

KINGSHOTT SCHOOL TRUST LIMITED

England & Wales · Charity number 280626

Details

Other names	KINGSHOTT SCHOOL
Status	Registered
Legal form	Charitable company
Company number	01507581
Registered	1980-08-07
Register	View on the Charity Commission register

Contact

Address	Certus Ip Solutions Limited Room5 88a High Street 84a High Street Billericay CM12 9BT
Phone	02031431332
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Activities

Objects: To promote and provide for the advancement of education of children in the United Kingdom and elsewhere by, but not limited to, the provision and conduct of the school known as Kingshott School, St.Ippolyts, Hitchin, Hertfordshire.

Activities: The school is an educational charity for children, which benefits the public by providing a first class education, independent of the state system. Social skills feature strongly in the school's culture. We offer an environment where each pupil can develop and fulfill his or her potential, in order to help build self confidence and a desire to contribute to the wider community.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** UNITED KINGDON AND ELSEWHERE
- Hertfordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£4,902,034	£4,625,736	£0	53
2023-08-31	£5,666,933	£5,665,142	£10,225,870	72
2022-08-31	£13,464	£5,439,705	£10,224,078	75
2021-08-31	£4,897,559	£4,634,013	£10,271,388	73
2020-08-31	£5,119,128	£4,955,913	£10,007,842	82

Trustees

Name	Role	Appointed
Clare Waller		2019-05-10
Harriet Marsh		2018-11-28
IAN CHAMBERS		2021-11-17
James Bentall		2017-01-01
Lara Pechard		2017-11-01
Richard Midgley		2014-06-12
Samantha Selkirk		2017-11-01
Simon Nathan		2023-01-11

KINGSHOTT SCHOOL TRUST LIMITED

England & Wales - Charity number 280626

Accounts

COMPANY NUMBER 1507581

CHARITY REGISTRATION NUMBER 280626

KINGSHOTT SCHOOL TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 AUGUST 2024

Kingshott

Kingshott School Trust Limited
Year ended 31 August 2024

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Kingshott School Trust Limited

Year ended 31 August 2024

GOVERNORS' ANNUAL REPORT

The Governors are pleased to present their annual report together with the financial statements of the charity for the year ending 31 August 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, Companies Act 2006, the Memorandum and Articles of Association, and 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) - Second Edition.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name:	Kingshott School Trust Limited
Charity number:	280626
Company registration number:	1507581
Website:	www.kingshottschool.com
Registered office:	Kingshott School, St Ippolyts, Hitchin, Herts, SG4 7JX

Our professional advisors		
Auditor	HaysMac LLP	10 Queen Street Place, London, EC4R 1AG
Bankers	Barclays Bank Plc	PO Box No. 1, 5/6 High Street, Hitchin, Herts, SG5 1BJ
Solicitors	Foreman Laws	25 Bancroft, Hitchin, Herts, SG5 1JW

The Governors

The Governors of the charitable company (the charity) are its trustees for the purpose of charity law and directors for the purposes of company law. The Governors serving during the year and since the year end were as follows:

Dr J Bentall (Chair)
Mr Ian Chambers (Treasurer) (resigned 17 May 2024)
Mr R Midgley (resigned 17 May 2024)
Mrs S Selkirk (resigned 17 May 2024)
Ms L Pechard
Ms C Waller (resigned 17 May 2024)
Mr S Nathan (resigned 17 May 2024)
Ms H Marsh (resigned 17 May 2024)

Key Executives

Head	Mr D Weston
Deputy Head	Mrs Clare Garofalo
Bursar	Mrs J Ilott

Kingshott School Trust Limited

Year ended 31 August 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by its Memorandum and Articles of Association dating from 14th July 1980, as amended in October 2016 and November 2023.

Recruitment and Training of Governors

The Charity's elected Governors are appointed at a meeting of the existing Governors on the basis of nominations received. A Nominations Committee (The Governance Committee) considers applicants to identify and recruit suitable individuals to provide strength and balance to the Board. Areas of expertise considered include education, finance, child welfare, legal, marketing, property development and human resources. Consideration is given to the eligibility, personal competence, specialist skills and local availability of any nominee. As part of succession planning, the committee is charged with taking soundings and making recommendations for the future Chairmanship of the Board.

On appointment, new Governors are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Board Structure, committees and decision-making processes, the business plan, key policies and recent financial and academic performance of the School. They also visit the School for more detail orientation and to meet key employees. Governors are encouraged to attend appropriate training opportunities such as events run by the AGBIS (Association of Governing Bodies of Independent Schools) and to attend School functions and sports events.

Organisational Management

The Governors, as the trustees of the Charity, are legally responsible for the oversight of the management and control of the School. All of the Governors meet as a Board at least three times a year. The Head and Bursar attend all Governors meetings. The Bursar is responsible for coordinating the meetings, preparation of papers and the management accounts.

There are several sub-committees: Education, Finance and General Purposes, Marketing, Governance, and Compliance including Safeguarding and Health and Safety. The Chair of each committee reports to the Board of Governors. The Finance and General Purposes Committee oversees the School's financial strategy, which is implemented by the Bursar, as well as the approval of budgets and forecasts and remuneration recommendations. This Committee meets every term and more often if necessary.

The day to day running of the Charity is delegated to the Head, supported by his Senior Leadership Team together with the Bursar. The Head undertakes the key leadership role, overseeing educational and pastoral functions whilst the Bursar oversees the finance, buildings maintenance, development and administrative functions. The Head has responsibility for the recruitment of educational staff and the Bursar for recruitment of non-teaching staff. The day to day running of the School is undertaken within the policies and procedures approved by the Governors. The day to day responsibility for Safeguarding is assumed by the School's DSP and overseen by the Safeguarding Governor.

Other relationships

The Head is a member of both IAPS and ISa which is an opportunity to share expertise, knowledge and experience across the Independent Schools sector.

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Risk Management

The Governors are responsible for ensuring that the procedure for identifying the risks faced by the School is in place and properly managed. Detailed consideration of risk is delegated to the Senior Leadership Team of the School and the sub-committees. Risks are identified, assessed and controls established throughout the year and during the termly review of risk management processes by Governors.

The Governors have a risk management strategy which comprises:

- a termly review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. The main risks that the Governors have identified are:

- **Reputation.** The School's success is built on its reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, support for both pupils and staff and active identification and resolution of health and safety related issues.
- **Financial.** We are reliant on pupil fees and the ability to pay bills as they fall due. This risk is managed by marketing activity, maintaining competitive fees, having a reputation for academic excellence, budgetary controls, active cash flow management and retaining adequate reserves.
- **Curriculum.** Academic excellence requires the most able teachers with state of the art facilities delivering the curriculum to able students. Careful planning ensures that the needs of all children are met. This is regularly monitored and feedback provided to staff and children.
- **Regulatory.** With an increased regulatory framework, it is important that the school remains compliant at all times. This has become a priority of the school and is embedded in its culture. The creation of a Compliance Committee and appointment of a compliance officer ensures that compliance is maintained in all areas but particularly in regard to safeguarding, GDPR and Health and Safety.
- **Cyber.** A heightened threat exists globally but particularly in our sector. The introduction of two factor authentication, consideration of moving servers into the cloud and any other measures which are seen to be appropriate will be adopted.
- **Political and Economic.** This is the most significant risk facing the sector. High inflation, rising interest rates and costs impact both the school and its parents. The political decisions surrounding VAT on school fees are a heightened risk for the school.

Kingshott School Trust Limited

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Related parties

None of the governors receive remuneration, means tested bursaries or other benefit from their work with the charity. Any contractual relationship must be disclosed and notes of interest are retained in written form. During this financial year there have been no related party transactions between the school and any of the governors.

Pay policy for senior staff

The remuneration of the Head and Bursar is set by the Board after it has received a recommendation from the Finance Committee and is kept under annual review. A number of criteria are used in setting pay that include: appraised performance, the role and responsibilities, competitor salaries, sector average salaries for comparable positions and trends in pay.

The charity operates banded salary ranges for all other staff including senior staff. These bands are competitive with benefits also included. The Governors have given delegated authority to the Head to pay higher salaries for exceptional candidates where this is in the interest of the School. This allows the School to remain an attractive employer in the independent school sector and to ensure appropriate incentives to encourage enhanced performance and rewarding individual contributions to the School's success.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The Charity's Objects as set out in its Memorandum and Articles of Association are to promote and provide for the advancement of education of children in the United Kingdom and elsewhere.

The charity's main aim is to provide a first-class education to boys and girls between three and 13 years of age. In doing so the School aims to provide an intellectual environment, to stimulate curiosity, to promote achievement, to provide opportunities for development and to nurture each individual. We combine tradition and innovation in teaching and learning, enabling pupils to be 'the best they can be' in all aspects of School life. In addition, the charity also has the general aim of contributing to the wider community of Hitchin and surrounding areas by enabling them to participate in a range of sporting, recreational and educational activities.

Our Objectives

The main strategy for meeting the aim is to continue to provide a high-quality education, which will allow pupils the opportunity to attain the highest academic levels, and also to provide pupils with an all-round education benefitting from the School's varied extra-curricular programme.

This is intended to provide an environment where pupils can develop their full potential, thus to help build self-confidence and inculcate a desire to contribute to a wider community.

The School uses academic results to monitor its success and the academic performance of pupils in education entrance examinations to senior Schools has remained a source of considerable satisfaction. In addition to academic success the charity considers other areas such as individual and team sporting achievements and successes in performing arts and music. The charity also monitors success through the extent to which parents are involved in School life, as the Governors see parent involvement as key to the continued success of the School.

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Public benefit

The charity will also continue to foster links with the local community, both by providing educational links with other Schools in the area and also by providing the opportunity for members of the community to access the excellent sporting facilities of the School.

In addition to the main School objective the School has continued to foster relationships with the community. The School makes available its facilities to a number of community groups including Hitchin Symphony Orchestra, local scouting groups, Pregnancy groups, various football and cricket clubs and other sporting and dance groups. The community engagement has increased significantly in recent years with the opening of our sports hall. The School monitors the success of these activities by monitoring the number of community groups who use the School's facilities. The school is an active member of the Hitchin Business Improvement District.

In setting our objectives the Governors have given due consideration to the Charity Commission's general guidance on public benefit.

Access Policy

We welcome pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our School will be able to educate and develop a prospective pupil to the best of their potential and in line with the standards achieved by their peers. Entrance assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race religion or disability does not form part of our assessment process.

The Governors have taken note of the Charity Governor's code issued in 2020 and will continue to evolve these policies.

Kingshott School Trust Limited is a fee charging School. We recognise however that it is important to make education available to all and as such provide facilitated access to the School. The Board of Governors provides financial support to pupils through a means-tested bursary scheme and a number of hardship bursaries when required. The availability of financial support is publicised by way of the charity's website and in our application packs for entry to the School.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

Bursaries

Assisted places in the form of bursaries are available for those wishing to attend the School in years 7 and 8 but who would otherwise be unable to pay the fees, or Emergency Bursaries for those current pupils where a change in family circumstances would compromise their ability to remain at the School. This is particularly relevant in the current climate and we are pleased to have been able to assist a number of families this year. We also assist with temporary payment arrangements.

Those wishing to be considered for bursary support are required to complete a Bursary Application giving full details of their financial situation, supported by original documents. Bursary remission on fees is assessed according to the guardians' ability to pay full fees and the availability of bursary funds to the School. Bursary awards are subject to the annual testing of the guardians' means and range from 10% to 100%.

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The value of means-tested bursaries awarded in the academic year 2023-24 amounted to £37,007 (22- 23 £37,619) which is 1% of the School's gross income (less any restricted funds which were not available for bursary provision). In total, there were 7 (7 22-23) pupils in receipt of means tested bursary provision, representing 1.7% of the School roll.

Non means-tested fee remissions

Other forms of non means-tested assistance were also awarded during the academic year, including staff and sibling discounts. In total these awards were made to 145 pupils (120 22-23) and amounted to £116,129 (£127,003 - 22-23). Other assistance was given by the 'pay fees monthly' scheme and by our acceptance of childcare vouchers.

Our School does not have an endowment and in funding our awards we have to be mindful that we must ensure a balance between fee-paying parents, many of whom are making considerable personal sacrifice to fund their children's education, and those benefitting from the awards.

STRATEGIC REPORT

Achievements and performance

Kingshott School provided education for an average of 401 (385 - 2023) pupils over the three terms of the academic session 2023-24.

Although economic conditions remain uncertain the School has continued to maintain a very healthy pupil roll. The success of our online learning provision contributed to a considerable admissions interest to Kingshott. This will have a very positive impact on the school finances for the future.

The focus of the School remains the all-round education and development of the whole child. Entry to the School is by way of assessment. We reopened the pool this year with a brand new cover and year round air and water heating. We are delighted to be able to accommodate year round timetabled swimming lessons to all children in the school.

The academic curriculum remains a priority and 2023/24 was another year of excellent results and academic progress across the school. All pupils obtained their first choice of senior School.

The pupils wellbeing continues to have a high priority in the school with a dedicated team of staff. Training continues amongst all staff to ensure that concerns are identified at the earliest opportunity.

On 17 May 2024, the activities, assets and liabilities of the school transferred to Mill Hill School Foundation Limited and the School became dormant.

Extracurricular Activities

The School runs a significant number of major trips, extracurricular activities and outings which were greatly enjoyed by the children. These include numerous theatre, museum and activity centre outings across the School, an outward bound to the Peak District and Cornwall and a cultural trip to Seville. Improvement of our clubs continues as we strive to offer a broad range of options. The school production of a Midsummers Night's Dream during the year was exceptionally well received by the children, parents and staff.

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Other Charitable Activities

The School has completed a series of charitable activities during the year. A number of school run initiatives including Harvest Festival collection, Poppy Appeal, Staff Pantomime, own clothes day resulted in supporting local charities including Letchworth Food Bank, St Marys Church, Lister Hospital Bluebell Ward and Feed Up Warm Up. Our Year 8 children as part of their community responsibilities ran a series of charity fund raisers donating to Isabel Hospice, BHF, WWF, RNIB, Scope, Gosh and Young Minds.

Financial review

The main source of income for the charity is through the fee income charged for the provision of education. Income for the year was ahead of expectations.

Kingshott School recorded a surplus for the financial year of £276,298 (surplus £1,791 - 22-23).

The main expenditure of the School is that of staff salaries. Our staff are key to the ongoing success of the School and therefore we continue to invest in the highest standard of teaching staff and are also committed to ensuring their continued professional development. We also pay close attention to other costs in the School, in particular: catering, site (including utilities which was unusually high this year) and administration costs. Cash flow remains strong with an increase of cash and cash equivalents of £1,427,693 (£437,877- 2023). £1,895,552 of debt was repaid during the year. A healthy cash fund remains of £2,084,616 (£656,922 - 2023). An amount of £2,084,616 is due to Mill Hill School Foundation Limited at the year end.

Reserves

The reserves policy reflects the following considerations: the objectives of the School, an annual assessment of risk, the level of current income and expenditure and the need to maintain capital expenditure at an appropriate level. The policy is to maintain working capital at a level that adequately supports forecast operational expenditure. Free reserves are those unrestricted funds that have not been reinvested, together with bank borrowings, in the School's fixed assets, as represented by their balance sheet value, nor any earmarked for future capital projects. Following the transfer of activities, assets and liabilities to Mill Hill School Foundation Limited there were no reserves at the year end.

Investment Powers, Policy and Performance

With advice from an investment manager, the Charity's investment powers are governed by its Memorandum and Articles of Association, which give Governors the power to invest monies, not immediately required for the Charity's purposes, in or upon such investments, securities or property as may be thought fit.

The Governors' policy is to maximise income on all invested funds whilst preserving their capital value and having appropriate access to those funds when required.

Volunteers

The Parents Association continued to be busy and tremendously useful to the School Community. We have enjoyed returning to a full and active program of events now restrictions around the pandemic have been lifted.

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PLANS FOR FUTURE

On 17 May 2024, the activities, assets and liabilities of the school transferred to Mill Hill School Foundation and the School became dormant. The School's financial statements are therefore prepared on a basis other than the going concern basis. There have been no adjustments to the carrying value of assets or liabilities as a result of this.

GOVERNORS' RESPONSIBILITIES STATEMENT

The Governors are responsible for preparing the Governors' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity Governors to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the report and financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

In so far as the Governors are aware at the time of approving our Governors' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- the Governors have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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The Governors' Report which includes the strategic report was approved by the Governors on [27 June 2025] and signed on their behalf by:

James Bentall

Mr J Bentall
Chair of Governors

Kingshott School Trust Limited

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KINGSHOTT SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Kingshott School Trust Limited for the year ended 31 August 2024 which comprise of the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at ended 31 August 2024 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – non-going concern basis of accounting

We draw attention to accounting policy 3.4 on page 16 of the financial statements which states that the financial statements have not been prepared on the going concern basis. Our opinion is not modified in this regard.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Governors' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Annual Report (which includes the strategic report and the

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directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report included within the Governors' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report of the Governors (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the group and parent charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 8 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

Based on our understanding of the group and parent charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Education (Independent School Standards) Regulations 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and Charity Law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as payroll taxes and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to

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posting inappropriate journal entries and management bias in certain accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates and challenge of the underlying assumptions.

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 auditor's report.

Use of our report

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



Tracey Young (Senior Statutory Auditor)

For and on behalf of HaysMac LLP, Statutory Auditors

Date: 30 June 2025

10 Queen Street Place
London
EC4R 1AG

Kingshott School Trust Limited

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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

	Note	2024 Total funds £	2023 Total funds £
Income			
Charitable activities	4	4,823,471	5,520,439
Other trading income	5	63,470	123,789
Donations and legacies (including furlough income)	6	850	12,500
Investment income	7	14,243	10,205
Total income		4,902,034	5,666,933
Expenditure			
Expenditure on charitable activities	8	(4,564,637)	(5,561,787)
Expenditure on raising funds	9	(61,099)	(103,355)
Total expenditure		(4,625,736)	(5,665,142)
Net income before transfers		276,298	1,791
Transfer of assets to Mill Hill School Foundation	20	(10,502,168)	-
Net income and net movement in funds	10	(10,225,870)	1,791
Reconciliation of funds			
Total funds brought forward		10,225,870	10,224,079
Total funds carried forward		-	10,225,870

The notes on pages 16 to 23 form part of these financial statements.

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

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STATEMENT OF FINANCIAL POSITION

	Note	2024 Total funds £	2023 Total funds £
Fixed assets			
Tangible fixed assets	13	-	12,229,543
Current assets			
Debtors	14	-	90,250
Cash at bank and in hand		2,084,616	656,923
		2,084,616	747,173
Creditors: amounts falling due within one year	15	(2,084,616)	(892,671)
Net current assets/(liabilities)		-	(145,497)
Total assets less current liabilities		-	12,084,046
Creditors: amounts falling due after more than one year	16	-	(1,858,176)
Net assets		-	10,225,870
Funds of the charity			
Unrestricted funds		-	10,225,870
Total charity funds		-	10,225,870

The notes on pages 16 to 23 form part of these financial statements.

These financial statements were approved by the Board of Governors on [27 June 2025] and are signed on its behalf by:

James Bentall

Mr J Bentall
Chair of Governors

Company number: 1507581
Charity registration number: 280626

Kingshott School Trust Limited
Year ended 31 August 2024

STATEMENT OF CASH FLOWS

	2024 £	2023 £
Cash flows from operating activities		
Net income for the year	276,298	1,791
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	308,339	426,516
Interest payable	61,099	103,355
<i>Changes in:</i>		
Decrease in debtors	90,250	4,507
Increase/(decrease) in creditors	2,699,598	(117,994)
Cash generated from operations	3,435,584	418,175
Interest received	(14,243)	(10,205)
Net cash from operating activities	3,421,341	407,970
Cash flows from investing activities		
Purchase of property, plant and equipment	(51,240)	(47,425)
Net cash used in investing activities	(51,240)	(47,425)
Cash flows from financing activities		
Loans repaid	(1,895,552)	(705,270)
Interest paid	(61,099)	(103,355)
Interest received	14,243	10,205
Net cash from financing activities	(1,942,408)	(798,420)
Net increase/(decrease) in cash and cash equivalents	1,427,693	(437,876)
Cash and cash equivalents at beginning of year	656,923	1,094,799
Cash and cash equivalents at end of year	2,084,616	656,923

Analysis of changes in net debt

	At start of year £	Cash flows £	At end of year £
Cash	656,923	1,427,693	2,084,616
Bank loan falling due within one year	(176,876)	176,876	-
Bank loan falling due after one year	(1,718,676)	1,718,676	-
	(1,238,629)	3,323,245	2,084,616

The notes on pages 16 to 23 form part of these financial statements.

Kingshott School Trust Limited

Year ended 31 August 2024

NOTES TO THE FINANCIAL STATEMENTS

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Kingshott School, St. Ippolyts, Hitchin, Herts, SG4 7JX. The company is limited by guarantee and with no share capital.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice (second edition - October 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011. The charity is a public benefit entity for the purposes of FRS 102. The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

3. Accounting policies

3.1. Corporation Tax

No provision has been made for corporation tax or deferred tax as the charity is a registered charity and therefore exempt.

3.2. Basis of preparation

The financial statements have been prepared on the historical cost basis.

3.3. VAT

As the charity's activities are classified as exempt activities for the purposes of value added tax, the charity is unable to reclaim the value added tax which it suffers on purchases. Expenditure in these financial statements is therefore shown as inclusive of value added tax.

3.4. Going concern

On 17 May 2024 the operations, assets and liabilities of Kingshott School Trust Limited were transferred to The Mill Hill School Foundation. The charity's financial statements are therefore prepared on a basis other than the going concern basis. There have been no adjustments to the carrying value of assets or liabilities as a result of this.

3.5. Income

All income is included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from educational activities is recognised with the delivery of the service.

Kingshott School Trust Limited

Year ended 31 August 2024

3.6. Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, interest and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities. Termination payments are recognised in the year in which employment ceases irrespective of when such payments are made.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity.

3.7. Tangible assets

All fixed assets are initially recorded at cost. Items costing less than £5,000 are written off as an expense as acquired.

3.8. Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

- | | |
|------------------------------|------------------------|
| • Buildings | 2% - 10% straight line |
| • Computers | 15% straight line |
| • Vehicles, garden equipment | 20% straight line |
| • Swimming Pool | 5% straight line |

3.9. Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

3.10. Debtors

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

3.11. Cash and bank

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.

3.12. Creditors and Provisions

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Kingshott School Trust Limited

Year ended 31 August 2024

3.13. Financial Instruments

The School 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.

3.14. Funds

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Governors in furtherance of the general charitable objectives. Any funds earmarked for a particular purpose are included in designated funds.

3.15. Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. Other than those noted below, the Governors consider there to be no material areas subject to estimation and judgement.

Useful economic lives. The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Recoverable value of debtors. The school makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of the debtors and associated impairment provision.

4. Income from charitable activities

	2024 £	2023 £
School and registration fees	4,624,401	5,226,949
Bursaries and discounts	(153,136)	(163,866)
Other educational income	352,206	457,356
	4,823,471	5,520,439

5. Other trading income

	2024 £	2023 £
Lettings	63,470	123,789

6. Income from donations and legacies

	2024 £	2023 £
Donations receivable	850	12,500

Kingshott School Trust Limited
Year ended 31 August 2024

7. Investment income

	2024	2023
	£	£
Bank interest	14,243	10,205

8. Expenditure on charitable activities

	Staff costs £	Other £	Depreciation £	2024 £	2023 £
Teaching costs	2,417,156	408,887	91,615	2,917,658	3,660,387
Welfare costs	-	221,115	-	221,115	299,904
Premises costs	175,307	403,278	216,724	795,309	948,976
Support costs	241,731	388,824	-	630,555	652,520
	2,834,194	1,422,104	308,339	4,564,637	5,561,787

	Staff costs £	Other £	Depreciation £	2023 £	2022 £
Teaching costs	2,858,593	669,442	132,352	3,660,387	3,628,819
Welfare costs	-	299,904	-	299,904	293,759
Premises costs	215,982	438,830	294,164	948,976	807,425
Support costs	328,884	323,636	-	652,520	620,217
	3,403,459	1,731,812	426,516	5,561,787	5,350,220

Support costs include governance costs of £22,800 (£17,133 – 2023).

9. Expenditure on raising funds

	2024	2023
	£	£
Bank interest payable	61,099	103,355

10. Net income

Net income is stated after charging:

	2024	2023
	£	£
Remuneration to the auditors for audit services	22,800	17,133
Depreciation of tangible fixed assets	308,339	426,516
Operating lease costs	24,442	21,342

Kingshott School Trust Limited

Year ended 31 August 2024

11. Staff costs

The total staff costs and employee benefits for the year are analysed as follows:

	2024 £	2023 £
Wages and salaries	2,192,243	2,681,147
Supply teachers	27,482	25,690
Social security costs	220,888	271,245
Employer contributions to pension plans	393,581	425,377
	2,834,194	3,403,459

During the year no termination payments including notice, were payable. (2023: Nil).

The average head count of employees during the year was 53 (2023: 72)

	2024 No.	2023 No.
Teaching	40	55
Other	13	17
	53	72

The number of employees whose remuneration for the year fell within the following bands, were:

	2024 No.	2023 No.
£60,000 to £69,999	-	1
£70,000 to £79,999	1	-
£80,000 to £89,999	-	1
£90,000 to £99,999	-	-
£100,000 to £110,000	-	1
	1	3

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the school. These were the trustees, Head, Bursar and Deputy Head. The total compensation paid to key management personnel for services provided to the school was £214,536 (2023: £321,205).

12. Trustee remuneration and expenses

The charity paid the cost of courses and travel costs for the Governors totalling nil (2023: Nil). All Governors are covered by the School's public liability insurance which limits their liability as Governors.

Kingshott School Trust Limited
Year ended 31 August 2024

13. Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Swimming pool £	Vehicles £	Total £
Cost					
At 31 August 2023	14,660,768	1,070,916	452,291	55,023	16,238,998
Additions	41,520	-	9,720	-	51,240
Transfer to Mill Hill School Foundation	(14,702,288)	(1,070,916)	(462,011)	(55,023)	(16,290,238)
At 31 August 2024	-	-	-	-	-
Depreciation					
At 31 August 2023	3,098,658	786,387	89,360	35,050	4,009,455
Charge for the year	211,503	77,457	14,158	5,221	308,339
Transfer to Mill Hill School Foundation	(3,310,161)	(863,844)	(103,518)	(40,271)	(4,317,794)
At 31 August 2024	-	-	-	-	-
Carrying amount					
At 31 August 2024	-	-	-	-	-
At 31 August 2023	11,562,110	284,529	362,931	19,973	12,229,543

14. Debtors

	2024 £	2023 £
Trade debtors	-	54,729
Provision	-	(28,343)
Prepayments	-	10,103
Other debtors	-	53,761
	-	90,250

15. Creditors: amounts falling due within one year

	2024 £	2023 £
Bank loans	-	176,873
Trade creditors	-	52,331
Accruals	-	30,978
Fees received in advance	-	486,185
Deposits	-	27,300
Social security and other taxes	-	66,086
Other creditors	-	52,918
Amounts due to Mill Hill School Foundation	2,084,616	-
	2,084,616	892,671

Kingshott School Trust Limited

Year ended 31 August 2024

Fees in advance relate to fees paid ahead of the school year:

	2024 £	2023 £
Balance at 1 September 2023	486,185	537,790
Redeemed against current fees	(486,185)	(537,790)
Received in advance	-	486,185
Balance at 31 August 2024	-	486,185

16. Creditors: amounts falling due after more than one year

	2024 £	2023 £
Bank loans between 2-5 years	-	772,141
Bank loans and overdrafts over 5 years	-	946,535
Other long-term creditors – deposits	-	139,500
	-	1,858,176

As at 31 August 2023 there were 4 loans secured by a charge and a debenture on the School's property. 2 loans have a fixed interest rate and 2 have a variable interest rate. The terms of the loan vary between 2025 and 2030 with rates between 2.75% and 8.2% and are repayable monthly. On 17 May 2024 2 of the loans were repaid as part of the transfer to the Mill Hill School Foundation Limited.

17. Pensions and other post-retirement benefits

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £290,659 (2023 - £379,474) and at the year- end £Nil (2023 - £46,864) was accrued in respect of contributions to this scheme.

In April 2022, the Board of Governors decided to close participation in the TPS to new joiners from 1 September 2022 and offer a defined contribution pension scheme with APTIS (Aviva Pension Trust for Independent Schools) instead, which is designed to offer equivalent benefits to TPS as at that date. Existing staff of the School have the option to join the new pension scheme or remain in the TPS.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation has valued the 'greater value' benefits for groups of relevant members.

Kingshott School Trust Limited

Year ended 31 August 2024

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The School also operates defined contributions scheme with Scottish Widows and Aviva for non teaching staff. The contribution rate is a minimum 4% for employees and 4% employers. The total employer cost for the year was £34,030 (£46,031 - 2023).

18. Operating Leases

As at 31 August 2024, the School had three operating leases for photocopiers. The amounts owed within one year were £911. In addition, there was a lease of the field and driveway. The annual lease cost of this is £20,800 with appropriate rent reviews every five years. The length of the lease is for an indeterminate period of time.

19. Related Parties

There are no related party transactions in the school.

20. Transfer of assets to Mill Hill School Foundation

On 17 May 2024 the trade, assets and liabilities of the charity were transferred to The Mill Hill School Foundation. The following table shows the assets transferred to The Mill Hill School Foundation on 17 May 2024:

	£
Fixed assets	11,972,444
Other net liabilities	(1,470,276)
Total net assets	<u>10,502,168</u>

KINGSHOTT SCHOOL TRUST LIMITED

England & Wales - Charity number 280626

Accounts

**COMPANY NUMBER 1507581
CHARITY REGISTRATION NUMBER 280626**

**Kingshott School Trust Limited
Company Limited by Guarantee
Financial Statements
31 August 2023**

The logo for Kingshott, featuring the word "Kingshott" in a blue, cursive script font. A horizontal yellow line is positioned beneath the letters "g", "s", and "h".

Kingshott

Kingshott School Trust Limited
Year ended 31 August 2023
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Kingshott School Trust Limited

Year ended 31 August 2023

Governors' annual report

The Governors are pleased to present their annual report together with the financial statements of the charity for the year ending 31 August 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, Companies Act 2006, the Memorandum and Articles of Association, and 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).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Kingshott School Trust Limited
Charity number	280626
Company registration number	1507581
Website	www.kingshottSchool.com
Registered office	Kingshott School, St Ippolyts, Hitchin, Herts, SG4 7JX

Our Professional Advisers		
Auditor	Moore Kingston Smith	4 Victoria Square, St Albans, Herts, AL1 3TF
Bankers	Barclays Bank Plc	PO Box No. 1, 5/6 High Street, Hitchin, Herts, SG5 1BJ
Solicitors	Foreman Laws	25 Bancroft, Hitchin, Herts, SG5 1JW

The Governors

The Governors of the charitable company (the charity) are its trustees for the purpose of charity law and directors for the purposes of company law. The Governors serving during the year and since the year end were as follows:

Dr J Bentall (Chair)
Mr Ian Chambers (Treasurer)
Mr R Midgley
Mrs S Selkirk
Ms L Pechard
Ms C Waller
Mr S Nathan – appointed 11/1/23
Ms H Marsh

Key Executives

Head	Mr D Weston
Deputy Head	Mrs F Payne
Bursar	Mrs J Ilott

Kingshott School Trust Limited

Year ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by its Memorandum and Articles of Association dating from 14th July 1980, as amended on 9th October 2016.

Recruitment and Training of Governors

The Charity's elected Governors are appointed at a meeting of the existing Governors on the basis of nominations received. A Nominations Committee (The Governance Committee) considers applicants to identify and recruit suitable individuals to provide strength and balance to the Board. Areas of expertise considered include education, finance, child welfare, legal, marketing, property development and human resources. Consideration is given to the eligibility, personal competence, specialist skills and local availability of any nominee. As part of succession planning, the committee is charged with taking soundings and making recommendations for the future Chairmanship of the Board.

On appointment, new Governors are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Board Structure, committees and decision-making processes, the business plan, key policies and recent financial and academic performance of the School. They also visit the School for more detail orientation and to meet key employees. Governors are encouraged to attend appropriate training opportunities such as events run by the AGBIS (Association of Governing Bodies of Independent Schools) and to attend School functions and sports events.

Organisational Management

The Governors, as the Governors of the Charity, are legally responsible for the oversight of the management and control of the School. All of the Governors meet as a Board at least three times a year. The Head and Bursar attend all Governors meetings. The Bursar is responsible for coordinating the meetings, preparation of papers and the management accounts.

There are several sub-committees: Education, Finance and General Purposes, Marketing, Governance, and Compliance including Safeguarding and Health and Safety. The Chair of each committee reports to the Board of Governors. The Finance and General Purposes Committee oversees the School's financial strategy, which is implemented by the Bursar, as well as the approval of budgets and forecasts and remuneration recommendations. This Committee meets every term and more often if necessary.

The day to day running of the Charity is delegated to the Head, supported by his Senior Leadership Team together with the Bursar. The Head undertakes the key leadership role, overseeing educational and pastoral functions whilst the Bursar oversees the finance, buildings maintenance, development and administrative functions. The Head has responsibility for the recruitment of educational staff and the Bursar for recruitment of non-teaching staff. The day to day running of the School is undertaken within the policies and procedures approved by the Governors. The day to day responsibility for Safeguarding is assumed by the School's DSP and overseen by the Safeguarding Governor.

Other relationships

The Head is a member of IAPS which is an opportunity to share expertise, knowledge and experience across the Independent Schools sector.

Risk Management

The Governors are responsible for ensuring that the procedure for identifying the risks faced by the School is in place and properly managed. Detailed consideration of risk is delegated to the Senior Leadership Team of the School and the sub-committees. Risks are identified, assessed and controls

Kingshott School Trust Limited

Year ended 31 August 2023

established throughout the year and during the termly review of risk management processes by Governors.

The Governors have a risk management strategy which comprises:

- a termly review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. The main risks that the Governors have identified are:

- Reputation. The School's success is built on its reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, support for both pupils and staff and active identification and resolution of health and safety related issues.
- Financial. We are reliant on pupil fees and the ability to pay bills as they fall due. This risk is managed by marketing activity, maintaining competitive fees, having a reputation for academic excellence, budgetary controls, active cash flow management and retaining adequate reserves.
- Curriculum. Academic excellence requires the most able teachers with state of the art facilities delivering the curriculum to able students. Careful planning ensures that the needs of all children are met. This is regularly monitored and feedback provided to staff and children.
- Regulatory. With an increased regulatory framework, it is important that the school remains compliant at all times. This has become a priority of the school and is embedded in its culture. The creation of a Compliance Committee and appointment of a compliance officer ensures that compliance is maintained in all areas but particularly in regard to safeguarding, GDPR and Health and Safety.
- Cyber. A heightened threat exists globally but particularly in our sector. The introduction of two factor authentication, consideration of moving servers into the cloud and any other measures which are seen to be appropriate will be adopted.
- Political and Economic. This is the most significant risk facing the sector. High inflation, rising interest rates and costs impact both the school and its parents. The political decisions surrounding VAT on school fees are a heightened risk for the school.

Related parties

None of the governors receive remuneration, means tested bursaries or other benefit from their work with the charity. Any contractual relationship must be disclosed and notes of interest are retained in written form. During this financial year there have been no related party transactions between the school and any of the governors.

Kingshott School Trust Limited

Year ended 31 August 2023

Pay policy for senior staff

The remuneration of the Head and Bursar is set by the Board after it has received a recommendation from the Finance Committee and is kept under annual review. A number of criteria are used in setting pay that include: appraised performance, the role and responsibilities, competitor salaries, sector average salaries for comparable positions and trends in pay.

The charity operates banded salary ranges for all other staff including senior staff. These bands are competitive with benefits also included. The Governors have given delegated authority to the Head to pay higher salaries for exceptional candidates where this is in the interest of the School. This allows the School to remain an attractive employer in the independent School sector and to ensure appropriate incentives to encourage enhanced performance and rewarding individual contributions to the School's success.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The Charity's Objects as set out in its Memorandum and Articles of Association are to promote and provide for the advancement of education of children in the United Kingdom and elsewhere.

The charity's main aim is to provide a first-class education to boys and girls between three and 13 years of age. In doing so the School aims to provide an intellectual environment, to stimulate curiosity, to promote achievement, to provide opportunities for development and to nurture each individual. We combine tradition and innovation in teaching and learning, enabling pupils to be 'the best they can be' in all aspects of School life. In addition, the charity also has the general aim of contributing to the wider community of Hitchin and surrounding areas by enabling them to participate in a range of sporting, recreational and educational activities.

Our Objectives

The main strategy for meeting the aim is to continue to provide a high-quality education, which will allow pupils the opportunity to attain the highest academic levels, and also to provide pupils with an all-round education benefitting from the School's varied extra-curricular programme.

This is intended to provide an environment where pupils can develop their full potential, thus to help build self-confidence and inculcate a desire to contribute to a wider community.

The School uses academic results to monitor its success and the academic performance of pupils in education entrance examinations to senior Schools has remained a source of considerable satisfaction. In addition to academic success the charity considers other areas such as individual and team sporting achievements and successes in performing arts and music. The charity also monitors success through the extent to which parents are involved in School life, as the Governors see parent involvement as key to the continued success of the School.

Public benefit

The charity will also continue to foster links with the local community, both by providing educational links with other Schools in the area and also by providing the opportunity for members of the community to access the excellent sporting facilities of the School.

In addition to the main School objective the School has continued to foster relationships with the community. The School makes available its facilities to a number of community groups including Hitchin Symphony Orchestra, local scouting groups, Pregnancy groups, various football and cricket clubs and other sporting and dance groups. The community engagement has increased significantly in recent

Kingshott School Trust Limited

Year ended 31 August 2023

years with the opening of our sports hall. The School monitors the success of these activities by monitoring the number of community groups who use the School's facilities and also the number of attendees at these groups. The school is an active member of the Hitchin Business Improvement District.

In setting our objectives the Governors have given due consideration to the Charity Commission's general guidance on public benefit.

Access Policy

We welcome pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our School will be able to educate and develop a prospective pupil to the best of their potential and in line with the standards achieved by their peers. Entrance assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race religion or disability does not form part of our assessment process.

The Governors have taken note of the Charity Governor's code issued in 2020 and will continue to evolve these policies.

Kingshott School Trust Limited is a fee charging School. We recognise however that it is important to make education available to all and as such provide facilitated access to the School. The Board of Governors provides financial support to pupils through a means-tested bursary scheme and a number of hardship bursaries when required. The availability of financial support is publicised by way of the charity's website and in our application packs for entry to the School.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

Bursaries

Assisted places in the form of bursaries are available for those wishing to attend the School in years 7 and 8 but who would otherwise be unable to pay the fees, or Emergency Bursaries for those current pupils where a change in family circumstances would compromise their ability to remain at the School. This is particularly relevant in the current climate and we are pleased to have been able to assist a number of families this year. We also assist with temporary payment arrangements.

Those wishing to be considered for bursary support are required to complete a Bursary Application giving full details of their financial situation, supported by original documents. Bursary remission on fees is assessed according to the guardians' ability to pay full fees and the availability of bursary funds to the School. Bursary awards are subject to the annual testing of the guardians' means and range from 10% to 100%.

The value of means-tested bursaries awarded in the academic year 2022-23 amounted to £37,619 (21-22 £25,190) which is 0.72% of the School's gross income (less any restricted funds which were not available for bursary provision). In total, there were 7 (4 21-22) pupils in receipt of means tested bursary provision, representing 1.8% of the School roll.

Non means-tested fee remissions

Other forms of non means-tested assistance were also awarded during the academic year, including staff and sibling discounts. In total these awards were made to 120 pupils (134 21-22) and amounted

Kingshott School Trust Limited

Year ended 31 August 2023

to £127,003 (£100,444 – 21-22). Other assistance was given by the 'pay fees monthly' scheme and by our acceptance of childcare vouchers.

Our School does not have an endowment and in funding our awards we have to be mindful that we must ensure a balance between fee-paying parents, many of whom are making considerable personal sacrifice to fund their children's education, and those benefitting from the awards.

STRATEGIC REPORT

Achievements and performance

Kingshott School provided education for an average of 385 (398- 2022) pupils over the three terms of the academic session 2022-23.

Although economic conditions remain uncertain the School roll has continued to maintain a very healthy pupil roll. The success of our online learning provision contributed to a considerable admissions interest to Kingshott. This will have a very positive impact on the school finances for the future.

The focus of the School remains the all-round education and development of the whole child. Entry to the School is by way of assessment. We reopened the pool this year with a brand new cover and year round air and water heating. We are delighted to be able to accommodate year round timetabled swimming lessons to all children in the school.

The academic curriculum remains a priority and 2022/23 was another year of excellent results and academic progress across the school. All pupils obtained their first choice of senior School.

The pupils wellbeing continues to have a high priority in the school with a dedicated team of staff. Training continues amongst all staff to ensure that concerns are identified at the earliest opportunity.

Extracurricular Activities

The School runs a significant number of major trips, extracurricular activities and outings which were greatly enjoyed by the children. These include numerous theatre, museum and activity centre outings across the School, an outward bound to the Peak District and Cornwall, a cultural trip to Seville and an optional skiing trip. Improvement of our clubs continues as we strive to offer a broad range of options. The school production of a Midsummers Night's Dream during the year was exceptionally well received by the children, parents and staff.

Other Charitable Activities

The School has completed a series of charitable activities during the year. A number of school run initiatives including Harvest Festival collection, Poppy Appeal, Staff Pantomime, own clothes day resulted in supporting local charities including Letchworth Food Bank, St Marys Church, Lister Hospital Bluebell Ward and Feed Up Warm Up. Our Year 8 children as part of their community responsibilities ran a series of charity fund raisers donating to Isabel Hospice, BHF, WWF, RNIB, Scope, Gosh and Young Minds.

Financial review

The main source of income for the charity is through the fee income charged for the provision of education. Income for the year was ahead of expectations.

Kingshott School recorded a surplus for the financial year of £1,791 (deficit £47,309 – 21-22). This was due to some exceptional non-recurring payments.

Kingshott School Trust Limited

Year ended 31 August 2023

The main expenditure of the School is that of staff salaries. Our staff are key to the ongoing success of the School and therefore we continue to invest in the highest standard of teaching staff and are also committed to ensuring their continued professional development. We also pay close attention to other costs in the School, in particular: catering, site (including utilities which was unusually high this year) and administration costs. Cash flow remains strong with a reduction of cash and cash equivalents of £437,877 (£22,017– 2022). £500,000 of debt was overpaid during the year to counter rising interest rates. A healthy cash fund remains of £656,922 (£1,094,800 - 2022). With debt of £1,895,549 (£2,608,813 – 2022), the net debt is £1,238,627 (£1,514,013 – 2022). We keep the changes in interest rates under close review and will take appropriate action where necessary to minimise the risk to the Charity.

The Governors are committed to ensuring the future financial stability of the School and continually review the financial position and consider any changes required.

Going concern

The Governors have reviewed the budgets and forecasts for the School and they are satisfied that the School is a going concern. The financial statements are prepared on a going concern basis which assumes the charitable company will continue in operational existence for the foreseeable future. The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the Trustees are closely monitoring future pupil numbers to ensure that the school remains viable. The Trustees have prepared forecasts and projections to 31 August 2024. After making appropriate enquiries, the Trustees have concluded that the school will continue in operational existence for the foreseeable future and therefore preparing the accounts on a going concern basis is appropriate.

Reserves

The reserves policy reflects the following considerations: the objectives of the School, an annual assessment of risk, the level of current income and expenditure and the need to maintain capital expenditure at an appropriate level. The policy is to maintain working capital at a level that adequately supports forecast operational expenditure. Free reserves are those unrestricted funds that have not been reinvested, together with bank borrowings, in the School's fixed assets, as represented by their balance sheet value, nor any earmarked for future capital projects. There are no free reserves available as any remaining cash is reinvested.

Investment Powers, Policy and Performance

With advice from an investment manager, the Charity's investment powers are governed by its Memorandum and Articles of Association, which give Governors the power to invest monies, not immediately required for the Charity's purposes, in or upon such investments, securities or property as may be thought fit.

The Governors' policy is to maximise income on all invested funds whilst preserving their capital value and having appropriate access to those funds when required.

Volunteers

The Parents Association continued to be busy and tremendously useful to the School Community. We have enjoyed returning to a full and active program of events now restrictions around the pandemic have been lifted.

Kingshott School Trust Limited

Year ended 31 August 2023

PLANS FOR FUTURE

The Governors' plans for the future contain the following key objectives:

- To develop the school's extension to GCSE. We announced in April 2023 of the school's decision to extend to GCSE and reduce the number of classes per year group from 3 to 2. This has been extremely well received locally by the local community, our parents and staff alike. Work is being completed to change the physical needs of this development as well as securing the material change with the department of education. Work is underway on key staff appointments and curriculum development.
- To maintain strong pupil numbers.
- To maintain or improve the current pupil/teacher ratio which we believe enables pupils to have the attention needed to realise their academic and wider potential.
- To develop further and widen and enrich the curriculum and teaching and learning throughout the school.
- To continue to support families in need of financial assistance through means tested and hardship bursaries.
- To play a part in the local community and ensure as many local groups as possible access the school's facilities.
- To continue with the eco committee, tree planting and nature area.
- To continually review and update School policies, to reflect ongoing changes to regulations and best practice, and to ensure their consistent implementation throughout the School.

The Governors are satisfied that progress is already being made with respect to all of the above and are confident that these shall be achieved.

GOVERNORS' RESPONSIBILITIES STATEMENT

The Governors are responsible for preparing the Governors' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity Governors to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the report and financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing

Kingshott School Trust Limited

Year ended 31 August 2023

the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

In so far as the Governors are aware at the time of approving our Governors' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- the Governors, having made enquiries of fellow directors and the charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Governors report which includes the strategic report was approved by the Governors on 8/12/2023..... and signed on their behalf by:



Mr J Bentall
Chair of Governors

Kingshott School Trust Limited
Year ended 31 August 2023
Independent auditor's report to the members

Opinion

We have audited the financial statements of Kingshott School Trust Limited for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRS'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Kingshott School Trust Limited
Year ended 31 August 2023
Independent auditor's report to the members

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures or trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Kingshott School Trust Limited
Year ended 31 August 2023
Independent auditor's report to the members

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

Moore Kingston Smith LLP

Shivani Kothari, Senior Statutory Auditor
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 20 December 2023

4 Victoria Square
St Albans
Hertfordshire
AL1 3TF

Kingshott School Trust Limited
Year ended 31 August 2023
Statement of Financial Activities (incorporating income and expenditure account)

		2023 Total funds £	2022 Total funds £
Income	Note		
Charitable activities	5	5,644,228	5,378,932
Donations and legacies (including furlough income)	6	12,500	13,444
Investment income	7	10,205	20
Total income		5,666,933	5,392,396
Expenditure			
Expenditure on charitable activities	8	(5,561,787)	(5,350,220)
Expenditure on raising funds	9	(103,355)	(89,485)
Total expenditure		(5,665,142)	(5,439,705)
Net income before investment gains		1,791	(47,309)
Net income and net movement in funds	10	1,791	(47,309)
Reconciliation of funds			
Total funds brought forward		10,224,079	10,271,388
Total funds carried forward		10,225,870	10,224,079

The notes on pages 16 to 22 form part of these financial statements.

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

All income and expenditure derive from continuing activities.

Kingshott School Trust Limited
Year ended 31 August 2023
Statement of Financial Position

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	13	12,229,543	12,608,633
Current assets			
Debtors	14	90,250	94,757
Cash at bank and in hand		656,923	1,094,800
		<u>747,173</u>	<u>1,189,557</u>
Creditors: amounts falling due within one year	15	<u>(892,671)</u>	<u>(1,076,435)</u>
Net current assets / (liabilities)		<u>(145,497)</u>	<u>113,122</u>
Total assets less current liabilities		<u>12,084,046</u>	<u>12,721,755</u>
Creditors: amounts falling due after more than one year	16	<u>(1,858,176)</u>	<u>(2,497,677)</u>
Net assets		<u>10,225,870</u>	<u>10,224,079</u>
Funds of the charity			
Unrestricted funds		10,225,870	10,224,079
Total charity funds		<u>10,225,870</u>	<u>10,224,079</u>

The notes on pages 16 to 22 form part of these financial statements.

These financial statements were approved by the board of Governors on 8/12/2023 and are signed on its behalf by:



Mr J Bentall
Chair of Governors

Company number: 1507581
Charity registration number: 280626

Kingshott School Trust Limited
Year ended 31 August 2023
Statement of Cash Flows

	2023 £	2022 £
Cash flows from operating activities		
Net income for the year	1,791	(47,309)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	426,516	431,659
Interest payable	103,355	89,485
<i>Changes in:</i>		
(Increase) / Decrease in debtors	4,507	(58,007)
(Decrease) in creditors	(117,994)	84,991
Cash generated from operations	418,175	500,819
Interest received	(10,205)	(20)
Net cash from operating activities	407,970	500,799
Cash flows from investing activities		
Purchase of property, plant and equipment	(47,425)	(212,739)
Proceeds from sale of listed investments	-	-
Net cash used in investing activities	(47,425)	(212,739)
Cash flows from financing activities		
Loans repaid	(705,270)	(220,612)
Interest paid	(103,355)	(89,485)
Proceeds from borrowings — interest received	10,205	20
Net cash from financing activities	(798,420)	(310,077)
Net (decrease)/increase in cash and cash	(437,876)	(22,017)
Cash and cash equivalents at beginning of year	1,094,800	1,116,817
Cash and cash equivalents at end of year	656,923	1,094,800
Analysis of cash and cash equivalents		
	2023 £	2022 £
Cash at bank and in hand	656,923	1,094,800
	656,923	1,094,800

Analysis of changes in net debt

	At start of year £	Cash flows £	At end of year £
Cash	1,094,800	(437,877)	656,923

A further £500,000 was paid off the bank loans during the year.
The notes on pages 16 to 22 form part of these financial statements.

Kingshott School Trust Limited
Year ended 31 August 2023
Notes to the financial statements

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Kingshott School, St. Ippolyts, Hitchin, Herts, SG4 7JX. The company is limited by guarantee and with no share capital.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice (second edition- October 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011. 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 pound.

3. Accounting policies

3.1 Corporation Tax

No provision has been made for corporation tax or deferred tax as the charity is a registered charity and therefore exempt.

3.2 Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets. Unrealised gains or losses arising on the revaluation of listed investments are charged or credited to the Statement of Financial Activities.

3.3 VAT

As the charity's activities are classified as exempt activities for the purposes of value added tax, the charity is unable to reclaim the value added tax which it suffers on purchases. Expenditure in these financial statements is therefore shown as inclusive of value added tax.

3.4 Going concern

The financial statements are prepared on a going concern basis which assumes the charitable company will continue in operational existence for the foreseeable future. At the balance sheet date the charitable company has net current liabilities of £145,497 and net assets of £10,225,870. The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the Trustees are closely monitoring future pupil numbers, interest rates and the inflationary impact on costs to ensure that the school remains viable. The Trustees have prepared forecasts and projections to 31 August 2024 and beyond which confirm that the charitable company will be able to continue to meet its liabilities as they fall due. After making appropriate enquiries, the Trustees have concluded that the school will continue in operational existence for the foreseeable future and therefore preparing the accounts on a going concern basis is appropriate.

3.5 Fund accounting

Unrestricted funds are available for use at the discretion of the Governors to further any of the charity's purposes. Designated funds are unrestricted funds earmarked by the Governors for a particular future project or commitment.

3.6 Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.

Kingshott School Trust Limited
Year ended 31 August 2023
Notes to the financial statements (continued)

•income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured.

No amounts are included for the contribution of general volunteers.

•income from educational activities is recognised with the delivery of the service.

3.7 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

•expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

•expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

•other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities. Termination payments are recognised in the year in which employment ceases irrespective of when such payments are made.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity.

3.8 Tangible assets

All fixed assets are initially recorded at cost. Items costing less than £5,000 are written off as an expense as acquired.

3.9 Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Buildings	- 2% - 10% straight line
Computers	- 15% straight line
Vehicles, garden equipment	- 20% straight line
Swimming Pool	- 5% straight line

3.10 Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

3.11 Debtors

Trade and other debtors are recognised at the settlement amount due after any discounts offered.

Prepayments are valued at the amount prepaid net of any discounts due.

3.12 Cash and bank

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.

Kingshott School Trust Limited
Year ended 31 August 2023
Notes to the financial statements (continued)

3.13 Creditors and Provisions

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

3.14 Financial Instruments

The School 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.

3.15 Funds

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Governors in furtherance of the general charitable objectives. Any funds earmarked for a particular purpose are included in designated funds.

3.16 Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. Other than those noted below, the Governors consider there to be no material areas subject to estimation and judgement.

Useful economic lives. The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Recoverable value of debtors. The school makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 14 for the net carrying amount of the debtors and associated impairment provision.

5. Income from Charitable activities

	Total Funds 2023 £	Total Funds 2022 £
School and registration fees	5,226,949	5,152,296
Bursaries and discounts	(163,866)	(127,076)
Fee reductions and COVID-19 bursaries	-	0
Other educational income	581,145	353,712
	<u>5,644,228</u>	<u>5,378,932</u>

6. Income from Donations and legacies

	Total Funds 2023 £	Total Funds 2022 £
Donations receivable	12,500	10,000
Furlough income COVID-19	-	3,444
Legacies	-	-
	<u>12,500</u>	<u>13,444</u>

Kingshott School Trust Limited
Year ended 31 August 2023
Notes to the financial statements (continued)

7. Investment income

	Total Funds 2023 £	Total Funds 2022 £
Bank interest	10,205	20
	10,205	20

8. Expenditure on charitable activities

Expenditure	Staff costs £	Other £	Depreciation £	Total 2023 £	Total 2022 £
Teaching costs	2,858,593	669,442	132,352	3,660,387	3,628,819
Welfare costs	-	299,904	-	299,904	293,759
Premises costs	215,982	438,830	294,164	948,977	807,425
Support costs	328,884	323,636	-	652,520	620,217
	3,403,459	1,731,812	426,516	5,561,787	5,350,220

Expenditure	Staff costs £	Other £	Depreciation £	Total 2022 £	Total 2021 £
Teaching costs	2,918,474	568,584	141,761	3,628,819	3,107,907
Welfare costs	-	293,759	-	293,759	227,450
Premises costs	220,777	296,750	289,898	807,425	669,824
Support costs	369,150	251,067	-	620,217	541,431
	3,508,401	1,410,160	431,659	5,350,220	4,546,612

Support costs include governance costs of £17,133 (£15,505 - 2022)

9. Expenditure on raising funds

	2023 £	Total Funds 2022 £
Bank interest payable	103,355	89,485
	103,355	89,485

10. Net income

Net income is stated after charging:

	2023 £	2022 £
Remuneration to the auditors for audit services	17,133	15,000
Depreciation of tangible fixed assets	426,516	431,659

Kingshott School Trust Limited
Year ended 31 August 2023
Notes to the financial statements (continued)

11. Staff costs

The total staff costs and employee benefits for the year are analysed as follows:

	2023	2022
	£	£
Wages and salaries	2,681,147	2,752,255
Supply teachers	25,690	54,726
Social security costs	271,245	274,562
Employer contributions to pension plans	425,377	426,858
	3,403,459	3,508,401

The average head count of employees during the year was 72 (75- 2022)

During the year no termination payments including notice, were payable. (£70,121 for 3 staff - 2022).

	2023	2022
	No.	No.
Teaching	55	57
Other	17	18
	72	75

The number of employees whose remuneration for the year fell within the following bands, were:

	2023	2022
£60,000 to £69,999	1	1
£70,000 to £79,999		1
£80,000 to £89,999	1	
£90,000 to £99,999		1
£100,000 to £110,000	1	
	3	3

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the school. These were the trustees, Head, Bursar and Deputy Head. The total compensation paid to key management personnel for services provided to the school was £321,205 (£322,660 - 2022).

12. Trustee remuneration and expenses

The charity paid the cost of courses and travel costs for the Governors totalling nil (£505 - 2022). All Governors are covered by the School's public liability insurance which limits their liability as Governors.

Kingshott School Trust Limited
Year ended 31 August 2023
Notes to the financial statements (continued)

13. Tangible Fixed Assets

Cost	Land and buildings	Furniture and equipment	Swimming Pool	Vehicles	Total
	£	£	£	£	£
At 31 August 2022	14,660,768	1,033,211	442,571	96,224	16,232,774
Additions	-	37,705	9,720	-	47,425
Assets no longer in use	-	-	-	(41,201)	(41,201)
At 31 August 2023	14,660,768	1,070,916	452,291	55,023	16,238,998

Depreciation

At 31 August 2022	2,805,545	673,026	70,369	75,200	3,624,140
Eliminated on not in use	-	-	-	(41,201)	(41,201)
Charge for the year	293,113	113,361	18,991	1,051	426,516
At 31 August 2023	3,098,658	786,387	89,360	35,050	4,009,455

Carrying amount

At 31 August 2023	11,562,110	284,529	362,931	19,973	12,229,543
At 31 August 2022	11,855,223	360,185	372,202	21,024	12,608,633

There has been no adjustment to the value of the land.

14. Debtors

	2023	2022
	£	£
Trade debtors	54,729	83,794
Provision	(28,343)	(33,771)
Prepayments	10,103	6,393
Other debtors	53,761	38,341
	90,250	94,757

15. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	176,873	226,293
Trade creditors	52,331	32,305
Accruals	30,978	103,171
Fees received in advance	486,185	537,790
Deposits	27,300	27,300
Social security and other taxes	66,086	64,159
Other creditors	52,918	85,417
	892,671	1,076,435

Fees in advance relate to fees paid ahead of the school year 2023/2024

Balance at 01/09/22	537,790
Redeemed against current fees	(537,790)
Received in advance of 01/09/2023 for 2024 fees	486,185
Balance at 31/08/2023	486,185

Kingshott School Trust Limited
Year ended 31 August 2023
Notes to the financial statements (continued)

16. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans between 2-5 years	772,141	992,843
Bank loans and overdrafts over 5 years	946,535	1,381,683
Other long-term creditors — deposits	139,500	123,150
	<u>1,858,176</u>	<u>2,497,676</u>

There are 4 loans secured by a charge and a debenture on the School's property. 2 loans have a fixed interest rate and 2 have a variable interest rate. The terms of the loan vary between 2025 and 2030 with rates between 2.75% and 8.2% and are repayable monthly.

17. Pensions and other post-retirement benefits

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £379,474 (2022 - £383,167) and at the year-end £46,864 (2022 - £44,045) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution of 28.68%.

The School also operates defined contributions scheme with Scottish Widows and Aviva for non teaching staff. The contribution rate is a minimum 4% for employees and 4% employers. The total employer cost for the year was £46,031 (£43,691 - 2022).

18. Operating Leases

The School has three operating leases for photocopiers. The amounts owed within one year are £3,642 (£5,412 - 2022) and over one year are £911 (£4,553 - 2022). In addition, there is a lease of the field and driveway. The annual lease cost of this is £20,800 (£20,800 - 2022) with appropriate rent reviews every five years. The length of the lease is for an indeterminate period of time.

19. Related Parties

There are no related party transactions in the school.

KINGSHOTT SCHOOL TRUST LIMITED

England & Wales - Charity number 280626

Accounts

**COMPANY NUMBER 1507581
CHARITY REGISTRATION NUMBER 280626**

**Kingshott School Trust Limited
Company Limited by Guarantee
Financial Statements
31 August 2022**

The logo for Kingshott, featuring the word "Kingshott" in a blue, cursive script font. A horizontal orange line is positioned beneath the letters "shott".

Kingshott

Kingshott School Trust Limited
Year ended 31 August 2022
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Kingshott School Trust Limited

Year ended 31 August 2022

Governors' annual report

The Governors are pleased to present their annual report together with the financial statements of the charity for the year ending 31 August 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, Companies Act 2006, the Memorandum and Articles of Association, and 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).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Kingshott School Trust Limited
Charity number	280626
Company registration number	1507581
Website	www.kingshottSchool.com
Registered office	Kingshott School, St Ippolyts, Hitchin, Herts, SG4 7JX

Our Professional Advisers		
Auditor	Moore Kingston Smith	4 Victoria Square, St Albans, Herts, AL1 3TF
Bankers	Barclays Bank Plc	PO Box No. 1, 5/6 High Street, Hitchin, Herts, SG5 1BJ
Solicitors	Foreman Laws	25 Bancroft, Hitchin, Herts, SG5 1JW

The Governors

The Governors of the charitable company (the charity) are its trustees for the purpose of charity law and directors for the purposes of company law. The Governors serving during the year and since the year end were as follows:

Dr J Bentall (Chair)
Mr Ian Chambers (Treasurer)
Mr R Midgley
Mrs S Selkirk
Ms L Pechard
Ms C Waller
Mr P Brooks – resigned 15/6/22
Ms H Marsh
Mr J Woods – resigned 21/9/22

Key Executives

Head	Mr D Weston
Deputy Head	Mrs F Payne
Bursar	Mrs J Illott

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by its Memorandum and Articles of Association dating from 14th July 1980, as amended on 9th October 2016.

Recruitment and Training of Governors

The Charity's elected Governors are appointed at a meeting of the existing Governors on the basis of nominations received. A Nominations Committee (The Governance Committee) considers applicants to identify and recruit suitable individuals to provide strength and balance to the Board. Areas of expertise considered include education, finance, child welfare, legal, marketing, property development and human resources. Consideration is given to the eligibility, personal competence, specialist skills and local availability of any nominee. As part of succession planning, the committee is charged with taking soundings and making recommendations for the future Chairmanship of the Board.

On appointment, new Governors are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Board Structure, committees and decision-making processes, the business plan, key policies and recent financial and academic performance of the School. They also visit the School for more detail orientation and to meet key employees. Governors are encouraged to attend appropriate training opportunities such as events run by the AGBIS (Association of Governing Bodies of Independent Schools) and to attend School functions and sports events.

Organisational Management

The Governors, as the Governors of the Charity, are legally responsible for the oversight of the management and control of the School. All of the Governors meet as a Board at least three times a year. The Head and Bursar attend all Governors meetings. The Bursar is responsible for coordinating the meetings, preparation of papers and the management accounts.

There are several sub-committees: Education, Finance and General Purposes, Marketing, Governance, and Compliance including Safeguarding and Health and Safety. The Chair of each committee reports to the Board of Governors. The Finance and General Purposes Committee oversees the School's financial strategy, which is implemented by the Bursar, as well as the approval of budgets and forecasts and remuneration recommendations. This Committee meets every term and more often if necessary.

The day to day running of the Charity is delegated to the Head, supported by his Senior Leadership Team together with the Bursar. The Head undertakes the key leadership role, overseeing educational and pastoral functions whilst the Bursar oversees the finance, buildings maintenance, development and administrative functions. The Head has responsibility for the recruitment of educational staff and the Bursar for recruitment of non-teaching staff. The day to day running of the School is undertaken within the policies and procedures approved by the Governors. The day to day responsibility for Safeguarding is assumed by the School's DSP and overseen by the Safeguarding Governor.

Other relationships

The Head is a member of IAPS which is an opportunity to share expertise, knowledge and experience across the Independent Schools sector.

Risk Management

The Governors are responsible for ensuring that the procedure for identifying the risks faced by the School is in place and properly managed. Detailed consideration of risk is delegated to the Senior Leadership Team of the School and the sub-committees. Risks are identified, assessed and controls

Kingshott School Trust Limited

Year ended 31 August 2022

established throughout the year and during the termly review of risk management processes by Governors.

The Governors have a risk management strategy which comprises:

- a termly review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. The main risks that the Governors have identified are:

- **Pandemic.** The COVID pandemic has resulted in a heightened risk that could result in non-payment of fees and lower pupil retention due to the financial strains on our parents. It also puts considerable strain on our staff; personal reasons, anxieties over contact with children and possible transmissions plus the added pressures of online teaching. We have managed the risks by assisting the parents where we can financially and have not seen any diminution in either non-payment of fees or retention. Staff continue to be supported in every way with significant COVID safe measures being put in place.
- **Reputation.** The School's success is built on its reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, support for both pupils and staff and active identification and resolution of health and safety related issues.
- **Financial.** We are reliant on pupil fees and the ability to pay bills as they fall due. This risk is managed by marketing activity, maintaining competitive fees, having a reputation for academic excellence, budgetary controls, active cash flow management and retaining adequate reserves.
- **Curriculum.** Academic excellence requires the most able teachers with state of the art facilities delivering the curriculum to able students. Careful planning ensures that the needs of all children are met. This is regularly monitored and feedback provided to staff and children.
- **Regulatory.** With an increased regulatory framework, it is important that the school remains compliant at all times. This has become a priority of the school and is embedded in its culture. The creation of a Compliance Committee and appointment of a compliance officer ensures that compliance is maintained in all areas but particularly in regard to safeguarding, GDPR and Health and Safety.
- **Cyber.** A heightened threat exists globally but particularly in our sector. The introduction of two factor authentication, consideration of moving servers into the cloud and any other measures which are seen to be appropriate will be adopted.

Related parties

None of the governors receive remuneration, means tested bursaries or other benefit from their work with the charity. Any contractual relationship must be disclosed and notes of interest are retained in written form. During this financial year there have been no related party transactions between the school and any of the governors.

Pay policy for senior staff

The remuneration of the Head and Bursar is set by the Board after it has received a recommendation from the Finance Committee and is kept under annual review. A number of criteria are used in setting pay that include: appraised performance, the role and responsibilities, competitor salaries, sector average salaries for comparable positions and trends in pay.

The charity operates banded salary ranges for all other staff including senior staff. These bands are competitive with benefits also included. The Governors have given delegated authority to the Head to pay higher salaries for exceptional candidates where this is in the interest of the School. This allows the School to remain an attractive employer in the independent School sector and to ensure appropriate incentives to encourage enhanced performance and rewarding individual contributions to the School's success.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The Charity's Objects as set out in its Memorandum and Articles of Association are to promote and provide for the advancement of education of children in the United Kingdom and elsewhere.

The charity's main aim is to provide a first-class education to boys and girls between three and 13 years of age. In doing so the School aims to provide an intellectual environment, to stimulate curiosity, to promote achievement, to provide opportunities for development and to nurture each individual. We combine tradition and innovation in teaching and learning, enabling pupils to be 'the best they can be' in all aspects of School life. In addition, the charity also has the general aim of contributing to the wider community of Hitchin and surrounding areas by enabling them to participate in a range of sporting, recreational and educational activities.

Our Objectives

The main strategy for meeting the aim is to continue to provide a high-quality education, which will allow pupils the opportunity to attain the highest academic levels, and also to provide pupils with an all-round education benefitting from the School's varied extra-curricular programme.

This is intended to provide an environment where pupils can develop their full potential, thus to help build self-confidence and inculcate a desire to contribute to a wider community.

The School uses academic results to monitor its success and the academic performance of pupils in education entrance examinations to senior Schools has remained a source of considerable satisfaction. In addition to academic success the charity considers other areas such as individual and team sporting achievements and successes in performing arts and music. The charity also monitors success through the extent to which parents are involved in School life, as the Governors see parent involvement as key to the continued success of the School.

Public benefit

The charity will also continue to foster links with the local community, both by providing educational links with other Schools in the area and also by providing the opportunity for members of the community to access the excellent sporting facilities of the School.

In addition to the main School objective the School has continued to foster relationships with the community. The School makes available its facilities to a number of community groups including Hitchin Symphony Orchestra, local scouting groups, Pregnancy groups, various football and cricket clubs and

Kingshott School Trust Limited

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other sporting and dance groups. The community engagement has increased significantly in recent years with the opening of our sports hall. The School monitors the success of these activities by monitoring the number of community groups who use the School's facilities and also the number of attendees at these groups. The school is an active member of the Hitchin Business Improvement District.

In setting our objectives the Governors have given due consideration to the Charity Commission's general guidance on public benefit.

Access Policy

We welcome pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our School will be able to educate and develop a prospective pupil to the best of their potential and in line with the standards achieved by their peers. Entrance assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race religion or disability does not form part of our assessment process.

The Governors have taken note of the Charity Governor's code issued in 2020 and will continue to evolve these policies.

Kingshott School Trust Limited is a fee charging School. We recognise however that it is important to make education available to all and as such provide facilitated access to the School. The Board of Governors provides financial support to pupils through a means-tested bursary scheme and a number of hardship bursaries when required. The availability of financial support is publicised by way of the charity's website and in our application packs for entry to the School.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

Bursaries

Assisted places in the form of bursaries are available for those wishing to attend the School in years 7 and 8 but who would otherwise be unable to pay the fees, or Emergency Bursaries for those current pupils where a change in family circumstances would compromise their ability to remain at the School. This is particularly relevant in the current climate and we are pleased to have been able to assist a number of families this year. We also assist with temporary payment arrangements.

Those wishing to be considered for bursary support are required to complete a Bursary Application giving full details of their financial situation, supported by original documents. Bursary remission on fees is assessed according to the guardians' ability to pay full fees and the availability of bursary funds to the School. Bursary awards are subject to the annual testing of the guardians' means and range from 10% to 100%.

The value of means-tested bursaries awarded in the academic year 2021-22 amounted to £25,190 which is 0.49% of the School's gross income (less any restricted funds which were not available for bursary provision). In total, there were 4 pupils in receipt of means tested bursary provision, representing 1.0% of the School roll.

Kingshott School Trust Limited

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Non means-tested fee remissions

Other forms of non means-tested assistance were also awarded during the academic year, including staff and sibling discounts. In total these awards were made to 134 pupils and amounted to £100,444. Other assistance was given by the 'pay fees monthly' scheme and by our acceptance of childcare vouchers.

Our School does not have an endowment and in funding our awards we have to be mindful that we must ensure a balance between fee-paying parents, many of whom are making considerable personal sacrifice to fund their children's education, and those benefitting from the awards.

STRATEGIC REPORT

Achievements and performance

Kingshott School provided education for an average of 398 (380- 2021) pupils over the three terms of the academic session 2021-22.

Although economic conditions remain uncertain the School roll has continued to maintain a very healthy pupil roll. The success of our online learning provision contributed to a considerable admissions interest to Kingshott. This will have a very positive impact on the school finances for the future.

The focus of the School remains the all-round education and development of the whole child. Entry to the School is by way of assessment. We reopened the pool this year with a brand new cover and year round air and water heating. We are delighted to be able to accommodate year round timetabled swimming lessons to all children in the school.

The academic curriculum remains a priority and 2021/22 was another year of excellent results. All pupils obtained their first choice of senior School.

The pupils wellbeing continues to have a high priority in the school with a dedicated team of staff. Training continues amongst all staff to ensure that concerns are identified at the earliest opportunity.

Extracurricular Activities

The School runs a significant number of major trips, extracurricular activities and outings which were greatly enjoyed by the children. In normal years, these include numerous theatre, museum and activity centre outings across the School, an outward bound to Scotland, a French trip, a cultural trip to Barcelona and an optional skiing trip in Austria. Improvement of our clubs continues as we strive to offer a broad range of options. A full UK based program resumed during 2021/2022 with for years 3 to year 8. The whole school production of Oliver during the year was exceptionally well received by the children, parents and staff.

Other Charitable Activities

The School has completed a series of charitable activities during the year. We were pleased to re-start the school's program following the pandemic. A number of school run initiatives including Harvest Festival collection, Poppy Appeal, Staff Pantomime, own clothes day resulted in charitable donations totalling £2,713 to local charities including Letchworth Food Bank, St Marys Church, Lister Hospital Bluebell Ward and Feed Up Warm Up. We allowed the theatre to be used for Garden House Hospice to run a 'Strictly Ballroom' occasion as a fund raiser for them. Our Year 8 children as part of their Incrementum ran a series of charity fund raisers donating to Isabel Hospice, BHF, WWF, RNIB, Scope, Gosh and Young Minds. Funds totalling £2,000 were raised. The Ukraine war resulted in a sponsored Aquathon and generated charitable funds of £18,990 which was raised for Unicef.

Financial review

The main source of income for the charity is through the fee income charged for the provision of education. Income for the year was ahead of expectations.

Kingshott School recorded a deficit for the financial year of £47,309 (surplus £263,546 - 2021). This was due to some exceptional non-recurring payments.

The main expenditure of the School is that of staff salaries. Our staff are key to the ongoing success of the School and therefore we continue to invest in the highest standard of teaching staff and are also committed to ensuring their continued professional development. We also pay close attention to other costs in the School, in particular: catering, site and administration costs. Cash flow remains strong with a small decrease of cash and cash equivalents of £22,017 (£189,167– 2021). Despite the deficit, a healthy cash fund remains of £1,094,800 (£1,116,817 - 2021). With debt of £2,608,813 (£2,821,432 – 2021), the net debt is £1,514,013 (£1,704,615 – 2021). We keep the changes in interest rates under close review and will take appropriate action where necessary to minimise the risk to the Charity.

The Governors are committed to ensuring the future financial stability of the School and continually review the financial position and consider any changes required.

Going concern

The Governors have reviewed the budgets and forecasts for the School and they are satisfied that the School is a going concern. The financial statements are prepared on a going concern basis which assumes the charitable company will continue in operational existence for the foreseeable future. The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the Trustees are closely monitoring future pupil numbers to ensure that the school remains viable. The Trustees have prepared forecasts and projections to 31 August 2023. After making appropriate enquiries, the Trustees have concluded that the school will continue in operational existence for the foreseeable future and therefore preparing the accounts on a going concern basis is appropriate.

Reserves

The reserves policy reflects the following considerations: the objectives of the School, an annual assessment of risk, the level of current income and expenditure and the need to maintain capital expenditure at an appropriate level. The policy is to maintain working capital at a level that adequately supports forecast operational expenditure. Free reserves are those unrestricted funds that have not been reinvested, together with bank borrowings, in the School's fixed assets, as represented by their balance sheet value, nor any earmarked for future capital projects. There are no free reserves available as any remaining cash is reinvested.

Investment Powers, Policy and Performance

With advice from an investment manager, the Charity's investment powers are governed by its Memorandum and Articles of Association, which give Governors the power to invest monies, not immediately required for the Charity's purposes, in or upon such investments, securities or property as may be thought fit.

The Governors' policy is to maximise income on all invested funds whilst preserving their capital value and having appropriate access to those funds when required.

Volunteers

The Parents Association continued to be busy and tremendously useful to the School Community. We have enjoyed returning to a full and active program of events now restrictions around the pandemic have been lifted.

PLANS FOR FUTURE PERIODS

The Governors' plans for the future contain the following key objectives:

- To maintain strong pupil numbers.
- To maintain or improve the current pupil/teacher ratio which we believe enables pupils to have the attention needed to realise their academic and wider potential.
- To develop further and widen and enrich the curriculum and teaching and learning throughout the school.
- To continue to support families in need of financial assistance through means tested and hardship bursaries.
- To play a part in the local community and ensure as many local groups as possible access the school's facilities.
- To continue with the eco committee, tree planting and nature area.
- To continually review and update School policies, to reflect ongoing changes to regulations and best practice, and to ensure their consistent implementation throughout the School.
- To develop and enhance the offering in years 7-8 including amongst other things the Incrementum project and business enterprise initiatives.

The Governors are satisfied that progress is already being made with respect to all of the above and are confident that these shall be achieved.

GOVERNORS' RESPONSIBILITIES STATEMENT

The Governors are responsible for preparing the Governors' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity Governors to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the report and financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets

Kingshott School Trust Limited

Year ended 31 August 2022

of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

In so far as the Governors are aware at the time of approving our Governors' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- the Governors, having made enquiries of fellow directors and the charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Governors report which includes the strategic report was approved by the Governors on 7th December 2022 and signed on their behalf by:



Mr J Bentall
Chair of Governors

Kingshott School Trust Limited
Year ended 31 August 2022
Independent auditor's report to the members

Opinion

We have audited the financial statements of Kingshott School Trust Limited for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRS'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Kingshott School Trust Limited
Year ended 31 August 2022
Independent auditor's report to the members

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures or trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Kingshott School Trust Limited
Year ended 31 August 2022
Independent auditor's report to the members

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

Moore Kingston Smith LLP

Shivani Kothari, Senior Statutory Auditor
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 15 December 2022

4 Victoria Square
St Albans
Hertfordshire
AL1 3TF

Kingshott School Trust Limited
Year ended 31 August 2022
Statement of Financial Activities (incorporating income and expenditure account)

		2022	2021
		Total funds	Total funds
		£	£
Income	Note		
Charitable activities	5	5,378,932	4,791,442
Donations and legacies (including furlough income)	6	13,444	105,918
Investment income	7	20	199
Total income		5,392,396	4,897,559
Expenditure			
Expenditure on charitable activities	8	(5,350,220)	(4,546,612)
Expenditure on raising funds	9	(89,485)	(87,401)
Total expenditure		(5,439,705)	(4,634,013)
Net income before investment gains		(47,309)	263,546
Net income and net movement in funds	10	(47,309)	263,546
Reconciliation of funds			
Total funds brought forward		10,271,388	10,007,842
Total funds carried forward		10,224,079	10,271,388

The notes on pages 16 to 23 form part of these financial statements.

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

Kingshott School Trust Limited
Year ended 31 August 2022
Statement of Financial Position

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	13	12,608,633	12,827,554
Current assets			
Debtors	14	94,757	36,750
Cash at bank and in hand		1,094,800	1,116,817
		<u>1,189,557</u>	<u>1,153,567</u>
Creditors: amounts falling due within one year	15	<u>(1,076,435)</u>	<u>(993,128)</u>
Net current assets / (liabilities)		<u>113,122</u>	<u>160,439</u>
Total assets less current liabilities		<u>12,721,755</u>	<u>12,987,993</u>
Creditors: amounts falling due after more than one year	16	<u>(2,497,677)</u>	<u>(2,716,605)</u>
Net assets		<u>10,224,079</u>	<u>10,271,388</u>
Funds of the charity			
Unrestricted funds		10,224,079	10,271,388
Total charity funds		<u>10,224,079</u>	<u>10,271,388</u>

The notes on pages 16 to 23 form part of these financial statements.

These financial statements were approved by the board of Governors on 7th December 2022 and are signed on its behalf by:



Mr J Bentall
Chair of Governors

Company number: 1507581
Charity registration number: 280626

Kingshott School Trust Limited
Year ended 31 August 2022
Statement of Cash Flows

	2022 £	2021 £
Cash flows from operating activities		
Net income for the year	(47,309)	263,546
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	431,659	377,157
Interest payable	89,485	87,401
<i>Changes in:</i>		
(Increase) / Decrease in debtors	(58,007)	(3,152)
(Decrease) in creditors	(135,621)	(200,764)
Cash generated from operations	280,207	524,188
Interest received	(20)	(199)
Net cash from operating activities	<u>280,187</u>	<u>523,989</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(212,739)	(247,620)
Proceeds from sale of listed investments	-	-
Net cash used in investing activities	<u>(212,739)</u>	<u>(247,620)</u>
Cash flows from financing activities		
Interest paid	(89,485)	(87,401)
Proceeds from borrowings — interest received	20	199
Net cash from financing activities	<u>(89,465)</u>	<u>(87,202)</u>
Net (decrease)/increase in cash and cash	(22,017)	189,167
Cash and cash equivalents at beginning of year	1,116,817	927,650
Cash and cash equivalents at end of year	<u>1,094,800</u>	<u>1,116,817</u>
Analysis of cash and cash equivalents		
	2,022	2021
	£	£
Cash at bank and in hand	1,094,800	1,116,817
	<u>1,094,800</u>	<u>1,116,817</u>

Analysis of changes in net debt

	At start of year	Cash flows	At end of year
	£	£	£
Cash	1,116,817	(22,017)	1,094,800

The notes on pages 16 to 23 form part of these financial statements.

Kingshott School Trust Limited
Year ended 31 August 2022
Notes to the financial statements

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Kingshott School, St. Ippolyts, Hitchin, Herts, SG4 7JX. The company is limited by guarantee and with no share capital.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice (second edition- October 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011. 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 pound.

3. Accounting policies

3.1 Corporation Tax

No provision has been made for corporation tax or deferred tax as the charity is a registered charity and therefore exempt.

3.2 Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets. Unrealised gains or losses arising on the revaluation of listed investments are charged or credited to the Statement of Financial Activities.

3.3 VAT

As the charity's activities are classified as exempt activities for the purposes of value added tax, the charity is unable to reclaim the value added tax which it suffers on purchases. Expenditure in these financial statements is therefore shown as inclusive of value added tax.

3.4 Going concern

The financial statements are prepared on a going concern basis which assumes the charitable company will continue in operational existence for the foreseeable future. The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the Trustees are closely monitoring future pupil numbers, interest rates and the inflationary impact on costs to ensure that the school remains viable. The Trustees have prepared forecasts and projections to 31 August 2023. After making appropriate enquiries, the Trustees have concluded that the school will continue in operational existence for the foreseeable future and therefore preparing the accounts on a going concern basis is appropriate.

3.5 Fund accounting

Unrestricted funds are available for use at the discretion of the Governors to further any of the charity's purposes. Designated funds are unrestricted funds earmarked by the Governors for a particular future project or commitment.

3.6 Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.

Kingshott School Trust Limited
Year ended 31 August 2022
Notes to the financial statements (continued)

•income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured.

No amounts are included for the contribution of general volunteers.

•income from educational activities is recognised with the delivery of the service.

3.7 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

•expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

•expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

•other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities. Termination payments are recognised in the year in which employment ceases irrespective of when such payments are made.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity.

3.8 Tangible assets

All fixed assets are initially recorded at cost. Items costing less than £5,000 are written off as an expense as acquired.

3.9 Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Buildings	- 2% - 10% straight line
Computers	- 15% straight line
Vehicles, garden equipment	- 20% straight line
Swimming Pool	- 5% straight line

3.10 Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

3.11 Debtors

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

3.12 Cash and bank

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.

Kingshott School Trust Limited
Year ended 31 August 2022
Notes to the financial statements (continued)

3.13 Creditors and Provisions

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

3.14 Financial Instruments

The School 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.

3.15 Funds

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Governors in furtherance of the general charitable objectives. Any funds earmarked for a particular purpose are included in designated funds.

3.16 Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. Other than those noted below, the Governors consider there to be no material areas subject to estimation and judgement.

Useful economic lives. The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Recoverable value of debtors. The school makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 14 for the net carrying amount of the debtors and associated impairment provision.

5. Income from Charitable activities

	Total Funds 2022 £	Total Funds 2021 £
School and registration fees	5,152,296	4,827,277
Bursaries and discounts	(127,076)	(103,168)
Fee reductions and COVID-19 bursaries	-	(75,740)
Other educational income	353,712	143,073
	<u>5,378,932</u>	<u>4,791,442</u>

6. Income from Donations and legacies

	Total Funds 2022 £	Total Funds 2021 £
Donations receivable	10,000	54,450
Furlough income COVID-19	3,444	51,468
Legacies	-	-
	<u>13,444</u>	<u>105,918</u>

Kingshott School Trust Limited
Year ended 31 August 2022
Notes to the financial statements (continued)

7. Investment income

	Total Funds 2022 £	Total Funds 2021 £
Bank interest	20	199
	20	199

8. Expenditure on charitable activities

Expenditure	Staff costs	Other	Depreciation	Total 2022	Total 2021
	£	£	£	£	£
Teaching costs	2,918,474	568,584	141,761	3,628,819	3,107,907
Welfare costs	-	293,759	-	293,759	227,450
Premises costs	220,777	296,750	289,898	807,425	669,824
Support costs	369,150	251,067	-	620,217	541,431
	3,508,401	1,410,160	431,659	5,350,220	4,546,612

Expenditure	Staff costs	Other	Depreciation	2021	Total 2020
	£	£	£	£	£
Teaching costs	2,651,005	327,472	129,380	3,107,907	3,400,961
Welfare costs	-	227,450	-	227,450	186,231
Premises costs	178,810	243,237	247,777	669,824	636,682
Support costs	356,596	184,835	-	541,431	629,554
	3,186,461	982,994	377,157	4,546,612	4,853,428

Support costs include governance costs of £15,505 (£16,184 - 2021)

9. Expenditure on raising funds

	Total Funds 2022 £	Total Funds 2021 £
Bank interest payable	89,485	87,401
	89,485	87,401

10. Net income

Net income is stated after charging:

	2022 £	2021 £
Remuneration to the auditors for audit services	15,000	15,000
Depreciation of tangible fixed assets	431,659	377,157

Kingshott School Trust Limited
Year ended 31 August 2022
Notes to the financial statements (continued)

11. Staff costs

The total staff costs and employee benefits for the year are analysed as follows:

	2022	2021
	£	£
Wages and salaries	2,752,255	2,499,090
Supply teachers	54,726	22,670
Social security costs	274,562	249,426
Employer contributions to pension plans	426,858	415,275
	3,508,401	3,186,461

The average head count of employees during the year was 75 (73- 2021)

During the year, termination payments including notice, were payable totalling £70,121 for 3 staff.

	2022	2021
	No.	No.
Teaching	57	54
Other	18	19
	75	73

The number of employees whose remuneration for the year fell within the following bands, were:

	2022	2021
£60,000 to £69,999	1	1
£70,000 to £79,999	1	1
£80,000 to £89,999		
£90,000 to £99,999	1	1
£100,000 to £110,000		
	3	3

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the school. These were the trustees, Head, Bursar and Deputy Head. The total compensation paid to key management personnel for services provided to the school was £322,660 (£295,795 - 2021).

12. Trustee remuneration and expenses

The charity paid the cost of courses and travel costs for the Governors totalling £505 (£1,185 - 2021). All Governors are covered by the School's public liability insurance which limits their liability as Governors.

Kingshott School Trust Limited
Year ended 31 August 2022
Notes to the financial statements (continued)

13. Tangible Fixed Assets

Cost	Land and buildings	Furniture and equipment	Swimming Pool	Vehicles	Total
	£	£	£	£	£
At 1 September 2021	14,636,381	1,002,846	305,608	75,200	16,020,035
Additions	24,387	30,365	136,963	21,024	212,739
Assets no longer in use	-	-	-	-	-
At 31 August 2022	14,660,768	1,033,211	442,571	96,224	16,232,774

Depreciation

At 1 September 2021	2,517,159	543,646	57,988	73,688	3,192,481
Eliminated on not in use	-	-	-	-	-
Charge for the year	288,386	129,380	12,381	1,512	431,659
At 31 August 2022	2,805,545	673,026	70,369	75,200	3,624,140

Carrying amount

At 31 August 2022	11,855,223	360,185	372,202	21,024	12,608,633
At 31 August 2021	12,119,222	459,200	247,620	1,512	12,827,554

There has been no adjustment to the value of the land.

14. Debtors

	2022	2021
	£	£
Trade debtors	83,794	71,484
Provision	(33,771)	(74,482)
Prepayments	6,393	19,353
Other debtors	38,341	20,395
	94,757	36,750

15. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans	226,293	229,078
Trade creditors	32,305	11,986
Accruals	103,171	46,066
Fees received in advance	537,790	555,912
Deposits	27,300	27,300
Social security and other taxes	64,159	59,690
Other creditors	85,417	63,096
	1,076,435	993,128

Fees in advance relate to fees paid ahead of the school year 2022/23

Balance at 01/09/21	555,912
Redeemed against current fees	(555,912)
Received in advance of 01/09/2022 for 2022 fees	537,790
Balance at 31/08/2022	537,790

Kingshott School Trust Limited
Year ended 31 August 2021
Notes to the financial statements (continued)

16. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans between 2-5 years	1,993,371	1,985,478
Bank loans and overdrafts over 5 years	381,155	606,875
Other long-term creditors — deposits	123,150	124,252
	<u>2,497,677</u>	<u>2,716,605</u>

There are 4 loans secured by a charge on the School's property. 2 loans have a fixed interest rate and 2 have a variable interest rate. The terms of the loan vary between 2025 and 2030 with rates between 2.75% and 4.7%.

17. Pensions and other post-retirement benefits

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £383,167 (2021 - £377,690) and at the year-end £44,045 (2021 - £43,200) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any past benefit pension costs is included in these financial statements.

Kingshott School Trust Limited
Year ended 31 August 2022
Notes to the financial statements (continued)

The School also operates a defined contributions scheme with Scottish Widows for non teaching staff. The contribution rate is a minimum 4% for employees and 4% employers. The total employer cost for the year was £43,691 (£38,020 - 2021).

18. Operating Leases

The School has three operating leases for photocopiers. The amounts owed within one year are £5,412 (£5,412 - 2021) and over one year are £4,553 (£9966 – 2021). In addition, there is a lease of the field and driveway. The annual lease cost of this is £20,800 (£20,800 - 2021) with appropriate rent reviews every five years. The length of the lease is for an indeterminate period of time.

19. Related Parties

There are no related party transactions in the school.

KINGSHOTT SCHOOL TRUST LIMITED

England & Wales - Charity number 280626

Accounts

**COMPANY NUMBER 1507581
CHARITY REGISTRATION NUMBER 280626**

**Kingshott School Trust Limited
Company Limited by Guarantee
Financial Statements
31 August 2021**

The logo for Kingshott, featuring the word "Kingshott" in a blue, cursive script font. A horizontal yellow line is positioned beneath the letters "g", "s", and "h".

Kingshott

Kingshott School Trust Limited
Year ended 31 August 2021
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Kingshott School Trust Limited

Year ended 31 August 2021

Governors' annual report

The Governors are pleased to present their annual report together with the financial statements of the charity for the year ending 31 August 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, Companies Act 2006, the Memorandum and Articles of Association, and 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).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Kingshott School Trust Limited
Charity number	280626
Company registration number	1507581
Website	www.kingshottSchool.com
Registered office	Kingshott School, St Ippolyts, Hitchin, Herts, SG4 7JX

Our Professional Advisers		
Auditor	Moore Kingston Smith	4 Victoria Square, St Albans, Herts, AL1 3TF
Bankers	Barclays Bank Plc	PO Box No. 1, 5/6 High Street, Hitchin, Herts, SG5 1BJ
Solicitors	Foreman Laws	25 Bancroft, Hitchin, Herts, SG5 1JW

The Governors

The Governors of the charitable company (the charity) are its trustees for the purpose of charity law and directors for the purposes of company law. The Governors serving during the year and since the year end were as follows:

Mr D Keast (Chair) – resigned 31/8/21
Mr R Midgley
Dr J Bentall
Mrs S Selkirk
Ms L Pechard
Mr D Morgan – resigned 31/8/21
Mr P Brooks
Ms H Marsh
Mr J Woods
Ms L Corry – resigned 31/8/21
Ms C Waller

Key Executives

Head	Mr D Weston
Deputy Head	Mrs F Payne
Bursar	Mrs J Ilott

Kingshott School Trust Limited

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by its Memorandum and Articles of Association dating from 14th July 1980, as amended on 9th October 2016.

Recruitment and Training of Governors

The Charity's elected Governors are appointed at a meeting of the existing Governors on the basis of nominations received. A Nominations Committee (The Governance Committee) considers applicants to identify and recruit suitable individuals to provide strength and balance to the Board. Areas of expertise considered include education, finance, child welfare, legal, marketing, property development and human resources. Consideration is given to the eligibility, personal competence, specialist skills and local availability of any nominee. As part of succession planning, the committee is charged with taking soundings and making recommendations for the future Chairmanship of the Board.

On appointment, new Governors are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Board Structure, committees and decision-making processes, the business plan, key policies and recent financial and academic performance of the School. They also visit the School for more detail orientation and to meet key employees. Governors are encouraged to attend appropriate training opportunities such as events run by the AGBIS (Association of Governing Bodies of Independent Schools) and to attend School functions and sports events.

Organisational Management

The Governors, as the Governors of the Charity, are legally responsible for the oversight of the management and control of the School. All of the Governors meet as a Board at least three times a year. The Head and Bursar attend all Governors meetings. The Bursar is responsible for coordinating the meetings, preparation of papers and the management accounts.

There are several sub-committees: Education, Finance and General Purposes, Marketing, Governance, and Compliance including Safeguarding and Health and Safety. The Chair of each committee reports to the Board of Governors. The Finance and General Purposes Committee oversees the School's financial strategy, which is implemented by the Bursar, as well as the approval of budgets and forecasts and remuneration recommendations. This Committee meets every term and more often if necessary.

The day to day running of the Charity is delegated to the Head, supported by his Senior Leadership Team together with the Bursar. The Head undertakes the key leadership role, overseeing educational and pastoral functions whilst the Bursar oversees the finance, buildings maintenance, development and administrative functions. The Head has responsibility for the recruitment of educational staff and the Bursar for recruitment of non-teaching staff. The day to day running of the School is undertaken within the policies and procedures approved by the Governors. The day to day responsibility for Safeguarding is assumed by the School's DSP and overseen by the Safeguarding Governor.

Other relationships

The Head is a member of IAPS which is an opportunity to share expertise, knowledge and experience across the Independent Schools sector.

Risk Management

The Governors are responsible for ensuring that the procedure for identifying the risks faced by the School is in place and properly managed. Detailed consideration of risk is delegated to the Senior Leadership Team of the School and the sub-committees. Risks are identified, assessed and controls

Kingshott School Trust Limited

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established throughout the year and during the termly review of risk management processes by Governors.

The Governors have a risk management strategy which comprises:

- a termly review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. The main risks that the Governors have identified are:

- **Pandemic.** The COVID pandemic has resulted in a heightened risk in this area. It could result in non-payment of fees and pupil retention due to the financial strains on our parents. It also puts considerable strain on our staff; personal reasons, anxieties over contact with children and possible transmissions plus the added pressures of online teaching. We have managed the risks by assisting the parents where we can financially and have not seen any diminution in either non-payment of fees or retention. Staff continue to be supported in every way with significant COVID safe measures being put in place.
- **Reputation.** The School's success is built on its reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, support for both pupils and staff and active identification and resolution of health and safety related issues.
- **Financial.** We are reliant on pupil fees and the ability to pay bills as they fall due. This risk is managed by marketing activity, maintaining competitive fees, having a reputation for academic excellence, budgetary controls, active cash flow management and retaining adequate reserves.
- **Curriculum.** Academic excellence requires the most able teachers with state of the art facilities delivering the curriculum to able students. Careful planning ensures that the needs of all children are met. This is regularly monitored and feedback provided to staff and children.
- **Governance and Management.** Ensuring that the school's management works effectively and closely with the Governors is key to the effective running of the school. Close liaison of both groups assists here with the Chair of Governors and other key Governors meeting regularly with the Head, Bursar and other staff.
- **Regulatory.** With an increased regulatory framework, it is important that the school remains compliant at all times. This has become a priority of the school and is embedded in its culture. The creation of a Compliance Committee and appointment of a compliance officer ensures that compliance is maintained.
- **Cyber.** A heightened threat exists globally but particularly in our sector. The introduction of two factor authentication, consideration of moving servers into the cloud and any other measures which are seen to be appropriate will be adopted.

Kingshott School Trust Limited

Year ended 31 August 2021

Related parties

None of the governors receive remuneration, means tested bursaries or other benefit from their work with the charity. Any contractual relationship must be disclosed and notes of interest are retained in written form.

Pay policy for senior staff

The remuneration of the Head and Bursar is set by the Board after it has received a recommendation from the Finance Committee and is kept under annual review. A number of criteria are used in setting pay that include: appraised performance, the role and responsibilities, competitor salaries, sector average salaries for comparable positions and trends in pay.

The charity operates banded salary ranges for all other staff including senior staff. These bands are competitive with benefits also included. The Governors have given delegated authority to the Head to pay higher salaries for exceptional candidates where this is in the interest of the School. This allows the School to remain an attractive employer in the independent School sector and to ensure appropriate incentives to encourage enhanced performance and rewarding individual contributions to the School's success.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The Charity's Objects as set out in its Memorandum and Articles of Association are to promote and provide for the advancement of education of children in the United Kingdom and elsewhere.

The charity's main aim is to provide a first-class education to boys and girls between three and 13 years of age. In doing so the School aims to provide an intellectual environment, to stimulate curiosity, to promote achievement, to provide opportunities for development and to nurture each individual. We combine tradition and innovation in teaching and learning, enabling pupils to be 'the best they can be' in all aspects of School life. In addition, the charity also has the general aim of contributing to the wider community of Hitchin and surrounding areas by enabling them to participate in a range of sporting, recreational and educational activities.

Our Objectives

The main strategy for meeting the aim is to continue to provide a high-quality education, which will allow pupils the opportunity to attain the highest academic levels, and also to provide pupils with an all-round education benefitting from the School's varied extra-curricular programme.

This is intended to provide an environment where pupils can develop their full potential, thus to help build self-confidence and inculcate a desire to contribute to a wider community.

The School uses academic results to monitor its success and the academic performance of pupils in education entrance examinations to senior Schools has remained a source of considerable satisfaction. In addition to academic success the charity considers other areas such as individual and team sporting achievements and successes in performing arts and music. The charity also monitors success through the extent to which parents are involved in School life, as the Governors see parent involvement as key to the continued success of the School.

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Public benefit

The charity will also continue to foster links with the local community, both by providing educational links with other Schools in the area and also by providing the opportunity for members of the community to access the excellent sporting facilities of the School.

In addition to the main School objective the School has continued to foster relationships with the community. The School makes available its sports facilities to a number of community groups including Hitchin Symphony Orchestra, local scouting groups, Hitchin Art club, Pregnancy Yoga, various football clubs and other sporting and dance groups. The community engagement has increased significantly in recent years with the opening of our sports hall. The March 2020 lockdown resulted in having to cease lettings for the latter part of the year but lettings are started to build again with local cricket clubs and dance groups. The School monitors the success of these activities by monitoring the number of community groups who use the School's facilities and also the number of attendees at these groups. The school is an active member of the Hitchin Business Improvement District.

In setting our objectives the Governors have given due consideration to the Charity Commission's general guidance on public benefit.

Access Policy

We welcome pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our School will be able to educate and develop a prospective pupil to the best of their potential and in line with the standards achieved by their peers. Entrance assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race religion or disability does not form part of our assessment process.

Kingshott School Trust Limited is a fee charging School. We recognise however that it is important to make education available to all and as such provide facilitated access to the School. The Board of Governors provides financial support to pupils through a means-tested bursary scheme and a number of hardship bursaries when required. The availability of financial support is publicised by way of the charity's website and in our application packs for entry to the School.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

Bursaries

Assisted places in the form of bursaries are available for those wishing to attend the School in years 7 and 8 but who would otherwise be unable to pay the fees, or Emergency Bursaries for those current pupils where a change in family circumstances would compromise their ability to remain at the School. This is particularly relevant in the current climate and we are pleased to have been able to assist a number of families this year. We also assist with temporary payment arrangements.

Those wishing to be considered for bursary support are required to complete a Bursary Application giving full details of their financial situation, supported by original documents. Bursary remission on fees is assessed according to the guardians' ability to pay full fees and the availability of bursary funds to the School. Bursary awards are subject to the annual testing of the guardians' means and range from 10% to 100%.

Kingshott School Trust Limited

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The value of means-tested bursaries awarded in the academic year 2020-21 amounted to £21,253 which is 0.43% of the School's gross income (less any restricted funds which were not available for bursary provision). In total, there were 5 pupils in receipt of means tested bursary provision, representing 1.31% of the School roll.

We also awarded further to 3 families to support them during COVID. The total assistance to parents falling on hard times during this period £20,740 and varied from 50% to 100% and 1 term to 3 terms.

Non means-tested fee remissions

Other forms of non means-tested assistance were also awarded during the academic year, including staff and sibling discounts. In total these awards were made to 107 pupils and amounted to £79,564. Other assistance was given by the 'pay fees monthly' scheme and by our acceptance of childcare vouchers.

Our School does not have an endowment and in funding our awards we have to be mindful that we must ensure a balance between fee-paying parents, many of whom are making considerable personal sacrifice to fund their children's education, and those benefitting from the awards.

STRATEGIC REPORT

Achievements and performance

Kingshott School provided education for an average of 380 (408 - 2020) pupils over the three terms of the academic session 2020-21.

Although economic conditions remain uncertain the School roll has continued to maintain a very healthy pupil roll. The success of our online learning provision contributed to a considerable admissions interest to Kingshott. This will have a very positive impact on the school finances for the future.

The focus of the School remains the all-round education and development of the whole child. We continue to review the School's curriculum and this year have enjoyed enhanced teaching created by brand new facilities for children from year 5 and above. Entry to the School is by way of assessment.

The academic curriculum remains a priority and 2020/21 was another year of excellent results. All pupils obtained their first choice of senior School.

The pupils wellbeing continues to have a high priority in the school and particularly in light of the lockdowns and remote learning, some careful support for certain children has resulted.

Extracurricular Activities

The School runs a significant number of major trips, extracurricular activities and outings which were greatly enjoyed by the children. In normal years, these include numerous theatre, museum and activity centre outings across the School, an outward bound to Scotland, a French trip, a cultural trip to Barcelona and an optional skiing trip in Austria. Improvement of our clubs continues as we strive to offer a broad range of options. A full UK based program will resume during 2021/2022 but we were pleased to facilitate a residential trip at the end of the school year for our Year 8 pupils and many day trips for all year groups. The making of an 'on location' film of Peter Pan was a huge achievement and thoroughly enjoyed by the pupils in years 7 and 8.

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Year ended 31 August 2021

Other Charitable Activities

The School was unable to complete its usual round of charitable activities due to Covid restrictions, bubbling, school uniform restrictions and the like. We look forward to commencing an active program during the next school year.

Financial review

The main source of income for the charity is through the fee income charged for the provision of education. Income for the year was ahead of expectations.

Kingshott School recorded a surplus for the financial year of £263,547 (£163,215 - 2020).

The main expenditure of the School is that of staff salaries. Our staff are key to the ongoing success of the School and therefore we continue to invest in the highest standard of teaching staff and are also committed to ensuring their continued professional development. We also pay close attention to other costs in the School, in particular: catering, site and administration costs. Cash flow remains strong with a healthy cash fund remaining of £1,116,817 (£927,650 - 2020).

The Governors are committed to ensuring the future financial stability of the School and continually review the financial position and consider any changes required.

Covid-19 has impacted the school, as with every business in the country. We were fortunate that our school delivered on line learning to pupils during the January - March 2021 lockdown which was widely praised by our parents. Our parent body have been hugely supportive to the school and have weathered their own storms valiantly. Where appropriate, we continued to take advantage of the furlough scheme and claimed £51,468.

Going concern

The Governors have reviewed the budgets and forecasts for the School and they are satisfied that the School is a going concern.

Reserves

The reserves policy reflects the following considerations: the objectives of the School, an annual assessment of risk, the level of current income and expenditure and the need to maintain capital expenditure at an appropriate level. The policy is to maintain working capital at a level that adequately supports forecast operational expenditure. Free reserves are those unrestricted funds that have not been reinvested, together with bank borrowings, in the School's fixed assets, as represented by their balance sheet value, nor any earmarked for future capital projects. There are no free reserves available as any remaining cash is reinvested. The balance of unrestricted funds at 31st August 2021 was £10,246,388 (£10,007,842 – 2020).

Investment Powers, Policy and Performance

With advice from an investment manager, the Charity's investment powers are governed by its Memorandum and Articles of Association, which give Governors the power to invest monies, not immediately required for the Charity's purposes, in or upon such investments, securities or property as may be thought fit.

The Governors' policy is to maximise income on all invested funds whilst preserving their capital value and having appropriate access to those funds when required.

Kingshott School Trust Limited

Year ended 31 August 2021

Volunteers

The Parents Association continued to be busy and tremendously useful to the School Community. Whilst the traditional events were cancelled, some online activities including a talent show were organised.

PLANS FOR FUTURE PERIODS

The Governors' plans for the future contain the following key objectives:

- To maintain strong pupil numbers.
- To maintain or improve the current pupil/teacher ratio which we believe enables pupils to have the attention needed to realise their academic and wider potential.
- To develop further and widen and enrich the curriculum and teaching and learning throughout the school.
- To continue increasing and investing in the use of ICT in the teaching of all subjects. Google classroom is to be embedded into the children's learning and the introduction of portable devices in parts of the School for all children in years 5 to 8 is working well and will be further developed.
- To continue to support families in need of financial assistance through means tested hardship bursaries.
- To play a part in the local community and ensure as many local groups as possible access the school's facilities.
- To continually review and update School policies, to reflect ongoing changes to regulations and best practice, and to ensure their consistent implementation throughout the School.
- To develop STEAM teaching in years 5-8.
- To develop and enhance the offering in years 7-8 including amongst other things the Incrementum project and business enterprise initiatives.

The Governors are satisfied that progress is already being made with respect to all of the above and are confident that these shall be achieved.

GOVERNORS' RESPONSIBILITIES STATEMENT

The Governors are responsible for preparing the Governors' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity Governors to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the report and financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets

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of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

In so far as the Governors are aware at the time of approving our Governors' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- the Governors, having made enquiries of fellow directors and the charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Governors report which includes the strategic report was approved by the Governors on 17th November 2021 and signed on their behalf by:

A handwritten signature in blue ink, appearing to be 'J Bentall', with a long horizontal line extending to the right.

Mr J Bentall
Chair of Governors

Kingshott School Trust Limited
Year ended 31 August 2021
Independent auditor's report to the members

Opinion

We have audited the financial statements of Kingshott School Trust Limited for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRS'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Kingshott School Trust Limited
Year ended 31 August 2021
Independent auditor's report to the members

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures or trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Kingshott School Trust Limited
Year ended 31 August 2021
Independent auditor's report to the members

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

Moore Kingston Smith LLP

Shivani Kothari, Senior Statutory Auditor
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 22 March 2022

Devonshire House
60 Goswell Road
London
EC1M 7AD

Kingshott School Trust Limited
Year ended 31 August 2021
Statement of Financial Activities (incorporating income and expenditure account)

		2021 Total funds £	2020 Total funds £
Income	Note		
Charitable activities	5	4,791,442	4,882,559
Donations and legacies (including furlough income)	6	105,918	230,633
Investment income	7	199	5,935
Total income		4,897,559	5,119,128
Expenditure			
Expenditure on charitable activities	8	(4,546,612)	(4,853,428)
Expenditure on raising funds	9	(87,401)	(102,485)
Total expenditure		(4,634,013)	(4,955,913)
Net income before investment gains		263,546	163,215
Net income and net movement in funds	10	263,546	163,215
Reconciliation of funds			
Total funds brought forward		10,007,842	9,844,627
Total funds carried forward		10,271,388	10,007,842

The notes on pages 16 to 23 form part of these financial statements.

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

All income and expenditure derive from continuing activities.

All funds are unrestricted.

Kingshott School Trust Limited
Year ended 31 August 2021
Statement of Financial Position

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	13	12,827,554	12,957,091
Current assets			
Debtors	14	36,750	33,598
Cash at bank and in hand		<u>1,116,817</u>	<u>927,650</u>
		1,153,567	961,248
Creditors: amounts falling due within one year	15	<u>(993,128)</u>	<u>(970,707)</u>
Net current assets / (liabilities)		<u>160,439</u>	<u>(9,459)</u>
Total assets less current liabilities		<u>12,987,993</u>	<u>12,947,632</u>
Creditors: amounts falling due after more than one year	16	<u>(2,716,605)</u>	<u>(2,939,790)</u>
Net assets		<u>10,271,388</u>	<u>10,007,842</u>
Funds of the charity			
Unrestricted funds		<u>10,271,388</u>	<u>10,007,842</u>
Total charity funds		<u>10,271,388</u>	<u>10,007,842</u>

The notes on pages 16 to 23 form part of these financial statements.

These financial statements were approved by the board of Governors on 17th November 2021 and are signed on its behalf by:



Mr J Bentall
Chair of Governors

Company number: 1507581
Charity registration number: 280626

Kingshott School Trust Limited
Year ended 31 August 2021
Statement of Cash Flows

	2021 £	2020 £	
Cash flows from operating activities			
Net income for the year	263,546	163,215	
<i>Adjustments for:</i>			
Depreciation of tangible fixed assets	377,157	408,555	
Interest payable	87,401	102,485	
<i>Changes in:</i>			
(Increase) / Decrease in debtors	(3,152)	70,162	
(Decrease) in creditors	(200,764)	(374,535)	
Cash generated from operations	524,188	369,882	
Interest received	(199)	(5,935)	
Net cash from operating activities	523,989	363,947	
Cash flows from investing activities			
Purchase of property, plant and equipment	(247,620)	(57,172)	
Proceeds from sale of listed investments	-	-	
Net cash used in investing activities	(247,620)	(57,172)	
Cash flows from financing activities			
Interest paid	(87,401)	(102,485)	
Proceeds from borrowings — interest received	199	5,935	
Net cash from financing activities	(87,202)	(96,550)	
Net increase in cash and cash equivalents	189,167	210,225	
Cash and cash equivalents at beginning of year	927,650	717,425	
Cash and cash equivalents at end of year	1,116,817	927,650	
Analysis of cash and cash equivalents			
	2021 £	2020 £	
Cash at bank and in hand	1,116,817	927,650	
	1,116,817	927,650	
Analysis of changes in net debt			
	At start of year £	Cash flows £	At end of year £
Cash	927,650	189,167	1,116,817

The notes on pages 16 to 23 form part of these financial statements.

Kingshott School Trust Limited
Year ended 31 August 2021
Notes to the financial statements

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Kingshott School, St. Ippolyts, Hitchin, Herts, SG4 7JX. The company is limited by guarantee and with no share capital.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice (second edition- October 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011. 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 pound.

3. Accounting policies

3.1 Corporation Tax

No provision has been made for corporation tax or deferred tax as the charity is a registered charity and therefore exempt.

3.2 Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets. Unrealised gains or losses arising on the revaluation of listed investments are charged or credited to the Statement of Financial Activities.

3.3 VAT

As the charity's activities are classified as exempt activities for the purposes of value added tax, the charity is unable to reclaim the value added tax which it suffers on purchases. Expenditure in these financial statements is therefore shown as inclusive of value added tax.

3.4 Going concern

The financial statements are prepared on a going concern basis which assumes the charitable company will continue in operational existence for the foreseeable future. The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the Trustees are closely monitoring future pupil numbers to ensure that the school remains viable. The Trustees have prepared forecasts and projections to 31 August 2022. After making appropriate enquiries, the Trustees have concluded that the school will continue in operational existence for the foreseeable future and therefore preparing the accounts on a going concern basis is appropriate.

3.5 Fund accounting

Unrestricted funds are available for use at the discretion of the Governors to further any of the charity's purposes. Designated funds are unrestricted funds earmarked by the Governors for a particular future project or commitment.

3.6 Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.

Kingshott School Trust Limited
Year ended 31 August 2021
Notes to the financial statements (continued)

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from educational activities is recognised with the delivery of the service.

3.7 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities. Termination payments are recognised in the year in which employment ceases irrespective of when such payments are made.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity.

3.8 Tangible assets

All fixed assets are initially recorded at cost. Items costing less than £5,000 are written off as an expense as acquired.

3.9 Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Buildings	- 2% - 10% straight line
Computers	- 15% straight line
Vehicles, garden equipment and swimming pool	- 20% straight line

3.10 Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

3.11 Debtors

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

3.12 Cash and bank

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.

Kingshott School Trust Limited
Year ended 31 August 2021
Notes to the financial statements (continued)

3.13 Creditors and Provisions

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

3.14 Financial Instruments

The School 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.

3.15 Funds

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Governors in furtherance of the general charitable objectives. Any funds earmarked for a particular purpose are included in designated funds.

3.16 Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. Other than those noted below, the Governors consider there to be no material areas subject to estimation and judgement.

Useful economic lives. The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Recoverable value of debtors. The school makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 14 for the net carrying amount of the debtors and associated impairment provision.

5. Income from Charitable activities

	Total Funds 2021 £	Total Funds 2020 £
School and registration fees	4,827,277	5,167,184
Bursaries and discounts	(103,168)	(116,340)
Fee reductions and COVID-19 bursaries	(75,740)	(525,996)
Other educational income	143,073	357,712
	<u>4,791,442</u>	<u>4,882,559</u>

6. Income from Donations and legacies

	Total Funds 2021 £	Total Funds 2020 £
Donations receivable	54,450	3,350
Furlough income COVID-19	51,468	224,599
Legacies	-	2,684
	<u>105,918</u>	<u>230,633</u>

Kingshott School Trust Limited
Year ended 31 August 2021
Notes to the financial statements (continued)

7. Investment income

	Total Funds 2021 £	Total Funds 2020 £
Bank interest receivable	199	5,935
	199	5,935

8. Expenditure on charitable activities

Expenditure	Staff costs £	Other £	Depreciation £	Total 2021 £	Total 2020 £
Teaching costs	2,651,055	327,472	129,380	3,107,907	3,400,961
Welfare costs	-	227,450	-	227,450	186,231
Premises costs	178,810	243,237	247,777	669,824	636,682
Support costs	356,596	184,835	-	541,431	629,554
	3,186,461	982,994	377,157	4,546,612	4,853,428

Expenditure	Staff costs £	Other £	Depreciation £	Total 2020 £	Total 2019 £
Teaching costs	2,785,479	488,885	126,597	3,400,961	3,132,055
Welfare costs	-	186,231	-	186,231	264,421
Premises costs	108,009	246,715	281,959	636,682	696,139
Support costs	349,314	280,240	-	629,554	578,653
	3,242,802	1,202,071	408,555	4,853,428	4,671,268

Support costs include governance costs of £16,184 (£16,478 - 2020)

9. Expenditure on raising funds

	Total Funds 2021 £	Total Funds 2020 £
Bank interest payable	87,401	102,485
	87,401	102,485

10. Net income

Net income is stated after charging:

	2021 £	2020 £
Remuneration to the auditors for audit services	15,000	15,000
Depreciation of tangible fixed assets	377,157	408,555

Kingshott School Trust Limited
Year ended 31 August 2021
Notes to the financial statements (continued)

11. Staff costs

The total staff costs and employee benefits for the year are analysed as follows:

	2021	2020
	£	£
Wages and salaries	2,499,090	2,533,606
Supply teachers	22,670	22,479
Social security costs	249,426	257,580
Employer contributions to pension plans	415,275	429,137
	<u>3,186,461</u>	<u>3,242,802</u>

The average head count of employees during the year was 73 (82 - 2020)

	2021	2020
	No.	No.
Teaching	54	57
Other	19	25
	<u>73</u>	<u>82</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2021	2020
£60,000 to £69,999		1
£70,000 to £79,999	1	1
£80,000 to £89,999	1	
£90,000 to £99,999	1	
£100,000 to £110,000		1
	<u>3</u>	<u>3</u>

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the school. These were the trustees, Head, Bursar and Deputy Head. The total compensation paid to key management personnel for services provided to the school was £295,795 (£326,536 - 2020).

12. Trustee remuneration and expenses

The charity paid the cost of courses and travel costs for the Governors totalling £1,185 (£1,478 - 2020). All Governors are covered by the School's public liability insurance which limits their liability as Governors.

Kingshott School Trust Limited
Year ended 31 August 2021
Notes to the financial statements (continued)

13. Tangible Fixed Assets

Cost	Land and buildings	Furniture and equipment	Swimming Pool	Vehicles	Total
	£	£	£	£	£
At 1 September 2020	15,215,487	2,110,630	62,742	182,307	17,571,166
Additions	-	-	247,620	-	247,620
Assets no longer in use	(579,106)	(1,107,784)	(4,754)	(107,107)	(1,798,751)
At 31 August 2021	14,636,381	1,002,846	305,608	75,200	16,020,035

Depreciation

At 1 September 2020	2,851,680	1,522,050	62,742	177,603	4,614,075
Eliminated on not in use	(579,106)	(1,107,784)	(4,754)	(107,107)	(1,798,751)
Charge for the year	244,585	129,380	-	3,192	377,157
At 31 August 2021	2,517,159	543,646	57,988	73,688	3,192,481

Carrying amount

At 31 August 2021	12,119,222	459,200	247,620	1,512	12,827,554
At 31 August 2020	12,363,807	588,580	-	4,704	12,957,091

There has been no adjustment to the value of the land.

14. Debtors

	2021	2020
	£	£
Trade debtors	71,484	75,250
Provision	(74,482)	(99,482)
Prepayments	19,353	4,447
Other debtors	20,395	53,383
	36,750	33,598

15. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans	229,078	222,284
Trade creditors	11,986	19,696
Accruals	46,066	32,748
Fees received in advance	555,912	526,524
Deposits	27,300	27,300
Social security and other taxes	59,690	64,586
Other creditors	63,096	77,568
	993,128	970,707

Fees in advance relate to fees paid ahead of the school year 2020/21

Balance at 01/09/20	526,524
Redeemed against current fees	(526,524)
Received in advance of 01/09/2021 for 2021 fees	555,912
Balance at 31/08/2021	555,912

Kingshott School Trust Limited
Year ended 31 August 2021
Notes to the financial statements (continued)

16. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans between 2-5 years	1,985,478	889,136
Bank loans and overdrafts over 5 years	606,875	1,942,904
Other long-term creditors — deposits	124,252	107,750
	<u>2,716,605</u>	<u>2,939,790</u>

There are 4 loans secured by a charge on the School's property. 2 loans have a fixed interest rate and 2 have a variable interest rate. The terms of the loan vary between 2025 and 2030 with rates between 1.2% and 3.12%.

17. Pensions and other post-retirement benefits

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £377,690 (2020: £383,162) and at the year-end £43,200 (2020 - £44,186) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%. The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

Kingshott School Trust Limited
Year ended 31 August 2021
Notes to the financial statements (continued)

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The School also operates a defined contributions scheme with Scottish Widows for non teaching staff. The contribution rate is a minimum 4% for employees and 4% employers. The total employer cost for the year was £38,020 (£36,422 - 2020).

18. Operating Leases

The School has three operating leases for photocopiers. The amounts owed within one year are £5,412 (£7,135 – 2020) and over one year are £9,966 (£15,670 – 2020). In addition, there is a lease of the field and driveway. The annual lease cost of this is £20,800 (£20,800 - 2020) with appropriate rent reviews every three years. The length of the lease is for an indeterminate period of time.

19. Capital Commitments

At year end there were capital commitments of £142,612 in respect of the swimming pool project.

20. Related Parties

There are no related party transactions in the school.

KINGSHOTT SCHOOL TRUST LIMITED

England & Wales - Charity number 280626

Accounts

**COMPANY NUMBER 1507581
CHARITY REGISTRATION NUMBER 280626**

**Kingshott School Trust Limited
Company Limited by Guarantee
Financial Statements
31 August 2020**

The logo for Kingshott, featuring the word "Kingshott" in a blue, cursive script font. A horizontal yellow line is positioned beneath the letters "g", "s", and "h".

Kingshott

Kingshott School Trust Limited
Year ended 31 August 2020
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Kingshott School Trust Limited

Year ended 31 August 2020

Governors' annual report

The Governors are pleased to present their annual report together with the financial statements of the charity for the year ending 31 August 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, Companies Act 2006, the Memorandum and Articles of Association, and 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).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Kingshott School Trust Limited
Charity number	280626
Company registration number	1507581
Website	www.kingshottSchool.com
Registered office	Kingshott School, St Ippolyts, Hitchin, Herts, SG4 7JX

Our Professional Advisers		
Auditor	Moore Kingston Smith	4 Victoria Square, St Albans, Herts, AL1 3TF
Bankers	Barclays Bank Plc	PO Box No. 1, 5/6 High Street, Hitchin, Herts, SG5 1BJ
Solicitors	Foreman Laws	25 Bancroft, Hitchin, Herts, SG5 1JW

The Governors

The Governors of the charitable company (the charity) are its trustees for the purpose of charity law and directors for the purposes of company law. The Governors serving during the year and since the year end were as follows:

Mr D Keast (Chair)
Mr R Midgley
Mr M Sudweeks – Resigned 17/6/20
Dr J Bentall
Mrs S Selkirk
Ms L Pechard
Mr D Morgan
Mr P Brooks
Ms H Marsh
Mr J Woods
Ms L Corry
Ms C Waller

Key Executives

Head	Mr M Seymour
Deputy Head	Mr D Weston
Bursar	Mrs J Illott

Kingshott School Trust Limited

Year ended 31 August 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by its Memorandum and Articles of Association dating from 14th July 1980, as amended on 9th October 2016.

Recruitment and Training of Governors

The Charity's elected Governors are appointed at a meeting of the existing Governors on the basis of nominations received. A Nominations Committee (The Governance Committee) considers applicants to identify and recruit suitable individuals to provide strength and balance to the Board. Areas of expertise considered include education, finance, child welfare, legal, marketing, property development and human resources. Consideration is given to the eligibility, personal competence, specialist skills and local availability of any nominee. As part of succession planning, the committee is charged with taking soundings and making recommendations for the future Chairmanship of the Board.

On appointment, new Governors are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Board Structure, committees and decision-making processes, the business plan, key policies and recent financial and academic performance of the School. They also visit the School for more detail orientation and to meet key employees. Governors are encouraged to attend appropriate training opportunities such as events run by the AGBIS (Association of Governing Bodies of Independent Schools) and to attend School functions and sports events.

Organisational Management

The Governors, as the Governors of the Charity, are legally responsible for the oversight of the management and control of the School. All of the Governors meet as a Board at least three times a year. The Head and Bursar attend all Governors meetings. The Bursar is responsible for coordinating the meetings, preparation of papers and the management accounts.

There are several sub-committees: Education, Finance and General Purposes, Marketing, Governance, and Compliance including Safeguarding and Health and Safety. The Chair of each committee reports to the Board of Governors. The Finance and General Purposes Committee oversees the School's financial strategy, which is implemented by the Bursar, as well as the approval of budgets and forecasts and remuneration recommendations. This Committee meets every term and more often if necessary.

The day to day running of the Charity is delegated to the Head, supported by his Senior Leadership Team together with the Bursar. The Head undertakes the key leadership role, overseeing educational and pastoral functions whilst the Bursar oversees the finance, buildings maintenance, development and administrative functions. The Head has responsibility for the recruitment of educational staff and the Bursar for recruitment of non-teaching staff. The day to day running of the School is undertaken within the policies and procedures approved by the Governors. The day to day responsibility for Safeguarding is assumed by the School's DSP and overseen by the Safeguarding Governor.

Other relationships

The Head is a member of IAPS which is an opportunity to share expertise, knowledge and experience across the Independent Schools sector.

Risk Management

The Governors are responsible for ensuring that the procedure for identifying the risks faced by the School is in place and properly managed. Detailed consideration of risk is delegated to the Senior Leadership Team of the School and the sub-committees. Risks are identified, assessed and controls

Kingshott School Trust Limited

Year ended 31 August 2020

established throughout the year and during the termly review of risk management processes by Governors.

The Governors have a risk management strategy which comprises:

- a termly review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. The main risks that the Governors have identified are:

- **Pandemic.** The COVID pandemic has resulted in a heightened risk in this area. It could result in non-payment of fees and pupil retention due to the financial strains on our parents. It also puts considerable strain on our staff; personal reasons, anxieties over contact with children and possible transmissions plus the added pressures of online teaching. We have managed the risks by assisting the parents where we can financially and have not seen any diminution in either non-payment of fees or retention. Staff continue to be supported in every way with significant COVID safe measures being put in place.
- **Reputation.** The School's success is built on its reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, support for both pupils and staff and active identification and resolution of health and safety related issues.
- **Financial.** We are reliant on pupil fees and the ability to pay bills as they fall due. This risk is managed by marketing activity, maintaining competitive fees, having a reputation for academic excellence, budgetary controls, active cash flow management and retaining adequate reserves.
- **Curriculum.** Academic excellence requires the most able teachers with state of the art facilities delivering the curriculum to able students. Careful planning ensures that the needs of all children are met. This is regularly monitored and feedback provided to staff and children.
- **Governance and Management.** Ensuring that the school's management works effectively and closely with the Governors is key to the effective running of the school. Close liaison of both groups assists here with the Chair of Governors and other key Governors meeting regularly with the Head, Bursar and other staff.
- **Regulatory.** With an increased regulatory framework, it is important that the school remains compliant at all times. This has become a priority of the school and is embedded in its culture. The creation of a Compliance Committee and appointment of a compliance officer ensures that compliance is maintained.

Related parties

None of the governors receive remuneration, means tested bursaries or other benefit from their work with the charity. Any contractual relationship must be disclosed and notes of interest are retained in written form.

Kingshott School Trust Limited

Year ended 31 August 2020

Pay policy for senior staff

The remuneration of the Head and Bursar is set by the Board after it has received a recommendation from the Finance Committee and is kept under annual review. A number of criteria are used in setting pay that include: appraised performance, the role and responsibilities, competitor salaries, sector average salaries for comparable positions and trends in pay.

The charity operates banded salary ranges for all other staff including senior staff. These bands are competitive with benefits also included. The Governors have given delegated authority to the Head to pay higher salaries for exceptional candidates where this is in the interest of the School. This allows the School to remain an attractive employer in the independent School sector and to ensure appropriate incentives to encourage enhanced performance and rewarding individual contributions to the School's success.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The Charity's Objects as set out in its Memorandum and Articles of Association are to promote and provide for the advancement of education of children in the United Kingdom and elsewhere.

The charity's main aim is to provide a first-class education to boys and girls between three and 13 years of age. In doing so the School aims to provide an intellectual environment, to stimulate curiosity, to promote achievement, to provide opportunities for development and to nurture each individual. We combine tradition and innovation in teaching and learning, enabling pupils to be 'the best they can be' in all aspects of School life. In addition, the charity also has the general aim of contributing to the wider community of Hitchin and surrounding areas by enabling them to participate in a range of sporting, recreational and educational activities.

Our Objectives

The main strategy for meeting the aim is to continue to provide a high-quality education, which will allow pupils the opportunity to attain the highest academic levels, and also to provide pupils with an all-round education benefitting from the School's varied extra-curricular programme.

This is intended to provide an environment where pupils can develop their full potential, thus to help build self-confidence and inculcate a desire to contribute to a wider community.

The School uses academic results to monitor its success and the academic performance of pupils in education entrance examinations to senior Schools has remained a source of considerable satisfaction. In addition to academic success the charity considers other areas such as individual and team sporting achievements and successes in performing arts and music. The charity also monitors success through the extent to which parents are involved in School life, as the Governors see parent involvement as key to the continued success of the School.

Public benefit

The charity will also continue to foster links with the local community, both by providing educational links with other Schools in the area and also by providing the opportunity for members of the community to access the excellent sporting facilities of the School.

In addition to the main School objective the School has continued to foster relationships with the community. The School makes available its sports facilities to a number of community groups including Hitchin Symphony Orchestra, local scouting groups, Hitchin Art club, Pregnancy Yoga, various football clubs and other sporting and dance groups. The community engagement has increased significantly in

Kingshott School Trust Limited

Year ended 31 August 2020

recent years with the opening of our sports hall. The March 2020 lockdown resulted in having to cease lettings for the latter part of the year but we are now proud to share our new facility with Hot House Dance, Hertfordshire Karate, Hertfordshire Cricket and other local cricket clubs, Cousens Badminton, Mavericks Netball as well as Redfin models. The School monitors the success of these activities by monitoring the number of community groups who use the School's facilities and also the number of attendees at these groups. The school is an active member of the Hitchin Business Improvement District.

In setting our objectives the Governors have given due consideration to the Charity Commission's general guidance on public benefit.

Access Policy

We welcome pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that our School will be able to educate and develop a prospective pupil to the best of their potential and in line with the standards achieved by their peers. Entrance assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race religion or disability does not form part of our assessment process.

Kingshott School Trust Limited is a fee charging School. We recognise however that it is important to make education available to all and as such provide facilitated access to the School. The Board of Governors provides financial support to pupils through a means-tested bursary scheme and a number of hardship bursaries when required. The availability of financial support is publicised by way of the charity's website and in our application packs for entry to the School.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

Bursaries

Assisted places in the form of bursaries are available for those wishing to attend the School in years 7 and 8 but who would otherwise be unable to pay the fees, or Emergency Bursaries for those current pupils where a change in family circumstances would compromise their ability to remain at the School. This is particularly relevant in the current climate and we are pleased to have been able to assist a number of families this year. We also assist with temporary payment arrangements.

Those wishing to be considered for bursary support are required to complete a Bursary Application giving full details of their financial situation, supported by original documents. Bursary remission on fees is assessed according to the guardians' ability to pay full fees and the availability of bursary funds to the School. Bursary awards are subject to the annual testing of the guardians' means and range from 10% to 100%.

The value of means-tested bursaries awarded in the academic year 2019-20 amounted to £28,201 which is 0.5% of the School's gross income (less any restricted funds which were not available for bursary provision). In total, there were 5 pupils in receipt of means tested bursary provision, representing 1.25% of the School roll.

We also awarded a further 33 bursaries during the initial COVID-19 lockdown period during April 2020. The total assistance to parents falling on hard times during this period £26,478.

Kingshott School Trust Limited

Year ended 31 August 2020

On top of this all parents were offered a range of fee reductions from between 25% to 75% and totalling £499,518.

Non means-tested fee remissions

Other forms of non means-tested assistance were also awarded during the academic year, including staff and sibling discounts. In total these awards were made to 129 pupils and amounted to £79,102. Other assistance was given by the 'pay fees monthly' scheme and by our acceptance of childcare vouchers.

Our School does not have an endowment and in funding our awards we have to be mindful that we must ensure a balance between fee-paying parents, many of whom are making considerable personal sacrifice to fund their children's education, and those benefitting from the awards.

STRATEGIC REPORT

Achievements and performance

Kingshott School provided education for an average of 408 (399 - 2019) pupils over the three terms of the academic session 2019-20.

Although economic conditions remain uncertain the School roll has continued to maintain a very healthy pupil roll.

The focus of the School remains the all-round education and development of the whole child. We continue to review the School's curriculum and this year have enjoyed enhanced teaching created by brand new facilities for children from year 5 and above. Entry to the School is by way of assessment.

The academic curriculum remains a priority and 2019/20 was another year of excellent results. All pupils obtained their first choice of senior School.

Extracurricular Activities

The School runs a significant number of major trips, extracurricular activities and outings which were greatly enjoyed by the children. In normal years, these include numerous theatre, museum and activity centre outings across the School, an outward bound to Scotland, a French trip, a cultural trip to Barcelona and an optional skiing trip in Austria. Improvement of our clubs continues as we strive to offer a broad range of options. The residential trips during 2020 were regrettably cancelled.

Other Charitable Activities

The School took part in many charitable and fund raising activities from mufti days to triathlons and sponsored reads! Charities supported this year included; Macmillan cancer support, Phase, Herts Air Ambulance, Seraph's Appeal, Poppy Appeal, Food Bank, DJB, CLIC Sargent, Winston's Wish, Read for Good, Shelterbox and Brain Tumour research. The school does not actively fundraise for itself.

Financial review

The main source of income for the charity is through the fee income charged for the provision of education. Income for the year was ahead of expectations.

Kingshott School recorded a surplus for the financial year of £163,215 (£102,706 - 2019).

The main expenditure of the School is that of staff salaries. Our staff are key to the ongoing success of the School and therefore we continue to invest in the highest standard of teaching staff and are also

Kingshott School Trust Limited

Year ended 31 August 2020

committed to ensuring their continued professional development. We also pay close attention to other costs in the School, in particular: catering, site and administration costs. Cash flow remains strong with a healthy cash fund remaining of £927,650 (£717,425 - 2019).

The Governors are committed to ensuring the future financial stability of the School and continually review the financial position and consider any changes required.

Covid-19 has impacted the school, as with every business in the country. We were fortunate that our school delivered on line learning to pupils from the outset which was widely praised by our parents. That said, many of our parents were without warning impacted by reduced income, being furloughed and redundancies. We responded to that by offering fee reductions as indicated in the bursaries section. We also furloughed some administration, cleaning, catering and teaching assistants on 80% of their pay and were able to benefit from the Job retention Scheme put in place by the Government. Furlough income of £224,599 was claimed by the School. This income together with utilities savings on the school not being opened and deferral of a capital project enabled us to fund the fee reductions and additional bursaries discussed earlier.

Going concern

The Governors have reviewed the budgets and forecasts for the School and they are satisfied that the School is a going concern.

Reserves

The reserves policy reflects the following considerations: the objectives of the School, an annual assessment of risk, the level of current income and expenditure and the need to maintain capital expenditure at an appropriate level. The policy is to maintain working capital at a level that adequately supports forecast operational expenditure. Free reserves are those unrestricted funds that have not been reinvested, together with bank borrowings, in the School's fixed assets, as represented by their balance sheet value, nor any earmarked for future capital projects. There are no free reserves available as any remaining cash is reinvested. The balance of unrestricted funds at 31st August 2020 was £10,007,842 (£9,844,627 – 2019).

Investment Powers, Policy and Performance

With advice from an investment manager, the Charity's investment powers are governed by its Memorandum and Articles of Association, which give Governors the power to invest monies, not immediately required for the Charity's purposes, in or upon such investments, securities or property as may be thought fit.

The Governors' policy is to maximise income on all invested funds whilst preserving their capital value and having appropriate access to those funds when required.

Volunteers

The Parents Association continued to be busy and tremendously useful to the School. The main events during the year were the firework night, the quiz and curry night. In the summer, a street fayre and jazz picnic were held. Sadly due to the lockdown, the annual Summer Ball was cancelled.

In addition, a number of parents gave their time voluntarily in assisting the School with the supervision of excursions and as 'Super Mums' and 'Spectrum Mums' support in class.

Kingshott School Trust Limited

Year ended 31 August 2020

PLANS FOR FUTURE PERIODS

2020 saw the appointment of a new Headmaster due to the retirement of Mark Seymour. The Governors were delighted to appoint David Weston as the new Headmaster of Kingshott. David joined the school as Deputy Head and was successful following a rigorous appointment process.

The Governors' plans for the future contain the following key objectives:

- To maintain strong pupil numbers.
- To maintain or improve the current pupil/teacher ratio which we believe enables pupils to have the attention needed to realise their academic and wider potential.
- To develop further and widen and enrich the curriculum and teaching and learning throughout the school.
- To continue increasing and investing in the use of ICT in the teaching of all subjects. Google classroom is to be embedded into the children's learning and the introduction of portable devices in parts of the School for all children in years 5 to 8 is working well and will be further developed.
- To continue to support families in need of financial assistance through means tested hardship bursaries.
- To play a part in the local community and ensure as many local groups as possible access the school's facilities.
- To continually review and update School policies, to reflect ongoing changes to regulations and best practice, and to ensure their consistent implementation throughout the School.
- To develop STEAM teaching in years 5-8.
- To develop and enhance the offering in years 7-8 including amongst other things the Incrementum project and business enterprise initiatives.

The Governors are satisfied that progress is already being made with respect to all of the above and are confident that these shall be achieved.

GOVERNORS' RESPONSIBILITIES STATEMENT

The Governors are responsible for preparing the Governors' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity Governors to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the report and financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Kingshott School Trust Limited

Year ended 31 August 2020

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

In so far as the Governors are aware at the time of approving our Governors' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- the Governors, having made enquiries of fellow directors and the charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Governors report which includes the strategic report was approved by the Governors on 18th March 2021 and signed on their behalf by:



Mr D Keast
Chair of Governors

Kingshott School Trust Limited
Year ended 31 August 2020
Independent auditor's report to the members

Opinion

We have audited the financial statements of Kingshott School Trust Limited for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRS'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Kingshott School Trust Limited
Year ended 31 August 2020
Independent auditor's report to the members

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures or trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Kingshott School Trust Limited
Year ended 31 August 2020
Independent auditor's report to the members

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

Moore Kingston Smith LLP

Date: 29/03/21

Shivani Kothari, Senior Statutory Auditor
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Kingshott School Trust Limited
Year ended 31 August 2020
Statement of Financial Activities (incorporating income and expenditure account)

		2020 Total funds £	2019 Total funds £
Income	Note		
Charitable activities	5	4,882,559	5,125,623
Donations and legacies (including furlough income)	6	230,633	7,381
Investment income	7	5,935	3,866
Total income		5,119,128	5,136,870
Expenditure			
Expenditure on charitable activities	8	(4,853,428)	(4,913,666)
Expenditure on raising funds	9	(102,485)	(120,498)
Total expenditure		(4,955,913)	(5,034,164)
Net income before investment gains		163,215	102,706
Net income and net movement in funds	10	163,215	102,706
Reconciliation of funds			
Total funds brought forward		9,844,627	9,741,921
Total funds carried forward		10,007,842	9,844,627

The notes on pages 16 to 23 form part of these financial statements

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

All income and expenditure derive from continuing activities.

All funds are unrestricted.

Kingshott School Trust Limited
Year ended 31 August 2020
Statement of Financial Position

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	13	12,957,091	13,308,474
Current assets			
Debtors	14	33,598	103,760
Cash at bank and in hand		927,650	717,425
		961,248	821,185
Creditors: amounts falling due within one year	15	(970,707)	(1,099,512)
Net current (liabilities)/assets		(9,459)	(278,327)
Total assets less current liabilities		12,947,632	13,030,147
Creditors: amounts falling due after more than one year	16	(2,939,790)	(3,185,520)
Net assets		10,007,842	9,844,627
Funds of the charity			
Unrestricted funds		10,007,842	9,844,627
Total charity funds		10,007,842	9,844,627

The notes on pages 16 to 23 form part of these financial statements

These financial statements were approved by the board of Governors on 18th March 2021 and are signed on its behalf by:



Mr D Keast
Chair of Governors

Company number: 1507581
Charity registration number: 280626

Kingshott School Trust Limited
Year ended 31 August 2020
Statement of Cash Flows

	2020 £	2019 £
Cash flows from operating activities		
Net income for the year	163,215	102,706
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	408,555	354,186
Interest payable	102,485	120,498
<i>Changes in:</i>		
Decrease in debtors	70,162	76,593
(Decrease) in creditors	(374,535)	(387,787)
Cash generated from operations	369,882	266,196
Interest received	(5,935)	(3,866)
Net cash from operating activities	363,947	262,330
Cash flows from investing activities		
Purchase of property, plant and equipment	(57,172)	(562,088)
Proceeds from sale of listed investments	-	-
Net cash used in investing activities	(57,172)	(562,088)
Cash flows from financing activities		
Interest paid	(102,485)	(120,498)
Proceeds from borrowings — interest received	5,935	3,866
Net cash from financing activities	(96,550)	(116,632)
Net (decrease) in cash and cash equivalents	210,225	(416,390)
Cash and cash equivalents at beginning of	717,425	1,133,815
Cash and cash equivalents at end of year	927,650	717,425
Analysis of cash and cash equivalents		

	2020 £	2019 £
Cash at bank and in hand	927,650	717,425
	927,650	717,425

Analysis of changes in net debt

	At start of year £	Cash flows £	At end of £
Cash	717,425	210,225	927,650

The notes on pages 16 to 23 form part of these financial statements

Kingshott School Trust Limited
Year ended 31 August 2020
Notes to the financial statements

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Kingshott School, St. Ippolyts, Hitchin, Herts, SG4 7JX. The company is limited by guarantee and with no share capital.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice (second edition- October 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011. 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 pound.

3. Accounting policies

3.1 Corporation Tax

No provision has been made for corporation tax or deferred tax as the charity is a registered charity and therefore exempt.

3.2 Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets. Unrealised gains or losses arising on the revaluation of listed investments are charged or credited to the Statement of Financial Activities.

3.3 VAT

As the charity's activities are classified as exempt activities for the purposes of value added tax, the charity is unable to reclaim the value added tax which it suffers on purchases. Expenditure in these financial statements is therefore shown as inclusive of value added tax.

3.4 Going concern

The financial statements are prepared on a going concern basis which assumes the charitable company will continue in operational existence for the foreseeable future. The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the Trustees are closely monitoring the impact of COVID-19 on the ability of parents to pay schools fees and the uncertainty over the pupil numbers as a result of the financial impact on the parents. The School has mitigated the financial impact as optimally as it reasonably can by taking advantage of the Government's Job Retention Scheme as well as reducing other costs where possible. The Trustees have prepared forecasts and projections to 31 August 2022 and have taken account of the potential impact of COVID-19. After making appropriate enquiries, the Trustees have concluded that the school will continue in operational existence for the foreseeable future and therefore preparing the accounts on a going concern basis is appropriate.

3.5 Fund accounting

Unrestricted funds are available for use at the discretion of the Governors to further any of the charity's purposes. Designated funds are unrestricted funds earmarked by the Governors for a particular future project or commitment.

3.6 Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.

Kingshott School Trust Limited
Year ended 31 August 2020
Notes to the financial statements (continued)

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from educational activities is recognised with the delivery of the service.

3.7 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities. Termination payments are recognised in the year in which employment ceases irrespective of when such payments are made.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity.

3.8 Tangible assets

All fixed assets are initially recorded at cost. Items costing less than £5,000 are written off as an expense as acquired.

3.9 Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Buildings	- 2% - 10% straight line
Computers	- 15% straight line
Vehicles, garden equipment and swimming pool	- 20% straight line

3.10 Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

3.11 Debtors

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

3.12 Cash and bank

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.

Kingshott School Trust Limited
Year ended 31 August 2020
Notes to the financial statements (continued)

3.13 Creditors and Provisions

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

3.14 Financial Instruments

The School 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.

3.15 Funds

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Governors in furtherance of the general charitable objectives. Any funds earmarked for a particular purpose are included in designated funds.

3.16 Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. The Governors consider there to be no material areas subject to estimation and judgement.

Useful economic lives. The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Recoverable value of debtors. The school makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 14 for the net carrying amount of the debtors and associated impairment provision.

5. Income from Charitable activities

	Total Funds 2020 £	Total Funds 2019 £
School and registration fees	5,167,184	4,861,374
Bursaries and discounts	(116,340)	(91,532)
Fee reductions and COVID-19 bursaries	(525,996)	0
Other educational income	357,712	355,781
	4,882,559	5,125,623

6. Income from Donations and legacies

	Total Funds 2020 £	Total Funds 2019 £
Donations receivable	3,350	7,381
Furlough income COVID-19	224,599	-
Legacies	2,684	-
	230,633	7,381

Kingshott School Trust Limited
Year ended 31 August 2020
Notes to the financial statements (continued)

7. Investment income

	Total Funds 2020 £	Total Funds 2019 £
Bank interest	5,935	3,866
	<u>5,935</u>	<u>3,866</u>

8. Expenditure on charitable activities

Expenditure	Staff costs £	Other £	Depreciation £	Total 2020 £	Total 2019 £
Teaching costs	2,785,479	488,885	126,597	3,400,961	3,337,647
Welfare costs	-	186,231	-	186,231	303,121
Premises costs	108,009	246,715	281,959	636,682	696,139
Support costs	349,314	280,240	-	629,554	576,759
	<u>3,242,802</u>	<u>1,202,071</u>	<u>408,555</u>	<u>4,853,428</u>	<u>4,913,666</u>

Expenditure	Staff costs £	Other £	Depreciation £	Total 2019 £	Total 2018 £
Teaching costs	2,793,708	259,007	79,340	3,132,055	3,306,067
Welfare costs	-	264,421	-	264,421	339,500
Premises costs	100,947	320,346	274,846	696,139	545,584
Support costs	291,203	287,450	-	578,653	387,904
	<u>3,185,858</u>	<u>1,131,224</u>	<u>354,186</u>	<u>4,671,268</u>	<u>4,579,055</u>

Support costs include governance costs of £16,478 (£15,303 - 2019)

9. Expenditure on raising funds

	Total Funds 2020 £	Total Funds 2019 £
Bank interest payable	102,485	120,498
	<u>102,485</u>	<u>120,498</u>

10. Net income

Net income is stated after charging:

	2020 £	2019 £
Remuneration to the auditors for audit services	15,000	12,360
Depreciation of tangible fixed assets	408,555	354,185

Kingshott School Trust Limited
Year ended 31 August 2020
Notes to the financial statements (continued)

11. Staff costs

The total staff costs and employee benefits for the year are analysed as follows:

	2020	2019
	£	£
Wages and salaries	2,533,606	2,573,477
Supply teachers	22,479	26,590
Social security costs	257,580	257,390
Employer contributions to pension plans	429,137	289,701
	3,242,802	3,147,158

The average head count of employees during the year was 82 (82 - 2019)

	2020	2019
	No.	No.
Teaching	57	57
Other	25	25
	82	82

The number of employees whose remuneration for the year fell within the following bands, were:

	2020	2019
£60,000 to £69,999	1	0
£70,000 to £79,999	1	1
£100,000 to £109,000	1	1
	3	2

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the school. The total compensation paid to key management personnel for services provided to the school was £326,536 (£307,068 -2019).

12. Trustee remuneration and expenses

The charity paid the cost of courses and travel costs for the Governors totalling £1,478 (£2,943 —2019). All Governors are covered by the School's public liability insurance which limits their liability as Governors.

Kingshott School Trust Limited
Year ended 31 August 2020
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13. Tangible fixed

	Land and buildings £	Furniture and equipment £	Vehicles and pool £	Total £
At 1 September 2019	15,215,487	2,053,458	245,049	17,513,994
Additions	-	57,172	-	57,172
At 31 August 2020	15,215,487	2,110,630	245,049	17,571,166

Depreciation

At 1 September 2019	2,572,914	1,395,453	237,153	4,205,520
Charge for the year	278,767	126,597	3,192	408,555
At 31 August 2020	2,851,680	1,522,050	240,345	4,614,075

Carrying amount

At 31 August 2020	12,363,807	588,580	4,704	12,957,091
At 31 August 2019	12,642,573	658,005	7,896	13,308,474

14. Debtors

	2020 £	2019 £
Trade debtors	75,250	137,558
Provision	(99,482)	(50,613)
Prepayments and	4,447	7,497
Other debtors	53,383	9,318
	33,598	103,760

15. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	222,284	222,418
Trade creditors	19,696	50,125
Accruals	32,748	82,976
Fees received in advance	526,524	611,699
Deposits	27,300	11,200
Social security and other taxes	64,586	62,848
Other creditors	77,568	58,246
	970,707	1,099,512

Fees in advance relate to fees paid ahead of the school year 2020/21

Balance at 01/09/19	611,699
Redeemed against current fees	(611,699)
Received in advance of 01/09/2020 for 2020 fees	512,754
Received in advance of 01/09/2020 for 2021 fees	13,770
Balance at 31/08/2020	526,524

Kingshott School Trust Limited
Year ended 31 August 2020
Notes to the financial statements (continued)

16. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts between 2-5 years	889,136	889,672
Bank loans and overdrafts over 5 years	1,942,904	2,164,248
Other long-term creditors — deposits	107,750	131,600
	<u>2,939,790</u>	<u>3,185,520</u>

There are 4 loans secured by a charge on the School's property. 2 loans have a fixed interest rate and 2 have a variable interest rate.

17. Pensions and other post-retirement benefits

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £383,162 (2019: £257,540) and at the year-end £44,186 (2019 - £35,126) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The School also operates a defined contributions scheme with Scottish Widows for non teaching staff. The contribution rate is a minimum 4% for employees and 4% employers. The total employer cost for the year was £36,422 (£32,161-2019).

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Year ended 31 August 2020
Notes to the financial statements (continued)

18. Operating Leases

The School has three operating leases for photocopiers. The amounts owed within one year are £7,135 (£5,336 – 2019) and over one year are £15,670 (£6,148 – 2019). In addition, there is a lease of the field and driveway. The annual lease cost of this is £20,800 (£20,000 - 2019) with appropriate rent reviews every three years.

19. Capital Commitments

At year end there were no capital commitments.

20. Related Parties

There are no related party transactions in the school.