	<u>1,063,806</u>	<u>59,435</u>	<u>7,180</u>	<u>1,130,421</u>

The Unrestricted Accumulated Income Fund represents the unrestricted funds which are free to use in accordance with the charitable objects.

The Endowment fund represents those assets which must be held permanently by the charity, principally its investment in the Charities Official Investment Fund.

10. CONTROLLING PARTY

The Charity was under the control of its Board of Trustees throughout the current and preceding year.

KNOWLE HILL SCHOOL FUND

NOTES TO THE FINANCIAL STATEMENTS for the year ended 8 August 2021

11. FINANCIAL INSTRUMENTS

The carrying amount of the charity's financial instruments are as follows:

	<u>2021</u>	<u>2020</u>
	£	£
Financial assets		
Measured fair value through net income/expenditure:		
Fixed assets listed investments (note 6)	1,063,806	920,915

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

	<u>2021</u>	<u>2020</u>
	£	£
Income and expense		
Financial assets measured at fair value through net income / expenditure	28,361	27,803
Net gains and losses (including changes in fair value)		
Financial assets measured at fair value through net income / expenditure	142,891	23,827