DOWNE HOUSE TRUST

England & Wales · Charity number 309091

Details

Other names	DOWNE HOUSE SCHOOL, THE COLD ASH TRUST, DOWNE HOUSE TRUST 21ST CENTURY APPEAL, THE DOWNE HOUSE TRUST
Status	Registered
Legal form	Trust
Registered	1964-01-17
Register	View on the Charity Commission register

Contact

Address	Downe House School Downe House Hermitage Road Cold Ash Thatcham RG18 9JJ
Phone	01635200286
Website	www.downehouse.net

Activities

Objects: THE PROVISION AND CONDUCT AT OR NEAR COLD ASH NEAR NEWBURY OF A DAY OR DAY AND BOARDING SCHOOL FOR GIRLS

Activities: The object of Downe House Trust is the provision and conduct at or near Cold Ash, near Newbury, of a day or day and boarding school for girls. To that end the trust provides and intends to provide the 110 acre site and properties used by Downe House School.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Education/training
- **Who:** Children/young People

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Geography

- West Berkshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£646,000	£2,634,000	£10,285,000	0
2024-08-31	£15,647,000	£3,082,000	£12,273,000	0
2023-08-31	£646,000	£2,809,000	£-292,000	0
2022-08-31	£646,000	£1,545,000	£1,871,000	0
2021-08-31	£647,000	£1,302,000	£2,770,000	0

Trustees

Name	Role	Appointed
Downe House School		

Linked charities

- THE OLIVE WILLIS TRUST FUND (309091-1)

DOWNE HOUSE TRUST

England & Wales - Charity number 309091

Accounts

Downe House Trust

Annual report and financial statements

for the year ended 31 August 2025

Registered Charity Number: 309091

Downe House Trust

Annual report and financial statements for the year ended 31 August 2025

Contents **Pages**

Trustee and advisors	1
Report of the Trustee	3 - 5
Independent auditor’s report	6 - 8
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11 - 17

Trustee and advisors

Trustee

Downe House School was the sole Trustee (a company limited by guarantee) through the year and at the date the financial statements were approved.

The Trustees, Governors and Directors of Downe House School on 4 December 2025 are:

Mrs SK McNair Scott (Chair)
Mr TM Boucher
Mr NJD Woods
Mr JJ Smith
Ms EJ Clarke
Mr WJF Landale
Mr ST Williams
Mr MJ Brennan
Mrs SE Coiley
Mr JJ Farrell (appointed 4 December 2025)
Mr WAM Chuter (appointed 4 December 2025)
Mr MK Ridley (resigned 4 December 2025)
Mrs VJ Richards (Exelby) (resigned 4 December 2025)
Ms CE Ross (resigned 4 December 2025)

Ms CE Ross (resigned 4 December 2025)

Headmistress of Downe House School
Mrs E McKendrick BA

Secretary of Downe House School
Mr EFP Valletta

Address

Downe House School
Downe House
Hermitage Road
Cold Ash
Thatcham
Berkshire
RG18 9JJ

Independent Auditors

HaysMac LLP
10 Queen Street Place
London
EC4R 1AG

Solicitors

Farrer & Co
66 Lincoln's Inn Fields
London
WC2A 3LH

Bankers

Lloyds Bank plc
5 Bridge Street
Newbury
Berkshire
RG14 5BQ

Report of the Trustee for the year ended 31 August 2025

The Trustee presents the annual report and the audited financial statements for the year ended 31 August 2025.

The information with respect to the Trustee and advisors set out on page 1 forms part of this report. The financial statements comply with the Statement of Recommended Practice “Accounting and Reporting by Charities (FRS 102)” (Second Edition).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Administration
The Trust was established as Downe House School by Trust Deed on 1 January 1944. On 2 August 1993, the Charity Commission approved a scheme whereby the operating activities of the School were transferred to Downe House School, a charitable company limited by guarantee, and the property used by the School was retained by the Trust, which changed its name to the Cold Ash Trust on that date. During the year ended 31 August 2001 the Trustee resolved to change the name of the Trust to Downe House Trust. The change of name was effected by the Charity Commission on 15 October 2001.

Induction and training of Trustees
All new Trustees of Downe House School undertake an induction process the detailed content of which depends on the individual's knowledge of the School and professional experience. Trustees are encouraged to attend seminars arranged by AGBIS (Association of Governing Bodies of Independent Schools) and other such bodies.

The Trustees, Organisational Structure and decision making
The sole Trustee is Downe House School, a company limited by guarantee. The strategic direction of the Trust is set by the Trustees of Downe House School (“the Governing Body”) who approve the plans and budgets presented by the Headmistress and management team. The day to day running of the Trust is delegated to the Headmistress and management team of Downe House School.

The Trustees of Downe House School have a number of committees of which the most significant to the Downe House Trust are:

Finance and General Purposes Committee
The members of this Committee meet at least three times a year to submit reports and recommendations to the Board of Trustees on the following matters:

i. To formulate business plans and annual budgets, in accordance with the School’s aims and objectives, for consideration by the Board of Trustees and to monitor their execution once approved.

ii. To recommend an annual programme of capital expenditure to the Board of Trustees.

iii. To recommend the level of fees for the forthcoming year to the Board of Trustees.

iv. To determine appropriate financial controls and procedures.

v. To propose policy objectives to the Board of Trustees on:

   a. Charging and fee remissions
   b. Salaries
   c. Bursaries
   d. Contracts
   e. Investments

Report of the Trustee for the year ended 31 August 2025 (continued)

Estates Sub-Committee
The members of this Sub-Committee meet at least three times a year to submit reports and recommendations to the Board of Trustees and/or the Finance and General Purposes Committee on the following matters:

i. The overall development of the School's buildings and properties.

ii. The planning, design and management of current and future construction projects.

iii. The annual maintenance and improvement programme for the School's buildings, including Health and Safety issues.

iv. Any other buildings or property related matters referred to the Sub-Committee by the Board of Governors or the Finance and General Purposes Committee.

Related parties and connected organisations
The Trust's relationship with Downe House School is disclosed above.

Risk Assessment
In the light of the Corporate Governance guidance contained within the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (Second Edition) the Trustee has examined the major risks faced by the Trust. A system of controls has been put in place to monitor and mitigate, where possible, the major risks identified and their impact on the Trust. Risks are identified and assessed and controls are established throughout the year. A formal review of the Trust's risk management process is undertaken on a termly basis.

OBJECTIVES AND ACTIVITIES

Object
The object of the Downe House Trust is the provision and conduct at or near Cold Ash, near Newbury, of a day or day and boarding school for girls.

Aims, objectives and strategy for the year
The Trust provides, and intends to continue to provide, the 110 acre site and properties used by Downe House School.

The Trust seeks to demonstrate the full Public Benefit that it provides, having regard to the general guidance on Public Benefit from the Charity Commission and where possible enhance that benefit. Further details are disclosed in the Annual report and financial statements of Downe House School.

Report of the Trustee for the year ended 31 August 2025 (continued)

ACHIEVEMENTS AND PERFORMANCE

Review
The Trust continues to provide the properties used by Downe House School.

The Downe House Trust 21st Century Appeal was launched in October 2001. The aim of the Appeal was to raise money for a number of capital projects. Following completion of the construction of the Sports Pavilion in April 2003, construction of the Performing Arts Centre was completed in August 2004. Construction of an all-weather pitch was commenced in June 2008 and was completed in November 2008. For details of the income received by the Appeal fund during the year and the year end fund balances see note 8. During the year the Appeal fund received donations of £220 (2024: £220), in line with expectations. Major fundraising is now undertaken by the Downe House Foundation, charity number 1159259.

The buildings strategy of the Trust is monitored by the Estates Sub-Committee of Downe House School and the Finance and General Purposes Committee of Downe House School.

The Trustees of Downe House School consider a wide range of factors that may affect the achievement of the Trust's objectives as part of their risk assessment procedures described on page 3. Some of these factors such as economic conditions, the Charities Act 2011 and other legislation are outside the control of the Trust.

Investment Performance
Investment performance is reviewed regularly and investments have performed adequately in the year. The Trustee has revalued the investment assets at the year end to market value, increasing net assets by £Nil (2024: £Nil).

FINANCIAL REVIEW

Investment Powers and Policy
The Trust has the powers to invest in its own name and to delegate these powers to professional investment managers. Investments are held to create income and capital growth pending utilisation on specific objects or to match liabilities as appropriate.

Reserves policy
The Trust's tangible assets are all held for use by the School. Investments are held to create income and capital growth pending utilisation on specific objects or to match liabilities as appropriate.
As described in note 9 the Trust's unrestricted reserves are fully represented by tangible fixed assets and associated liabilities. There are no free funds beyond the extent of these assets and commitments. The Trustee considers that the existing level of reserves is appropriate for the needs of the Trust. This policy is reviewed at least annually.

Funds summary at 31 August (note 9):

Total funds £10,285,000 (2024: £12,273,000)
Restricted funds £426,000 (2024: £478,000)
Unrestricted funds £9,859,000 (2024: £11,795,000)

Financial results
Full results are shown in the financial statements and notes thereto on pages 9 to 17. The net outgoing resources for the year were £1,988,000 (2024: £2,435,000). Total income was £646,000 (2024: £647,000). Total expenditure was £2,634,000 (2024: £3,082,000).

Report of the Trustee for the year ended 31 August 2025 (continued)

Going Concern
Downe House School, the Trustee, has a clear understanding of the strategy and business plan of the Trust, including the Trust's projected funding requirements for at least the next 12 months. Downe House School will not seek the repayment of amounts advanced to the Trust by the School unless adequate alternative financing has been secured by the Trust.

PLANS FOR FUTURE PERIODS
The Trust intends to provide the site and properties used by Downe House School.

TRUSTEE'S RESPONSIBILITIES STATEMENT

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year. Under that law the Trustee has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under that law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the Trustee is required to:

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

The Trustee is responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provision of the trust deed. The Trustee is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement on disclosure of information to the auditors
So far as the Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware.

The Trustee has taken all the steps (such as making enquiries of the auditors and any other steps required by the Trustee's duty to exercise due care, skill and diligence) that it ought to have taken in its duty as a Trustee in order to make it aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Independent Auditors
The auditors, HaysMac LLP, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

Signed on behalf of the Trustee, Downe House School

Tim Boucher

TM Boucher
Trustee 4 December 2025

Independent auditor's report to the members of Downe House Trust

Opinion
We have audited the financial statements of Downe House Trust for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 charity's affairs as at 31 August 2025 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustee. 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.

Independent auditor's report to the members of Downe House Trust (continued)

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements
As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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 charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Health and Safety 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 Charities Act 2011 and the Charities SORP.

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 inappropriate journal entries and management bias in accounting estimates. 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 account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates.

Independent auditor's report to the members of Downe House Trust (continued)

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 charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee 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 charity's trustee as a body for our audit work, for this report, or for the opinions we have formed.

HaysMac LLP

HaysMac LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

11/12/2025

HaysMac LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of financial activities for the year ended 31 August 2025

	Note	Unrestricted funds £'000	Restricted funds £'000	**Total 2025 £'000**	Total 2024 £'000
Income from					
Donations and Legacies		-	-	-	1
Income from charitable activities					
Property Rental		646	-	**646**	646
Total Income		**646**	**-**	**646**	647
Expenditure on Charitable activities					
Premises - depreciation		(1,025)	(52)	**(1,077)**	(1,034)
Financing costs	2	(1,553)	-	**(1,553)**	(2,044)
Governance costs	3	(4)	-	**(4)**	(4)
Total expenditure		**(2,582)**	**(52)**	**(2,634)**	(3,082)
Net expenditure		**(1,936)**	**(52)**	**(1,988)**	(2,435)
Advance written off by Downe House School		-	-	-	15,000
Net movement in funds		**(1,936)**	**(52)**	**(1,988)**	12,565
Total funds brought forward	9	11,795	478	**12,273**	(292)
Total funds carried forward	9	**9,859**	**426**	**10,285**	12,273

All amounts derive from continuing activities.

All gains and losses recognised in the year are included in the statement of financial activities.

There is no difference between the net movement in funds stated above and its historical cost equivalent.

Balance Sheet as at 31 August 2025

	Note	**2025**	2024
		£'000	£'000
Fixed assets			
Tangible assets	4	**26,127**	27,252
		26,127	27,252
Current Assets			
Debtors	5	**13,671**	12,379
Investments	6	**11**	11
Cash at bank and in hand		**2**	719
		13,684	13,109
Creditors: amounts falling due within one year	7	**(27,660)**	(26,222)
Net current liabilities		**(13,976)**	(13,113)
Total assets less current liabilities		**12,172**	14,139
Creditors: amounts falling due after more than one year	8	**(1,866)**	(1,866)
Net assets /(liabilities)		**10,285**	12,273
Represented by:			
Restricted funds	9	**426**	478
Unrestricted funds	9	**9,859**	11,795
		10,285	12,273

The financial statements on pages 9 to 17 were approved by the Trustee on 4 December 2025 and signed on behalf of the Trustee, Downe House School, by:

Tim Boucher

TM Boucher
Trustee

Notes to the financial statements for the year ended 31 August 2025

1. Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom including Financial Reporting Standard 102 (FRS 102) and the Charities Act 2011. In preparing the financial statements the Trust has followed best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (Second Edition). The Trust is a Public Benefit Entity. A summary of the more important accounting policies of the Trust, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared on a going concern and accruals basis under the historical cost convention modified by the revaluation of investments. The functional and presentational currency is £ Sterling. The Trustee considers it appropriate to adopt the going concern basis and has not identified any material uncertainties in the period of at least 12 months from the date of approval of the financial statements. After making enquiries the Trustee has a reasonable expectation that the Trust has adequate resources to continue in operation for the foreseeable future. A letter of support has been provided by Downe House School for the period of 12 months from the date of signing these financial statements. The exemption under s1.12 of FRS 102 has been taken not to disclose full details of the Company's financial instruments as these details are included within the consolidated financial statements of Downe House School.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustee in furtherance of the general charitable objectives.

Restricted funds are funds subject to specific conditions imposed by the donors.

Property rental

The Trust owns property used by Downe House School for which it received rental payments of £646,000 (2024: £646,000) for the year. Income is recognised on a receivable basis.

Voluntary income

All voluntary income comprises donations which are shown in the Statement of Financial Activities and are accounted for on a receivable basis.

Gains on disposal of fixed assets

On disposal of tangible fixed assets, the profit or loss on disposal is accounted for as the difference between the net sale proceeds and the net carrying amount of the tangible fixed asset. The profit or loss on disposal of tangible fixed assets is recognised in the Statement of Financial Activities for the year in which the disposal occurs.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Overhead and other costs not directly attributable to particular functional categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, by reference to the level of costs in the functional categories.

Notes to the financial statements for the year ended 31 August 2025 (continued)

1. Principal accounting policies (continued)

Governance costs comprise the costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings, external audit and any legal advice for the Trustee.

Tangible fixed assets and depreciation

Freehold land and buildings held on trust are included at cost. Land is not depreciated. Buildings are depreciated at rates calculated to write off the cost less their estimated residual values on a straight line basis over the expected useful economic life of each building. The range of annual rates used for this purpose is between 10 and 50 years. Assets with a cost below £1,000 are not capitalised.

Other tangible fixed assets are stated at cost, less accumulated depreciation, at rates calculated to write off the cost less residual value, of each asset over its expected useful life, as follows:

Equipment and furnishings	12.5%	- straight line

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Investments and investment income

Investments are stated at market value. Any gain or loss on revaluation is included in the statement of financial activities. Investment income is accounted for in the period in which the Trust is entitled to receipt.

Cash Flow Statement

The Trust does not prepare a cash flow statement as its cash flows are included in the cash flow statement of Downe House School.

Concessionary Loans

Public benefit entity concessionary loans are loans made or received between public benefit entities at below the prevailing market rate of interest and are for the purposes of furthering the objectives of the public benefit entity. The loans are measured at the amount received or paid and are recognised in the Statement of Financial Position.

Critical estimates or judgements

Estimates and judgements are continually evaluated and are based on historical experience and other relevant factors including expectations of future events that are believed to be reasonable in the circumstances. The Trustee does not believe that critical judgements have been made that effect the financial statements.

2. Financing costs

	2025	2024
	£'000	£'000
Interest payable on loans and advances from parent undertaking	**1,553**	2,044

Notes to the financial statements for the year ended 31 August 2025 (continued)

3. Governance costs

	2025	2024
	£'000	£'000
Auditors' remuneration for audit services (excluding VAT)	4	4

There were Nil employees (2024: Nil).

4. Tangible assets

	Freehold land & buildings	Equipment & furnishings	**Total**
	£'000	£'000	**£'000**
Cost			
1 September 2024	40,775	114	40,889
Additions	582	-	**582**
Adjustments	(630)	-	**(630)**
31 August 2025	**40,727**	**114**	**40,841**
Accumulated depreciation			
1 September 2024	13,523	114	13,637
Charge for the year	1,077	-	**1,077**
31 August 2025	**14,600**	**114**	**14,714**
Net book value			
31 August 2025	**26,127**	**-**	**26,127**
31 August 2024	27,252	-	27,252

Included in freehold land and buildings is land at a cost of £92,473 (2024: £92,473) which is not depreciated.

5. Debtors

	2025	2024
	£'000	£'000
Concessionary loan to parent undertaking	**13,671**	12,379

This amount is treated as a concessionary loan is unsecured, interest free and repayable on demand.

Notes to the financial statements for the year ended 31 August 2025 (continued)

6. Investments

	Restricted fund £'000	**Total fund £'000**
Market value		
1 September 2024	11	**11**
Additions at cost	-	**-**
31 August 2025	**11**	**11**
Cash and short-term deposits	**11**	**11**
Historical cost		
31 August 2025	**11**	**11**
31 August 2024	11	11

7. Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Advance from parent undertaking	**27,656**	26,143
Other creditors and accruals	**4**	79
	27,660	26,222

Interest is payable to the Trust's parent undertaking, on the amount due within one year at the rate of 1% over bank base rate. Advances from the parent undertaking are unsecured and repayable on demand and are treated as concessionary loans. In order to strengthen the balance sheet of the Downe House Trust, during the prior year £15,000,000 of the amount due from Downe House Trust was written off by Downe House School.

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

	2025 £'000	2024 £'000
Amounts owed to parent undertaking	**1,866**	1,866

Interest is payable to the Trust's parent undertaking, on loan advances due after more than one year in excess of £866,000 at the rate of 1% over bank base rate. No interest is paid on the remaining loan advances due after more than one year of £866,000. Advances from the parent undertaking are unsecured and are treated as concessionary loans.

Notes to the financial statements for the year ended 31 August 2025 (continued)

9. Funds

	Restricted funds £'000	Unrestricted funds £'000	Total funds £'000
1 September 2024	478	11,795	12,273
Incoming resources	-	646	646
Resources expended	(52)	(2,582)	(2,634)
31 August 2025	**426**	**9,859**	**10,285**
Represented by:			
Tangible fixed assets	615	25,512	26,127
Investments	11	-	11
Net current liabilities	(200)	(13,787)	(13,987)
Long-term liabilities	-	(1,866)	(1,866)
31 August 2025	**426**	**9,859**	**10,285**

	Restricted funds £'000	Unrestricted funds £'000	Total funds £'000
1 September 2023	529	(821)	(292)
Incoming resources	1	15,646	15,647
Resources expended	(52)	(3,030)	(3,082)
31 August 2024	**478**	**11,795**	**12,273**
Represented by:			
Tangible fixed assets	467	26,785	27,252
Investments	11	-	11
Net current liabilities	-	(13,124)	(13,124)
Long-term liabilities	-	(1,866)	(1,866)
31 August 2024	**478**	**11,795**	**12,273**

The restricted funds relate to three historic building projects.

10. Contingent liabilities

The Trust has guaranteed the bank borrowings of its parent undertaking, sole Trustee and controlling party, Downe House School, up to a maximum of £6,000,000 (2024: £6,000,000) and has given a legal charge over each of the freehold properties of the Trust. At 31 August 2025 the amount of the bank borrowing subject to the guarantee was £Nil (2024: £Nil).

Notes to the financial statements for the year ended 31 August 2025 (continued)

11. Taxation

The Trust is a registered charity and as such tax exemption applies to the income arising from and expended on charitable activities and to its investment income and gains. Investment income is stated inclusive of tax credits.

The Trust is registered for VAT and, where applicable, expenditure is recorded net of recoverable VAT.

12. Trustee

The Trustee receives no remuneration for its services or reimbursement of expenses. No other key management personnel are employed by the Trust.

13. Related party transactions

During the year the Trust received rental income of £646,000 (2024: £646,000) from Downe House School.

The Trust accrued interest on loans of £1,553,000 (2024: £2,044,000), and £590,000 for capital expenditure and other items (2024: £1,194,000) from Downe House School. Offsetting this in 2025 is the Capital Goods Scheme adjustment of £630,000.

The Trust made loans of £1,292,000 (2024: £nil) to Downe House School.

The net balance at 31 August with Downe House School was £15,851,000 net credit (2024: £15,630,000 net credit).

14. Ultimate parent undertaking and controlling party

Downe House School, a company limited by guarantee and registered in England and Wales, is the sole corporate Trustee and controlling party of the Downe House Trust. The Trust is managed by the Trustees of the School. Group consolidated financial statements are drawn up by the School. Copies of the School's financial statements can be obtained from the Company Secretary, The Bursary, Downe House School, Cold Ash, Thatcham, Berkshire, RG18 9JJ.

Notes to the financial statements for the year ended 31 August 2025 (continued)

15. Comparative Statement of financial activities for the year ended 31 August 2024

	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000
Income from			
Donations and Legacies	-	1	1
Income from charitable activities			
Property Rental	646	-	646
Total Income	646	1	647
Expenditure on Charitable activities			
Premises	(982)	(52)	(1,034)
Financing costs	(2,044)	-	(2,044)
Governance costs	(4)	-	(4)
Total expenditure	(3,030)	(52)	(3,082)
Net expenditure	(2,384)	(51)	(2,435)
Advance written off by Downe House School	15,000	-	15,000
Net movement in funds	12,616	(51)	12,565
Total funds brought forward	(821)	529	(292)
Total funds carried forward	11,795	478	12,273

DOWNE HOUSE TRUST

England & Wales - Charity number 309091

Accounts

Downe House Trust

Annual report and financial statements

for the year ended 31 August 2024

Registered Charity Number: 309091

Downe House Trust

Annual report and financial statements for the year ended 31 August 2024

Contents **Pages**

Trustee and advisors	1
Report of the Trustee	2 - 5
Independent auditors' report	6 - 8
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11 - 18

Downe House Trust

Trustee and advisors

Trustee

Downe House School was the sole Trustee (a company limited by guarantee) through the year and at the date the financial statements were approved.

The Trustees, Governors and Directors of Downe House School on 2 December 2024 are:

Mr T Boucher	BA, FCA
Ms EJ Clarke	MInstF(Cert)
Mrs VJ Richards (Exelby)	MA
Ms AF Hazlitt	BA
Mrs FM Holmes	BComm
Mr NJD Woods	
Mr MK Ridley	BA, MA, MRICS
Mr JJ Smith	BA, Med, PGCE
Ms SK McNair Scott	
Ms CE Ross	
Mr WJF Landale (Appointed 20 June 2024)	
Mr ST Williams (Appointed 20 June 2024)	

Headmistress of Downe House School
Mrs E McKendrick BA

Secretary of Downe House School
Mr EFP Valletta

Address

Downe House School
Downe House
Hermitage Road
Cold Ash
Thatcham
Berkshire
RG18 9JJ

Independent Auditors

PricewaterhouseCoopers LLP
One Chamberlain Square
Birmingham
B3 3AX

Solicitors

Farrer & Co
66 Lincoln's Inn Fields
London
WC2A 3LH

Bankers

Lloyds Bank plc
5 Bridge Street
Newbury
Berkshire
RG14 5BQ

Report of the Trustee for the year ended 31 August 2024

The Trustee presents the annual report and the audited financial statements for the year ended 31 August 2024.

The information with respect to the Trustee and advisors set out on page 1 forms part of this report. The financial statements comply with the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (revised 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Administration

The Trust was established as Downe House School by Trust Deed on 1 January 1944. On 2 August 1993, the Charity Commission approved a scheme whereby the operating activities of the School were transferred to Downe House School, a charitable company limited by guarantee, and the property used by the School was retained by the Trust, which changed its name to the Cold Ash Trust on that date. During the year ended 31 August 2001 the Trustee resolved to change the name of the Trust to Downe House Trust. The change of name was effected by the Charity Commission on 15 October 2001.

Induction and training of Trustees

All new Trustees of Downe House School undertake an induction process the detailed content of which depends on the individual's knowledge of the School and professional experience. Trustees are encouraged to attend seminars arranged by AGBIS (Association of Governing Bodies of Independent Schools) and other such bodies.

The Trustees, Organisational Structure and decision making

The sole Trustee is Downe House School, a company limited by guarantee. The strategic direction of the Trust is set by the Trustees of Downe House School ("the Governing Body") who approve the plans and budgets presented by the Headmistress and management team. The day to day running of the Trust is delegated to the Headmistress and management team of Downe House School.

The Trustees of Downe House School have a number of committees of which the most significant to the Downe House Trust are:

Finance and General Purposes Committee

The members of this Committee meet at least four times a year to submit reports and recommendations to the Board of Trustees on the following matters:

i. To formulate business plans and annual budgets, in accordance with the School's aims and objectives, for consideration by the Board of Trustees and to monitor their execution once approved.

ii. To recommend an annual programme of capital expenditure to the Board of Trustees.

iii. To recommend the level of fees for the forthcoming year to the Board of Trustees.

iv. To determine appropriate financial controls and procedures.

v. To propose policy objectives to the Board of Trustees on:

   a. Charging and fee remissions
   b. Salaries
   c. Bursaries
   d. Contracts
   e. Investments

Report of the Trustee for the year ended 31 August 2024 (cont'd)

Estates Sub-Committee
The members of this Sub-Committee meet at least four times a year to submit reports and recommendations to the Board of Trustees and/or the Finance and General Purposes Committee on the following matters:

i. The overall development of the School's buildings and properties.

ii. The planning, design and management of current and future construction projects.

iii. The annual maintenance and improvement programme for the School's buildings, including Health and Safety issues.

iv. Any other buildings or property related matters referred to the Sub-Committee by the Board of Governors or the Finance and General Purposes Committee.

Related parties and connected organisations
The Trust's relationship with Downe House School and Downe House Foundation is disclosed above.

Risk Assessment

In the light of the Corporate Governance guidance contained within the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (revised 2015) the Trustee has examined the major risks faced by the Trust. A system of controls has been put in place to monitor and mitigate, where possible, the major risks identified and their impact on the Trust. Risks are identified and assessed and controls are established throughout the year. A formal review of the Trust's risk management process is undertaken on a termly basis.

OBJECTIVES AND ACTIVITIES

Object
The object of the Downe House Trust is the provision and conduct at or near Cold Ash, near Newbury, of a day or day and boarding school for girls.

Aims, objectives and strategy for the year
The Trust provides, and intends to continue to provide, the 110 acre site and properties used by Downe House School.

The other objective of the Trust for the year was to continue the Downe House Trust 21st Century Appeal.

The Trust seeks to demonstrate the full Public Benefit that it provides, having regard to the general guidance on Public Benefit from the Charity Commission and where possible enhance that benefit. Further details are disclosed in the Annual report and financial statements of Downe House School.

Report of the Trustee for the year ended 31 August 2024 (cont'd)

ACHIEVEMENTS AND PERFORMANCE

Review

The Trust continues to provide the properties used by Downe House School.

The Downe House Trust 21st Century Appeal was launched in October 2001. The aim of the Appeal was to raise money for a number of capital projects. Following completion of the construction of the Sports Pavilion in April 2003, construction of the Performing Arts Centre was completed in August 2004. Construction of an all-weather pitch was commenced in June 2008 and was completed in November 2008. For details of the income received by the Appeal fund during the year and the year end fund balances see note 8. During the year the Appeal fund received donations of £220 (2023: £220), in line with expectations. Major fundraising is now undertaken by the Downe House Foundation, charity number 1159259.

The buildings strategy of the Trust is monitored by the Estates Sub-Committee of Downe House School and the Finance and General Purposes Committee of Downe House School.

The Trustees of Downe House School consider a wide range of factors that may affect the achievement of the Trust's objectives as part of their risk assessment procedures described on page 3. Some of these factors such as economic conditions, the Charities Act 2011 and other legislation are outside the control of the Trust.

Investment Performance

Investment performance is reviewed regularly and investments have performed adequately in the year. The Trustee has revalued the investment assets at the year end to market value, increasing net assets by £Nil (2023: £Nil).

FINANCIAL REVIEW

Investment Powers and Policy

The Trust has the powers to invest in its own name and to delegate these powers to professional investment managers. Investments are held to create income and capital growth pending utilisation on specific objects or to match liabilities as appropriate.

Reserves policy

The Trust's tangible assets are all held for use by the School. Investments are held to create income and capital growth pending utilisation on specific objects or to match liabilities as appropriate.
As described in note 8 the Trust's unrestricted reserves are fully represented by tangible fixed assets and associated liabilities. There are no free funds beyond the extent of these assets and commitments.

The Trustee considers that the existing level of reserves is appropriate for the needs of the Trust. This policy is reviewed at least annually.

Financial results

Full results are shown in the financial statements and notes thereto on pages 9 to 18. The net outgoing resources for the year were £2,435,000 (2023: £2,163,000).

Going Concern

Downe House School, the Trustee, has a clear understanding of the strategy and business plan of the Trust, including the Trust's projected funding requirements for at least the next 12 months. Downe House School will not seek the repayment of amounts advanced to the Trust by the School unless adequate alternative financing has been secured by the Trust.

Report of the Trustee for the year ended 31 August 2024 (cont'd)

PLANS FOR FUTURE PERIODS

The Trust intends to provide the site and properties used by Downe House School.

Trustee's Responsibilities Statement
The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year. Under that law the Trustee has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under that law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee is required to:

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

The Trustee is responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provision of the trust deed. The Trustee is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement on disclosure of information to the auditors
So far as the Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware.

The Trustee has taken all the steps (such as making enquiries of the auditors and any other steps required by the Trustee's duty to exercise due care, skill and diligence) that it ought to have taken in its duty as a Trustee in order to make it aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Independent Auditors
The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

Signed on behalf of the Trustee, Downe House School



T Boucher
Trustee
2 December 2024

Downe House Trust

Independent auditors' report to the trustee of Downe House Trust

Report on the audit of the financial statements

Opinion

In our opinion, Downe House Trust's financial statements (the financial statements"):

- give a true and fair view of the state of the charity's affairs as at 31 August 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008).

We have audited the financial statements, included within the Annual Report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 August 2024; the statement of financial activities for the year then ended, and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charity's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Downe House Trust

Based on our work undertaken in the course of the audit, the Charities Act 2011 requires us also to report certain opinions and matters as described below.

Report of the Trustee

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Report of the Trustee is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustee for the financial statements

As explained more fully in the Trustee's Responsibilities Statement, the trustee is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustee is also responsible for such internal control as they 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 trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

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

Based on our understanding of the charity/industry, we identified that the principal risks of non-compliance with laws and regulations related to health and safety laws and standards imposed by the Independent Schools Inspectorate, 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 financial statements such as the Charities Act 2011 and relevant regulations made or having an effect thereunder, including The Charities (Accounts and Reports) Regulations 2008. We evaluated the incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) by the trustee and those responsible for, or involved in, the preparation of the financial statements, and determined that the principal risks were related to fraudulent transactions designed to overstate the financial performance and position of the charity. Audit procedures performed included:

- Reviewing Board minutes and holding discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Using computer based audit techniques to identify and test higher risk journals, in particular those having unusual account combinations;
- Understanding the design and implementation of controls in relation to management override of control;
- Challenging key judgements and estimates; and
- Incorporating unpredictability into the nature, timing and/or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charity's trustee as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.



Mark Billingham (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
2 December 2024

Statement of financial activities for the year ended 31 August 2024

	Note	Unrestricted funds £'000	Restricted funds £'000	**Total 2024 £'000**	Total 2023 £'000
INCOMING RESOURCES					
Incoming resources:					
Donations and Legacies		-	1	**1**	-
Income from charitable activities					
Property Rental		646	-	**646**	646
Total Income and Endowments		646	1	**647**	646
RESOURCES EXPENDED					
Expenditure on Charitable activities:					
Premises		(982)	(52)	**(1,034)**	(1,007)
Financing costs	2	(2,044)	-	**(2,044)**	(1,780)
Other costs		-	-	**-**	(18)
Governance costs	3	(4)	-	**(4)**	(4)
Total expenditure		(3,030)	(52)	**(3,082)**	(2,809)
NET EXPENDITURE		(2,384)	(51)	**(2,435)**	(2,163)
Advance written off by Downe House School		15,000	-	**15,000**	-
NET MOVEMENT IN FUNDS		**12,616**	**(51)**	**12,565**	(2,163)
Total funds brought forward	8	(821)	529	**(292)**	1,871
Total funds carried forward	**8**	**11,795**	**478**	**12,273**	(292)

All amounts derive from continuing activities.

All gains and losses recognised in the year are included in the statement of financial activities.

There is no difference between the net incoming resources stated above and its historical cost equivalent.

Balance Sheet as at 31 August 2024

	Note	2024 £'000	2023 £'000
Fixed assets			
Tangible assets	4	**27,252**	27,091
		27,252	27,091
Current Assets			
Debtors		**12,379**	12,379
Investments	5	**11**	10
Cash at bank and in hand		**719**	2
		13,109	12,391
Creditors: amounts falling due within one year	6	**(26,222)**	(37,908)
Net current liabilities		**(13,113)**	(25,517)
Total assets less current liabilities		**14,139**	1,574
Creditors: amounts falling due after more than one year	7	**(1,866)**	(1,866)
Net assets /(liabilities)		**12,273**	(292)
Represented by:			
Restricted funds	8	**478**	529
Unrestricted funds	8	**11,795**	(821)
		12,273	(292)

The financial statements on pages 9 to 18 were approved by the Trustee on 2 December 2024 and signed on behalf of the Trustee, Downe House School, by:



T Boucher
Trustee

Notes to the financial statements for the year ended 31 August 2024

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom including Financial Reporting Standard 102 (FRS 102) and the Charities Act 2011. In preparing the financial statements the Trust has followed best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (revised 2015). A summary of the more important accounting policies of the Trust, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared on a going concern and accruals basis under the historical cost convention modified by the revaluation of investments. The functional and presentational currency is £ Sterling. The Trustee considers it appropriate to adopt the going concern basis and has not identified any material uncertainties in the period of at least 12 months from the date of approval of the financial statements. After making enquiries the Trustee has a reasonable expectation that the Trust has adequate resources to continue in operation for the foreseeable future. A letter of support has been provided by Downe House School for the period of 12 months from the date of signing these financial statements. The exemption under s1.12 of FRS 102 has been taken not to disclose full details of the Company's financial instruments as these details are included within the consolidated financial statements of Downe House School.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustee in furtherance of the general charitable objectives.

Restricted funds are funds subject to specific conditions imposed by the donors.

Property rental

The Trust owns property used by Downe House School for which it received rental payments of £646,000 (2023: £646,000) for the year. Income is recognised on a receivable basis.

Voluntary income

All voluntary income comprises donations which are shown in the statement of financial activities under incoming resources and are accounted for on a receivable basis.

Gains on disposal of fixed assets

On disposal of tangible fixed assets, the profit or loss on disposal is accounted for as the difference between the net sale proceeds and the net carrying amount of the tangible fixed asset. The profit or loss on disposal of tangible fixed assets is recognised in the Statement of Financial Activities for the year in which the disposal occurs.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Overhead and other costs not directly attributable to particular functional categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, by reference to the level of costs in the functional categories.

Governance costs comprise the costs of running the Trust, including external audit, any legal advice for the Trustee and all the costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings.

Notes to the financial statements for the year ended 31 August 2024 (continued)

1 Principal accounting policies (continued)

Tangible fixed assets and depreciation

Freehold land and buildings held on trust are included at cost incurred prior to completion. Land is not depreciated. Buildings are depreciated at rates calculated to write off the cost less their estimated residual values on a straight line basis over the expected useful economic life of each building. The range of annual rates used for this purpose is between 10 and 50 years. Assets with a cost below £1,000 are not capitalised.

Other tangible fixed assets are stated at cost, less accumulated depreciation, at rates calculated to write off the cost less residual value, of each asset over its expected useful life, as follows:

Equipment and furnishings	12.5%	- straight line

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Investments and investment income

Investments are stated at market value. Any gain or loss on revaluation is included in the statement of financial activities. Investment income is accounted for in the period in which the Trust is entitled to receipt.

Cash Flow Statement

The Trust does not prepare a cash flow statement as its cash flows are included in the cash flow statement of Downe House School.

Concessionary Loans

Public benefit entity concessionary loans are loans made or received between public benefit entities at below the prevailing market rate of interest and are for the purposes of furthering the objectives of the public benefit entity. The loans are measured at the amount received or paid and are recognised in the Statement of Financial Position.

Critical estimates or judgements

Estimates and judgements are continually evaluated and are based on historical experience and other relevant factors including expectations of future events that are believed to be reasonable in the circumstances. The Trustee does not believe that critical judgements have been made that effect the financial statements.

Notes to the financial statements for the year ended 31 August 2024 (continued)

2 Financing costs

	2024 £'000	2023 £'000
Interest payable on loans and advances from parent undertaking	**2,044**	1,780

3 Governance costs

	2024 £'000	2023 £'000
Auditors' remuneration for audit services (excluding VAT)	**4**	**4**

There were no employees (2023: Nil).

4 Tangible assets

	Freehold land & buildings £'000	Equipment & furnishings £'000	Total £'000
Cost			
1 September 2023	39,582	114	39,696
Additions	1,193	-	1,193
31 August 2024	**40,775**	**114**	**40,889**
Accumulated depreciation			
1 September 2023	12,491	114	12,605
Charge for the year	1,032	-	1,032
31 August 2024	**13,523**	**114**	**13,637**
Net book value			
31 August 2024	**27,252**	**-**	**27,252**
31 August 2023	27,091	-	27,091

Included in freehold land and buildings is land at a cost of £92,473 (2023: £92,473) which is not depreciated.

Notes to the financial statements for the year ended 31 August 2024 (continued)

5 Investments

	Restricted Fund £'000	Total £'000
Market value		
1 September 2023	10	10
Additions at cost	1	1
31 August 2024	**11**	**11**
Cash and short-term deposits	**11**	**11**
Historical cost		
31 August 2024	**11**	**11**
31 August 2023	10	10

Notes to the financial statements for the year ended 31 August 2024 (continued)

6 Creditors: amounts falling due within one year

	2024 £'000	2023 £'000
Advance from parent undertaking	**26,143**	37,905
Other creditors and accruals	**79**	3
	26,222	37,908

Interest is payable to the Trust's parent undertaking, on the amount due within one year at the rate of 1% over bank base rate. Advances from the parent undertaking are unsecured and repayable on demand and are treated as concessionary loans. In order to strengthen the balance sheet of the Downe House Trust, during the year £15,000,000 of the amount due from Downe House Trust was written off by Downe House School.

7 Creditors: amounts falling due after more than one year

	2024 £'000	2023 £'000
Amounts owed to parent undertaking	**1,866**	1,866

Interest is payable to the Trust's parent undertaking, on loan advances due after more than one year in excess of £866,000 at the rate of 1% over bank base rate. No interest is paid on the remaining loan advances due after more than one year of £866,000. Advances from the parent undertaking are unsecured and are treated as concessionary loans.

8 Funds

	Restricted funds £'000	Unrestricted funds £'000	2024 Total funds £'000
1 September 2023	529	(821)	(292)
Incoming resources	1	15,646	15,647
Resources expended	(52)	(3,030)	(3,082)
31 August 2024	**478**	**11,795**	**12,273**
Represented by:			
Tangible fixed assets	467	26,785	27,252
Investments	11	-	11
Net current liabilities	-	(13,124)	(13,124)
Long-term liabilities	-	(1,866)	(1,866)
31 August 2024	**478**	**11,795**	**12,273**

Notes to the financial statements for the year ended 31 August 2024 (continued)

8 Funds (continued)

	Restricted funds £'000	Unrestricted funds £'000	2023 Total funds £'000
1 September 2022	581	1,290	1,871
Incoming resources	-	646	646
Resources expended	(52)	(2,757)	(2,809)
31 August 2023	529	(821)	(292)
Represented by:			
Tangible fixed assets	519	26,572	27,091
Investments	10	-	10
Net current liabilities	-	(25,527)	(25,527)
Long-term liabilities	-	(1,866)	(1,866)
31 August 2023	529	(821)	(292)

The restricted fund is the Downe House Trust 21st Century Appeal which was launched in October 2001; it represents donations made to the Trust to fund the construction of new facilities and the net book value of those facilities.

9 Contingent liabilities

The Trust has guaranteed the bank borrowings of its parent undertaking, sole Trustee and controlling party, Downe House School, up to a maximum of £6,000,000 (2023 £2,500,000) and has given a legal charge over each of the freehold properties of the Trust. At 31 August 2024 the amount of the bank borrowing subject to the guarantee was £nil (2023: £2,000,000).

10 Taxation

The Trust is a registered charity and as such tax exemption applies to the income arising from and expended on charitable activities and to its investment income and gains. Investment income is stated inclusive of tax credits.

The Trust is registered for VAT and, where applicable, expenditure is recorded net of recoverable VAT.

11 Trustee

The Trustee receives no remuneration for its services or reimbursement of expenses. No other key management personnel are employed by the Trust.

Notes to the financial statements for the year ended 31 August 2024 (continued)

12 Related party transactions

The Trust has taken advantage of the exemption available for wholly owned subsidiaries in FRS 102 s1.12 and not disclosed transactions with its parent undertaking.

13 Ultimate parent undertaking and controlling party

Downe House School, a company limited by guarantee and registered in England and Wales, is the sole corporate Trustee and controlling party of the Downe House Trust. The Trust is managed by the Trustees of the School. Group consolidated financial statements are drawn up by the School. Copies of the School's financial statements can be obtained from the Company Secretary, The Bursary, Downe House School, Cold Ash, Thatcham, Berkshire, RG18 9JJ.

Notes to the financial statements for the year ended 31 August 2024 (continued)

14 Comparative Statement of financial activities for the year ended 31 August 2023

	Note	Unrestricted funds £'000	Restricted funds £'000	**Total 2023 £'000**	Total 2022 £'000
INCOMING RESOURCES					
Incoming resources:					
Donations and Legacies		-	-	**-**	-
Income from charitable activities					
Property Rental		646	-	**646**	646
Total Income and Endowments		646	-	**646**	646
RESOURCES EXPENDED					
Expenditure on Charitable activities:					
Premises		(955)	(52)	**(1,007)**	(968)
Financing costs	2	(1,780)	-	**(1,780)**	(574)
Other costs		(18)	-	**(18)**	-
Governance costs	3	(4)	-	**(4)**	(3)
Total expenditure		(2,757)	(52)	**(2,809)**	(1,545)
NET EXPENDITURE		(2,111)	(52)	**(2,163)**	(899)
Total funds brought forward		1,290	581	**1,871**	2,770
Total funds carried forward	**8**	**(821)**	**529**	**(292)**	1,871

DOWNE HOUSE TRUST

England & Wales - Charity number 309091

Accounts

Downe House Trust

Annual report and financial statements

for the year ended 31 August 2023

Registered Charity Number: 309091

Downe House Trust

Annual report and financial statements for the year ended 31 August 2023

Contents	Pages
Trustee and advisors	1
Report of the Trustee	2 - 5
Independent auditors' report	6 - 8
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11 - 17

Downe House Trust

Trustee and advisors

Trustee

Downe House School was the sole Trustee (a company limited by guarantee) through the year and at the date the financial statements were approved.

The Trustees, Governors and Directors of Downe House School on 4 December 2023 are:

Mr T Boucher	BA, FCA
Ms EJ Clarke	MInstF(Cert)
Mrs VJ Richards (Exelby)	MA
Ms AF Hazlitt	BA
Mrs FM Holmes	BComm
Mr NJD Woods	
Dr C O'Kane	MA, MB BChir, MSc, DPhil
Mrs CI Ratnage	MBChB, MRCGP
Mr MK Ridley	BA, MA, MRICS
Mr JJ Smith	BA, Med, PGCE
Ms P Diana	
Ms SK McNair Scott	
Ms CE Ross	

Headmistress of Downe House School
Mrs E McKendrick BA

Secretary of Downe House School
Mr EFP Valletta

Address

Downe House School
Downe House
Cold Ash
Thatcham
Berkshire
RG18 9JJ

Independent Auditors

PricewaterhouseCoopers LLP
One Chamberlain Square
Birmingham
B3 3AX

Solicitors

Farrer & Co
66 Lincoln's Inn Fields
London
WC2A 3LH

Bankers

Lloyds Bank plc
5 Bridge Street
Newbury
Berkshire
RG14 5BQ

Report of the Trustee for the year ended 31 August 2023

The Trustee presents the annual report and the audited financial statements for the year ended 31 August 2023.

The information with respect to the Trustee and advisors set out on page 1 forms part of this report. The financial statements comply with the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (revised 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Administration

The Trust was established as Downe House School by Trust Deed on 1 January 1944. On 2 August 1993, the Charity Commission approved a scheme whereby the operating activities of the School were transferred to Downe House School, a charitable company limited by guarantee, and the property used by the School was retained by the Trust, which changed its name to the Cold Ash Trust on that date. During the year ended 31 August 2001 the Trustee resolved to change the name of the Trust to Downe House Trust. The change of name was effected by the Charity Commission on 15 October 2001.

Induction and training of Trustees

All new Trustees of Downe House School undertake an induction process the detailed content of which depends on the individual's knowledge of the School and professional experience. Trustees are encouraged to attend seminars arranged by AGBIS (Association of Governing Bodies of Independent Schools) and other such bodies.

The Trustees, Organisational Structure and decision making

The sole Trustee is Downe House School, a company limited by guarantee. The strategic direction of the Trust is set by the Trustees of Downe House School ("the Governing Body") who approve the plans and budgets presented by the Headmistress and management team. The day to day running of the Trust is delegated to the Headmistress and management team of Downe House School.

The Trustees of Downe House School have a number of committees of which the most significant to the Downe House Trust are:

Finance and General Purposes Committee

The members of this Committee meet at least four times a year to submit reports and recommendations to the Board of Trustees on the following matters:

i. To formulate business plans and annual budgets, in accordance with the School's aims and objectives, for consideration by the Board of Trustees and to monitor their execution once approved.

ii. To recommend an annual programme of capital expenditure to the Board of Trustees.

iii. To recommend the level of fees for the forthcoming year to the Board of Trustees.

iv. To determine appropriate financial controls and procedures.

v. To propose policy objectives to the Board of Trustees on:

   a. Charging and fee remissions
   b. Salaries
   c. Bursaries
   d. Contracts
   e. Investments

Report of the Trustee for the year ended 31 August 2023 (cont'd)

Estates Sub-Committee
The members of this Sub-Committee meet at least four times a year to submit reports and recommendations to the Board of Trustees and/or the Finance and General Purposes Committee on the following matters:

i. The overall development of the School's buildings and properties.

ii. The planning, design and management of current and future construction projects.

iii. The annual maintenance and improvement programme for the School's buildings, including Health and Safety issues.

iv. Any other buildings or property related matters referred to the Sub-Committee by the Board of Governors or the Finance and General Purposes Committee.

Related parties and connected organisations
The Trust's relationship with Downe House School and Downe House Foundation is disclosed above.

Risk Assessment

In the light of the Corporate Governance guidance contained within the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (revised 2015) the Trustee has examined the major risks faced by the Trust. A system of controls has been put in place to monitor and mitigate, where possible, the major risks identified and their impact on the Trust. Risks are identified and assessed and controls are established throughout the year. A formal review of the Trust's risk management process is undertaken on a termly basis.

OBJECTIVES AND ACTIVITIES

Object
The object of the Downe House Trust is the provision and conduct at or near Cold Ash, near Newbury, of a day or day and boarding school for girls.

Aims, objectives and strategy for the year
The Trust provides, and intends to continue to provide, the 110 acre site and properties used by Downe House School.

The other objective of the Trust for the year was to continue the Downe House Trust 21st Century Appeal.

The Trust seeks to demonstrate the full Public Benefit that it provides, having regard to the general guidance on Public Benefit from the Charity Commission and where possible enhance that benefit. Further details are disclosed in the Annual report and financial statements of Downe House School.

Report of the Trustee for the year ended 31 August 2023 (cont'd)

ACHIEVEMENTS AND PERFORMANCE

Review
The Trust continues to provide the properties used by Downe House School.

The Downe House Trust 21st Century Appeal was launched in October 2001. The aim of the Appeal was to raise money for a number of capital projects. Following completion of the construction of the Sports Pavilion in April 2003, construction of the Performing Arts Centre was completed in August 2004. Construction of an all-weather pitch was commenced in June 2008 and was completed in November 2008. For details of the income received by the Appeal fund during the year and the year end fund balances see note 8. During the year the Appeal fund received donations of £220 (2022 £Nil), in line with expectations. Major fundraising is now undertaken by the Downe House Foundation, charity number 1159259.

The buildings strategy of the Trust is monitored by the Estates Sub-Committee of Downe House School and the Finance and General Purposes Committee of Downe House School.

The Trustees of Downe House School consider a wide range of factors that may affect the achievement of the Trust's objectives as part of their risk assessment procedures described on page 3. Some of these factors such as economic conditions, the Charities Act 2011 and other legislation are outside the control of the Trust.

Investment Performance
Investment performance is reviewed regularly and investments have performed adequately in the year. The Trustee has revalued the investment assets at the year end to market value, increasing net assets by £Nil (2022: £Nil).

FINANCIAL REVIEW

Investment Powers and Policy
The Trust has the powers to invest in its own name and to delegate these powers to professional investment managers. Investments are held to create income and capital growth pending utilisation on specific objects or to match liabilities as appropriate.

Reserves policy
The Trust's tangible assets are all held for use by the School. Investments are held to create income and capital growth pending utilisation on specific objects or to match liabilities as appropriate.
As described in note 8 the Trust's unrestricted reserves are fully represented by tangible fixed assets and associated liabilities. There are no free funds beyond the extent of these assets and commitments.

The Trustee considers that the existing level of reserves is appropriate for the needs of the Trust. This policy is reviewed at least annually.

Financial results
Full results are shown in the financial statements and notes thereto on pages 8 to 16. The net outgoing resources for the year were £2,163,000 (2022: outgoing resources £899,000).

Going Concern

Downe House School, the Trustee, has a clear understanding of the strategy and business plan of the Trust, including the Trust's projected funding requirements for at least the next 12 months. Downe House School will not seek the repayment of amounts advanced to the Trust by the School unless adequate alternative financing has been secured by the Trust.

Report of the Trustee for the year ended 31 August 2023 (cont'd)

PLANS FOR FUTURE PERIODS

The Trust intends to provide the site and properties used by Downe House School.

Trustee's Responsibilities Statement
The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year. Under that law the Trustee has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under that law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee is required to:

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

The Trustee is responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provision of the trust deed. The Trustee is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement on disclosure of information to the auditors
So far as the Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware.

The Trustee has taken all the steps (such as making enquiries of the auditors and any other steps required by the Trustee's duty to exercise due care, skill and diligence) that it ought to have taken in its duty as a Trustee in order to make it aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Independent Auditors
The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

Signed on behalf of the Trustee, Downe House School



T Boucher
Trustee
4 December 2023

Downe House Trust

Independent auditors' report to the trustee of Downe House Trust

Report on the audit of the financial statements

Opinion

In our opinion, *Downe House Trust*'s financial statements (the financial statements"):

- give a true and fair view of the state of the charity's affairs as at *31 August 2023* and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008).

We have audited the financial statements, included within the Annual Report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 August 2023; the statement of financial activities for the year then ended, and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charity's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on our work undertaken in the course of the audit, the Charities Act 2011 requires us also to report certain opinions and matters as described below.

Downe House Trust

Report of the Trustee

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Report of the Trustee is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustee for the financial statements

As explained more fully in the Trustee's Responsibilities Statement, the trustee is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustee is also responsible for such internal control as they 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 trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

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

Based on our understanding of the charity/industry, we identified that the principal risks of non-compliance with laws and regulations related to employer related legislation, health and safety law and standards imposed by the Independent Schools Inspectorate, 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 financial statements such as the Charities Act 2011 and relevant regulations made or having an effect thereunder, including The Charities (Accounts and Reports) Regulations 2008. We evaluated the incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) by the trustee and those responsible for, or involved in, the preparation of the financial statements, and determined that the principal risks were related to fraudulent transactions designed to overstate the financial performance and position of the charity. Audit procedures performed included:

- Reviewing Board minutes and holding discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Using computer based audit techniques to identify and test higher risk manual journals, in particular those having unusual account combinations;
- Understanding the design and implementation of controls in relation to management override of control;
- Challenging key judgements and estimates; and
- Incorporating unpredictability into the nature, timing and/or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charity's trustee as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these

opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.



Mark Billingham (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
4 December 2023

Statement of financial activities for the year ended 31 August 2023

	Note	Unrestricted funds £'000	Restricted funds £'000	**Total 2023 £'000**	Total 2022 £'000
INCOMING RESOURCES					
Incoming resources:					
Donations and Legacies		-	-	**-**	-
Income from charitable activities					
Property Rental		646	-	**646**	646
Total Income and Endowments		646	-	**646**	646
RESOURCES EXPENDED					
Expenditure on Charitable activities:					
Premises		(955)	(52)	**(1,007)**	(968)
Financing costs	2	(1,780)	-	**(1,780)**	(574)
Other costs		(18)	-	**(18)**	-
Governance costs	3	(4)	-	**(4)**	(3)
Total expenditure		(2,757)	(52)	**(2,809)**	(1,545)
NET EXPENDITURE		(2,111)	(52)	**(2,163)**	(899)
Total funds brought forward		1,290	581	**1,871**	2,770
Total funds carried forward	**8**	**(821)**	**529**	**(292)**	1,871

All amounts derive from continuing activities.

All gains and losses recognised in the year are included in the statement of financial activities.

There is no difference between the net incoming resources stated above and its historical cost equivalent.

Balance Sheet as at 31 August 2023

	Note	2023 £'000	2022 £'000
Fixed assets			
Tangible assets	4	**27,091**	27,439
		27,091	27,439
Current Assets			
Debtors		**12,379**	11,733
Investments	5	**10**	10
Cash at bank and in hand		**2**	2
		12,391	11,745
Creditors: amounts falling due within one year	6	**(37,908)**	(35,447)
Net current liabilities		**(25,517)**	(23,702)
Total assets less current liabilities		**1,574**	3,737
Creditors: amounts falling due after more than one year	7	**(1,866)**	(1,866)
Net (liabilities)/assets		**(292)**	1,871
Represented by:			
Restricted funds	8	**529**	581
Unrestricted funds	8	**(821)**	1,290
		(292)	1,871

The financial statements on pages 9 to 17 were approved by the Trustee on 4 December 2023 and signed on behalf of the Trustee, Downe House School, by:



T Boucher
Trustee

Notes to the financial statements for the year ended 31 August 2023

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom including Financial Reporting Standard 102 (FRS 102) and the Charities Act 2011. In preparing the financial statements the Trust has followed best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (revised 2015). A summary of the more important accounting policies of the Trust, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared on a going concern and accruals basis under the historical cost convention modified by the revaluation of investments. The functional and presentational currency is £ Sterling. The Trustee considers it appropriate to adopt the going concern basis and has not identified any material uncertainties in the period of at least 12 months from the date of approval of the financial statements. After making enquiries the Trustee has a reasonable expectation that the Trust has adequate resources to continue in operation for the foreseeable future. The exemption under s1.12 of FRS 102 has been taken not to disclose full details of the Company's financial instruments as these details are included within the consolidated financial statements of Downe House School.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustee in furtherance of the general charitable objectives.

Restricted funds are funds subject to specific conditions imposed by the donors.

Property rental

The Trust owns property used by Downe House School for which it received rental payments of £646,000 (2022: £646,000) for the year. Income is recognised on a receivable basis.

Voluntary income

All voluntary income comprises donations which are shown in the statement of financial activities under incoming resources and are accounted for on a receivable basis.

Gains on disposal of fixed assets

On disposal of tangible fixed assets, the profit or loss on disposal is accounted for as the difference between the net sale proceeds and the net carrying amount of the tangible fixed asset. The profit or loss on disposal of tangible fixed assets is recognised in the Statement of Financial Activities for the year in which the disposal occurs.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Overhead and other costs not directly attributable to particular functional categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, by reference to the level of costs in the functional categories.

Governance costs comprise the costs of running the Trust, including external audit, any legal advice for the Trustee and all the costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings.

Notes to the financial statements for the year ended 31 August 2023 (continued)

1 Principal accounting policies (continued)

Tangible fixed assets and depreciation

Freehold land and buildings held on trust are included at cost incurred prior to completion. Land is not depreciated. Buildings are depreciated at rates calculated to write off the cost less their estimated residual values on a straight line basis over the expected useful economic life of each building. The range of annual rates used for this purpose is between 10 and 50 years. Assets with a cost below £1,000 are not capitalised.

Other tangible fixed assets are stated at cost, less accumulated depreciation, at rates calculated to write off the cost less residual value, of each asset over its expected useful life, as follows:

Equipment and furnishings	12.5%	- straight line

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Investments and investment income

Investments are stated at market value. Any gain or loss on revaluation is included in the statement of financial activities. Investment income is accounted for in the period in which the Trust is entitled to receipt.

Cash Flow Statement

The Trust does not prepare a cash flow statement as its cash flows are included in the cash flow statement of Downe House School.

Concessionary Loans

Public benefit entity concessionary loans are loans made or received between public benefit entities at below the prevailing market rate of interest and are for the purposes of furthering the objectives of the public benefit entity. The loans are measured at the amount received or paid and are recognised in the Statement of Financial Position.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other relevant factors including expectations of future events that are believed to be reasonable in the circumstances. The Trustee does not believe that critical judgements have been made that effect the financial statements but the following significant estimates have been made.

Depreciation rates have been set following consideration of the expected useful lives of each asset classification and annual review.

Accruals and Prepayments are primarily a reflection of timing differences. Where estimates are required these are based on historical evidence.

Notes to the financial statements for the year ended 31 August 2023 (continued)

2 Financing costs

	2023 £'000	2022 £'000
Interest payable on loans and advances from parent undertaking	**1,780**	**574**

3 Governance costs

	2023 £'000	2022 £'000
Auditors' remuneration for audit services (excluding VAT)	**4**	**3**

There were no employees (2022: Nil).

4 Tangible assets

	Freehold land & buildings £'000	Equipment & furnishings £'000	Total £'000
Cost			
1 September 2022	38,924	114	39,038
Additions	658	-	658
Disposals	-	-	-
31 August 2023	**39,582**	**114**	**39,696**
Accumulated depreciation			
1 September 2022	11,485	114	11,599
Charge for the year	1,006	-	1,006
Disposals	-	-	-
31 August 2023	**12,491**	**114**	**12,605**
Net book value			
31 August 2023	**27,091**	**-**	**27,091**
31 August 2022	27,439	-	27,439

Included in freehold land and buildings is land at a cost of £92,473 (2022: £92,473) which is not depreciated.

Notes to the financial statements for the year ended 31 August 2023 (continued)

5 Investments

	Restricted Fund £'000	Total £'000
Market value		
1 September 2022	10	10
Additions at cost	-	-
Disposals at cost	-	-
31 August 2023	**10**	**10**
Cash and short-term deposits	**10**	**10**
Historical cost		
31 August 2023	**10**	**10**
31 August 2022	10	10

Notes to the financial statements for the year ended 31 August 2023 (continued)

6 Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Advance from parent undertaking	**37,905**	35,013
Other creditors and accruals	**3**	434
	37,908	35,447

Interest is payable to the Trust's parent undertaking, on the amount due within one year at the rate of 1% over bank base rate. Advances from the parent undertaking are unsecured and repayable on demand and are treated as concessionary loans.

7 Creditors: amounts falling due after more than one year

	2023 £'000	2022 £'000
Amounts owed to parent undertaking	**1,866**	1,866

Interest is payable to the Trust's parent undertaking, on loan advances due after more than one year in excess of £866,000 at the rate of 1% over bank base rate. No interest is paid on the remaining loan advances due after more than one year of £866,000. Advances from the parent undertaking are unsecured and are treated as concessionary loans.

8 Funds

	Restricted funds £'000	Unrestricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
1 September 2022	581	1,290	1,871	2,770
Incoming resources	-	646	646	646
Resources expended	(52)	(2,757)	(2,809)	(1,545)
31 August 2023	**529**	**(821)**	**(292)**	1,871
Represented by:				
Tangible fixed assets	519	26,572	27,091	27,439
Investments	10	-	10	10
Net current liabilities	-	(25,527)	(25,527)	(23,712)
Long-term liabilities	-	(1,866)	(1,866)	(1,866)
31 August	**529**	**(821)**	**(292)**	1,871

The restricted fund is the Downe House Trust 21st Century Appeal which was launched in October 2001; it represents donations made to the Trust to fund the construction of new facilities and the net book value of those facilities.

Notes to the financial statements for the year ended 31 August 2023 (continued)

9 Contingent liabilities

The Trust has guaranteed the bank borrowings of its parent undertaking, sole Trustee and controlling party, Downe House School, up to a maximum of £2,500,000 (2022 £2,500,000) and has given a legal charge over each of the freehold properties of the Trust. At 31 August 2023 the amount of the bank borrowing subject to the guarantee was £2,000,000 (2022: £1,500,000).

10 Taxation

The Trust is a registered charity and as such tax exemption applies to the income arising from and expended on charitable activities and to its investment income and gains. Investment income is stated inclusive of tax credits.

The Trust registered for VAT with effect from 28 January 2003 and, where applicable, expenditure is recorded net of recoverable VAT.

11 Trustee

The Trustee receives no remuneration for its services or reimbursement of expenses. No other key management personnel are employed by the Trust.

12 Related party transactions

The Trust has taken advantage of the exemption available for wholly owned subsidiaries in FRS 102 s1.12 and not disclosed transactions with its parent undertaking.

13 Ultimate parent undertaking and controlling party

Downe House School, a company limited by guarantee and registered in England and Wales, is the sole corporate Trustee and controlling party of the Downe House Trust. The Trust is managed by the Trustees of the School. Group consolidated financial statements are drawn up by the School. Copies of the School's financial statements can be obtained from the Company Secretary, The Bursary, Downe House School, Cold Ash, Thatcham, Berkshire, RG18 9JJ.

Notes to the financial statements for the year ended 31 August 2023 (continued)

14 Comparative Statement of financial activities for the year ended 31 August 2022

	Note	Unrestricted funds £'000	Restricted funds £'000	**Total 2022 £'000**	Total 2021 £'000
INCOMING RESOURCES					
Incoming resources:					
Donations and Legacies		-	-	**-**	1
Income from charitable activities					
Property Rental		646	-	**646**	646
Total Income and Endowments		646	-	**646**	647
RESOURCES EXPENDED					
Expenditure on Charitable activities:					
Premises		(916)	(52)	**(968)**	(929)
Financing costs	2	(574)	-	**(574)**	(370)
Governance costs	3	(3)	-	**(3)**	(3)
Total expenditure		(1,493)	(52)	**(1,545)**	(1,302)
NET EXPENDITURE		(847)	(52)	**(899)**	(655)
Total funds brought forward		2,137	633	2,770	3,425
Total funds carried forward	**8**	**1,290**	**581**	**1,871**	2,770

DOWNE HOUSE TRUST

England & Wales - Charity number 309091

Accounts

Downe House Trust

Annual report and financial statements

for the year ended 31 August 2022

Registered Charity Number: 309091

Downe House Trust

Annual report and financial statements for the year ended 31 August 2022

Contents	Page(s)
Trustee and advisors	1
Report of the Trustee	2 - 5
Independent auditors' report	6 - 8
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11 - 17

Trustee and advisors

Trustee

Downe House School was the sole Trustee (a company limited by guarantee) through the year and at the date the financial statements were approved.

The Trustees, Governors and Directors of Downe House School on 24 November 2022 are:

Mr T Boucher	BA, FCA
Ms EJ Clarke	MInstF(Cert)
Mrs VJ Exelby	MA
Ms AF Hazlitt	BA
Mrs FM Holmes	BComm
Mr NM Hornby	BSc
Dr C O'Kane	MA, MB BChir, MSc, DPhil
Mrs CI Ratnage	MBChB, MRCGP
Mr MK Ridley	BA, MA, MRICS
Mr JJ Smith	BA, Med, PGCE
Ms P Diana	BSc MA
Ms SK McNair Scott	LLB (Hons)
Ms CE Ross	

Headmistress of Downe House School
Mrs E McKendrick BA

Secretary, School Accountant of Downe House School
Mr C Kauntze-Cockburn, FCA

Address

Downe House School
Cold Ash
Thatcham
Berkshire
RG18 9JJ

Independent Auditors

PricewaterhouseCoopers LLP
2 Glass Wharf
Bristol
BS2 0FR

Solicitors

Farrer & Co
66 Lincoln's Inn Fields
London
WC2A 3LH

Bankers

Lloyds Bank plc
5 Bridge Street
Newbury
Berkshire
RG14 5BQ

Report of the Trustee for the year ended 31 August 2022

The Trustee presents the annual report and the audited financial statements for the year ended 31 August 2022.

The information with respect to the Trustee and advisors set out on page 1 forms part of this report. The financial statements comply with the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (revised 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Administration

The Trust was established as Downe House School by Trust Deed on 1 January 1944. On 2 August 1993, the Charity Commission approved a scheme whereby the operating activities of the School were transferred to Downe House School, a charitable company limited by guarantee, and the property used by the School was retained by the Trust, which changed its name to the Cold Ash Trust on that date. During the year ended 31 August 2001 the Trustee resolved to change the name of the Trust to Downe House Trust. The change of name was effected by the Charity Commission on 15 October 2001.

Induction and training of Trustees

All new Trustees of Downe House School undertake an induction process the detailed content of which depends on the individual's knowledge of the School and professional experience. Trustees are encouraged to attend seminars arranged by AGBIS (Association of Governing Bodies of Independent Schools) and other such bodies.

The Trustees, Organisational Structure and decision making

The sole Trustee is Downe House School, a company limited by guarantee. The strategic direction of the Trust is set by the Trustees of Downe House School ("the Governing Body") who approve the plans and budgets presented by the Headmistress and management team. The day to day running of the Trust is delegated to the Headmistress and management team of Downe House School.

The Trustees of Downe House School have a number of committees of which the most significant to the Downe House Trust are:

Finance and General Purposes Committee

The members of this Committee meet at least four times a year to submit reports and recommendations to the Board of Trustees on the following matters:

i. To formulate business plans and annual budgets, in accordance with the School's aims and objectives, for consideration by the Board of Trustees and to monitor their execution once approved.

ii. To recommend an annual programme of capital expenditure to the Board of Trustees.

iii. To recommend the level of fees for the forthcoming year to the Board of Trustees.

iv. To determine appropriate financial controls and procedures.

v. To propose policy objectives to the Board of Trustees on:

   a. Charging and fee remissions
   b. Salaries
   c. Bursaries
   d. Contracts
   e. Investments

Estates Sub-Committee

The members of this Sub-Committee meet at least four times a year to submit reports and recommendations to the Board of Trustees and/or the Finance and General Purposes Committee on the following matters:

i. The overall development of the School's buildings and properties.

ii. The planning, design and management of current and future construction projects.

iii. The annual maintenance and improvement programme for the School's buildings, including Health and Safety issues.

iv. Any other buildings or property related matters referred to the Sub-Committee by the Board of Governors or the Finance and General Purposes Committee.

Related parties and connected organisations

The Trust's relationship with Downe House School and Downe House Foundation is disclosed above.

Risk Assessment

In the light of the Corporate Governance guidance contained within the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (revised 2015) the Trustee has examined the major risks faced by the Trust. A system of controls has been put in place to monitor and mitigate, where possible, the major risks identified and their impact on the Trust. Risks are identified and assessed and controls are established throughout the year. A formal review of the Trust's risk management process is undertaken on a termly basis.

OBJECTIVES AND ACTIVITIES

Object

The object of the Downe House Trust is the provision and conduct at or near Cold Ash, near Newbury, of a day or day and boarding school for girls.

Aims, objectives and strategy for the year

The Trust provides, and intends to continue to provide, the 110 acre site and properties used by Downe House School.

The other objective of the Trust for the year was to continue the Downe House Trust 21st Century Appeal.

The Trust seeks to demonstrate the full Public Benefit that it provides, having regard to the general guidance on Public Benefit from the Charity Commission and where possible enhance that benefit. Further details are disclosed in the Annual report and financial statements of Downe House School.

ACHIEVEMENTS AND PERFORMANCE

Review

The Trust continues to provide the properties used by Downe House School.

The buildings strategy of the Trust is monitored by the Estates Sub-Committee of Downe House School and the Finance and General Purposes Committee of Downe House School.

The Trustees of Downe House School consider a wide range of factors that may affect the achievement of the Trust's objectives as part of their risk assessment procedures described on page 3. Some of these factors such as economic conditions, the Charities Act 2011 and other legislation are outside the control of the Trust.

Investment Performance

The Trustee has revalued the investment assets at the year end to market value, increasing net assets by £Nil (2021: £Nil).

FINANCIAL REVIEW

Investment Powers and Policy

The Trust has the powers to invest in its own name and to delegate these powers to professional investment managers.

Reserves policy

The Trust's tangible assets are all held for use by the School. Investments are held to create income and capital growth pending utilisation on specific objects or to match liabilities as appropriate.
As described in note 8 the Trust's unrestricted reserves are fully represented by tangible fixed assets and associated liabilities. There are no free funds beyond the extent of these assets and commitments.

The Trustee considers that the existing level of reserves is appropriate for the needs of the Trust. This policy is reviewed at least annually.

Financial results

Full results are shown in the financial statements and notes thereto on pages 9 to 17. The net outgoing resources for the year were £899,000 (2021: outgoing resources £652,000).

Changes in Tangible Fixed Assets

The movements in tangible fixed assets during the year are set out in note 4 to the financial statements.

PLANS FOR FUTURE PERIODS

The Trust intends to:

- Provide the site and properties used by Downe House School.

Trustee's Responsibilities Statement

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year. Under that law the Trustee has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under that law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee is required to:

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

The Trustee is responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provision of the trust deed. The Trustee is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement on disclosure of information to the auditors

So far as the Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware.

The Trustee has taken all the steps (such as making enquiries of the auditors and any other steps required by the Trustee's duty to exercise due care, skill and diligence) that it ought to have taken in its duty as a Trustee in order to make it aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

Signed on behalf of the Trustee, Downe House School



T Boucher
Trustee
24 November 2022

Independent auditors' report to the trustees of Downe House Trust

Report on the audit of the financial statements

Opinion

In our opinion, Downe House Trust's financial statements (the financial statements"):

- give a true and fair view of the state of the charity's affairs as at 31 August 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008).

We have audited the financial statements, included within the Annual Report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 August 2022; the statement of financial activities for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charity's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report and financial statements other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on our work undertaken in the course of the audit, the Charities Act 2011 requires us also to report certain opinions and matters as described below.

Trustees' Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to charities act, 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 financial statements such as the Charities Act 2011 and relevant regulations made or having an effect thereunder, including The Charities (Accounts and Reports) Regulations 2008. We evaluated the incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) by the trustees and those responsible for, or involved in, the preparation of the financial statements, and determined that the principal risks were related to fraudulent transactions designed to overstate the financial performance and position of the charity. Audit procedures performed included:

- Reviewing Board minutes and holding discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Using computer based audit techniques to identify and test higher risk manual journals, in particular those having unusual account combinations; and
- Obtaining third party confirmations of all the charitable company's banking and financing arrangements.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charity's trustees as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

Andrew Latham

Andrew Latham (Senior Statutory Auditor)

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol

24th November 2022

Statement of financial activities for the year ended 31 August 2022

	Note	Unrestricted funds £'000	Restricted funds £'000	**Total 2022 £'000**	Total 2021 £'000
INCOMING RESOURCES					
Incoming resources:					
Donations and Legacies		-	-	**-**	1
Income from charitable activities					
Property Rental		646	-	**646**	646
Total Income and Endowments		646	-	**646**	647
RESOURCES EXPENDED					
Expenditure on Charitable activities:					
Premises		916	52	**968**	929
Financing costs	2	574	-	**574**	370
Governance costs	3	3	-	**3**	3
Total expenditure		1,493	52	**1,545**	1,302
NET EXPENDITURE		(847)	(52)	**(899)**	(655)
Total funds brought forward		2,137	633	2,770	3,425
Total funds carried forward	**8**	**1,290**	**581**	**1,871**	2,770

All amounts derive from continuing activities.

All gains and losses recognised in the year are included in the statement of financial activities.

There is no difference between the net incoming resources stated above and its historical cost equivalent.

Downe House Trust

Balance Sheet as at 31 August 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Tangible assets	4	**27,439**	27,142
		27,439	27,142
Current Assets			
Debtors		**11,733**	11,087
Investments	5	**10**	10
Cash at bank and in hand		**2**	2
		11,745	11,099
Creditors: amounts falling due within one year	6	**(35,447)**	(33,605)
Net current liabilities		**(23,702)**	(22,506)
Total assets less current liabilities		**3,737**	4,636
Creditors: amounts falling due after more than one year	7	**(1,866)**	(1,866)
Net assets		**1,871**	2,770
Represented by:			
Restricted funds	8	**581**	633
Unrestricted funds	8	**1,290**	2,137
		1,871	2,770

The financial statements on pages 9 to 17 were approved by the Trustee on 24 November 2022 and signed on behalf of the Trustee, Downe House School, by:

T Boucher
Trustee

Notes to the financial statements for the year ended 31 August 2022

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom including Financial Reporting Standard 102 (FRS 102) and the Charities Act 2011. In preparing the financial statements the Trust has followed best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (revised 2015). A summary of the more important accounting policies of the Trust, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared on a going concern and accruals basis under the historical cost convention modified by the revaluation of investments. The functional and presentational currency is £ Sterling. The Trustee considers it appropriate to adopt the going concern basis due to the financial support of its immediate parent Company, Downe House School, and has not identified any material uncertainties in the period of at least 12 months from the date of approval of the financial statements. After making enquiries the Trustee has a reasonable expectation that the Trust has adequate resources to continue in operation for the foreseeable future. The exemption under s1.12 of FRS 102 has been taken not to disclose full details of the Company's financial instruments as these details are included within the consolidated financial statements of Downe House School.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustee in furtherance of the general charitable objectives.

Restricted funds are funds subject to specific conditions imposed by the donors.

Property rental

The Trust owns property used by Downe House School for which it received rental payments of £646,000 (2021: £646,000) for the year. Income is recognised on a receivable basis.

Voluntary income

All voluntary income comprises donations which are shown in the statement of financial activities under incoming resources and are accounted for on a receivable basis.

Gains on disposal of fixed assets

On disposal of tangible fixed assets, the profit or loss on disposal is accounted for as the difference between the net sale proceeds and the net carrying amount of the tangible fixed asset. The profit or loss on disposal of tangible fixed assets is recognised in the Statement of Financial Activities for the year in which the disposal occurs.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Overhead and other costs not directly attributable to particular functional categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, by reference to the level of costs in the functional categories.

Governance costs comprise the costs of running the Trust, including external audit, any legal advice for the Trustee and all the costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings.

1 Principal accounting policies (continued)

Tangible fixed assets and depreciation

Land and buildings held on trust are included at cost incurred prior to completion. Land is not depreciated. Buildings are depreciated at rates calculated to write off the cost less their estimated residual values on a straight line basis over the expected useful economic life of each building. The range of annual rates used for this purpose is between 10 and 50 years. Assets with a cost below £1,000 are not capitalised.

Other tangible fixed assets are stated at cost, less accumulated depreciation, at rates calculated to write off the cost less residual value, of each asset over its expected useful life, as follows:

Equipment and furnishings	12.5%	- straight line

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Investments and investment income

Investments are stated at market value. Any gain or loss on revaluation is included in the statement of financial activities. Investment income is accounted for in the period in which the Trust is entitled to receipt.

Cash Flow Statement

The Trust does not prepare a cash flow statement as its cash flows are included in the cash flow statement of Downe House School.

Concessionary Loans

Public benefit entity concessionary loans are loans made or received between public benefit entities at below the prevailing market rate of interest and are for the purposes of furthering the objectives of the public benefit entity. The loans are measured at the amount received or paid and are recognised in the Statement of Financial Position.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other relevant factors including expectations of future events that are believed to be reasonable in the circumstances. The Trustee does not believe that critical judgements have been made that effect the financial statements.

Depreciation rates have been set following consideration of the expected useful lives of each asset classification and annual review.

Accruals and Prepayments are primarily a reflection of timing differences.

2 Financing costs

	2022 £'000	2021 £'000
Interest payable on loans and advances from parent undertaking	574	370

3 Governance costs

	2022 £'000	2021 £'000
Auditors' remuneration for audit services (excluding VAT)	3	2
Tax compliance services	-	1
	3	3

There were no employees (2021: Nil).

4 Tangible assets

	Freehold land & buildings £'000	Equipment & furnishings £'000	Total £'000
Cost			
1 September 2021	37,660	114	37,774
Additions	1,264	-	1,264
Disposals	-	-	-
31 August 2022	**38,924**	**114**	**39,038**
Accumulated depreciation			
1 September 2021	10,518	114	10,632
Charge for the year	967	-	967
Disposals	-	-	-
31 August 2022	**11,485**	**114**	**11,599**
Net book value			
31 August 2022	**27,439**	**-**	**27,439**
31 August 2021	27,142	-	27,142

Included in freehold land and buildings is land at a cost of £92,473 (2021: £92,473) which is not depreciated.

5 Investments

	Restricted Fund £'000	Total £'000
Market value		
1 September 2021	10	10
Additions at cost	-	-
Disposals at cost	-	-
31 August 2022	**10**	**10**
Cash and short-term deposits	**10**	**10**
Historical cost		
31 August 2022	**10**	**10**
31 August 2021	10	10

6 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Advance from parent undertaking	35,013	33,602
Other creditors and accruals	434	3
	35,447	33,605

Interest is payable to the Trust's parent undertaking, on the amount due within one year at the rate of 1% over bank base rate. Advances from the parent undertaking are unsecured and repayable on demand and are treated as concessionary loans.

7 Creditors: amounts falling due after more than one year

	2022 £'000	2021 £'000
Amounts owed to parent undertaking	1,866	1,866

Interest is payable to the Trust's parent undertaking, on loan advances due after more than one year in excess of £866,000 at the rate of 1% over bank base rate. No interest is paid on the remaining loan advances due after more than one year of £866,000. Advances from the parent undertaking are unsecured and are treated as concessionary loans.

8 Funds

	Restricted funds £'000	Unrestricted funds £'000	**Total funds £'000**
1 September 2021	633	2,137	2,770
Incoming resources	-	646	646
Resources expended	(52)	(1,493)	(1,545)
31 August 2022	**581**	**1,290**	**1,871**
Represented by:			
Tangible fixed assets	571	26,868	27,439
Investments	10	-	10
Net current liabilities	-	(23,712)	(23,712)
Long-term liabilities	-	(1,866)	(1,866)
31 August 2022	**581**	**1,290**	**1,871**

The restricted fund is the Downe House Trust 21st Century Appeal which was launched in October 2001; it represents donations made to the Trust to fund the construction of new facilities and the net book value of those facilities.

9 Contingent liabilities

The Trust has guaranteed the bank borrowings of its parent undertaking, sole Trustee and controlling party, Downe House School, up to a maximum of £2.5 million (2021 £6 million) and has given a legal charge over each of the freehold properties of the Trust. At 31 August 2022 the amount of the bank borrowing subject to the guarantee was £1.5 million (2021: £Nil).

10 Taxation

The Trust is a registered charity and as such tax exemption applies to the income arising from and expended on charitable activities and to its investment income and gains. Investment income is stated inclusive of tax credits.

The Trust registered for VAT with effect from 28 January 2003 and, where applicable, expenditure is recorded net of recoverable VAT.

11 Trustee

The Trustee receives no remuneration for its services or reimbursement of expenses. No other key management personnel are employed by the Trust.

12 Related party transactions

The Trust has taken advantage of the exemption available for wholly owned subsidiaries in FRS 102 s1.12 and not disclosed transactions with its parent undertaking.

13 Ultimate parent undertaking and controlling party

Downe House School, a company limited by guarantee and registered in England and Wales, is the sole corporate Trustee and controlling party of the Downe House Trust. The Trust is managed by the Trustees of the School. Group consolidated financial statements are drawn up by the School. Copies of the School's financial statements can be obtained from the Company Secretary, The Bursary, Downe House School, Cold Ash, Thatcham, Berkshire, RG18 9JJ.

14 Comparative Statement of financial activities for the year ended 31 August 2021

	Note	Unrestricted funds £'000	Restricted funds £'000	**Total 2021 £'000**	Total 2020 £'000
INCOMING RESOURCES					
Incoming resources:					
Donations and Legacies		-	1	**1**	-
Income from charitable activities					
Property Rental		646	-	**646**	646
Total Income and Endowments		646	1	**647**	646
RESOURCES EXPENDED					
Expenditure on Charitable activities:					
Premises		877	52	**929**	940
Financing costs	2	370	-	**370**	474
Governance costs	3	3	-	**3**	1
Total expenditure		1,250	52	**1,302**	1,415
NET EXPENDITURE		(604)	(51)	**(655)**	(769)
Total funds brought forward		2,741	684	**3,425**	4,194
Total funds carried forward	8	**2,137**	**633**	**2,770**	3,425

DOWNE HOUSE TRUST

England & Wales - Charity number 309091

Accounts

Downe House Trust

Annual report and financial statements

for the year ended 31 August 2021

Registered Charity Number: 309091

Downe House Trust

Annual report and financial statements for the year ended 31 August 2021

Contents	Pages
Trustee and advisors	1
Report of the Trustee	2 - 5
Independent auditors' report	6 - 8
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11 - 17

Trustee and advisors

Trustee

Downe House School was the sole Trustee (a company limited by guarantee) through the year and at the date the financial statements were approved.

The Trustees, Governors and Directors of Downe House School on 25 November 2021 are:

Mr T Boucher	BA, FCA
Ms EJ Clarke	MInstF(Cert)
Mrs VJ Exelby	MA
Ms AF Hazlitt	BA
Mrs FM Holmes	BComm
Mr NM Hornby	BSc
Dr C O'Kane	MA, MB BChir, MSc, DPhil
Mr CG Radford	BSc
Mrs CI Ratnage	MBChB, MRCGP
Mr MK Ridley	BA, MA, MRICS
Mr JJ Smith	BA, Med, PGCE
Mr MA Wippell	MA LLM

Headmistress of Downe House School
Mrs E McKendrick BA

Secretary, Finance Bursar of Downe House School
Mr C Kauntze-Cockburn, FCA

Address

Downe House School
Cold Ash
Thatcham
Berkshire
RG18 9JJ

Independent Auditors

PricewaterhouseCoopers LLP
2 Glass Wharf
Bristol
BS2 0FR

Solicitors

Farrer & Co
66 Lincoln's Inn Fields
London
WC2A 3LH

Bankers

Lloyds Bank plc
5 Bridge Street
Newbury
Berkshire
RG14 5BQ

Report of the Trustee for the year ended 31 August 2021

The Trustee presents the annual report and the audited financial statements for the year ended 31 August 2021.

The information with respect to the Trustee and advisors set out on page 1 forms part of this report. The financial statements comply with the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (revised 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Administration

The Trust was established as Downe House School by Trust Deed on 1 January 1944. On 2 August 1993, the Charity Commission approved a scheme whereby the operating activities of the School were transferred to Downe House School, a charitable company limited by guarantee, and the property used by the School was retained by the Trust, which changed its name to the Cold Ash Trust on that date. During the year ended 31 August 2001 the Trustee resolved to change the name of the Trust to Downe House Trust. The change of name was effected by the Charity Commission on 15 October 2001.

Induction and training of Trustees

All new Trustees of Downe House School undertake an induction process the detailed content of which depends on the individual's knowledge of the School and professional experience. Trustees are encouraged to attend seminars arranged by AGBIS (Association of Governing Bodies of Independent Schools) and other such bodies.

The Trustees, Organisational Structure and decision making

The sole Trustee is Downe House School, a company limited by guarantee. The strategic direction of the Trust is set by the Trustees of Downe House School ("the Governing Body") who approve the plans and budgets presented by the Headmistress and management team. The day to day running of the Trust is delegated to the Headmistress and management team of Downe House School.

The Trustees of Downe House School have a number of committees of which the most significant to the Downe House Trust are:

Finance and General Purposes Committee

The members of this Committee meet at least four times a year to submit reports and recommendations to the Board of Trustees on the following matters:

i. To formulate business plans and annual budgets, in accordance with the School's aims and objectives, for consideration by the Board of Trustees and to monitor their execution once approved.

ii. To recommend an annual programme of capital expenditure to the Board of Trustees.

iii. To recommend the level of fees for the forthcoming year to the Board of Trustees.

iv. To determine appropriate financial controls and procedures.

v. To propose policy objectives to the Board of Trustees on:

   a. Charging and fee remissions
   b. Salaries
   c. Bursaries
   d. Contracts
   e. Investments

Estates Sub-Committee

The members of this Sub-Committee meet at least four times a year to submit reports and recommendations to the Board of Trustees and/or the Finance and General Purposes Committee on the following matters:

i. The overall development of the School's buildings and properties.

ii. The planning, design and management of current and future construction projects.

iii. The annual maintenance and improvement programme for the School's buildings, including Health and Safety issues.

iv. Any other buildings or property related matters referred to the Sub-Committee by the Board of Governors or the Finance and General Purposes Committee.

Related parties and connected organisations

The Trust's relationship with Downe House School and Downe House Foundation is disclosed above.

Risk Assessment

In the light of the Corporate Governance guidance contained within the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (revised 2015) the Trustee has examined the major risks faced by the Trust. A system of controls has been put in place to monitor and mitigate, where possible, the major risks identified and their impact on the Trust. Risks are identified and assessed and controls are established throughout the year. A formal review of the Trust's risk management process is undertaken on a termly basis.

OBJECTIVES AND ACTIVITIES

Object

The object of the Downe House Trust is the provision and conduct at or near Cold Ash, near Newbury, of a day or day and boarding school for girls.

Aims, objectives and strategy for the year

The Trust provides, and intends to continue to provide, the 110 acre site and properties used by Downe House School.

The other objective of the Trust for the year was to continue the Downe House Trust 21st Century Appeal.

The Trust seeks to demonstrate the full Public Benefit that it provides, having regard to the general guidance on Public Benefit from the Charity Commission and where possible enhance that benefit. Further details are disclosed in the Annual report and financial statements of Downe House School.

ACHIEVEMENTS AND PERFORMANCE

Review

The Trust continues to provide the properties used by Downe House School.

The Downe House Trust 21st Century Appeal was launched in October 2001. The aim of the Appeal was to raise money for a number of capital projects. Following completion of the construction of the Sports Pavilion in April 2003, construction of the Performing Arts Centre was completed in August 2004. Construction of an all-weather pitch was commenced in June 2008 and was completed in November 2008. For details of the income received by the Appeal fund during the year and the year end fund balances see note 8. During the year the Appeal fund received donations of £1,000 (2020 £Nil), in line with expectations. Major fundraising is now undertaken by the Downe House Foundation,

charity number 1159259.

The buildings strategy of the Trust is monitored by the Estates Sub-Committee of Downe House School and the Finance and General Purposes Committee of Downe House School.

The Trustees of Downe House School consider a wide range of factors that may affect the achievement of the Trust's objectives as part of their risk assessment procedures described on page 3. Some of these factors such as economic conditions, the Charities Act 2011 and other legislation are outside the control of the Trust.

Armed Forces Fund

In 2012 the School and Downe House Trust became involved in receiving cash raised from school parents, to be passed on to the Radley Foundation Armed Forces Fund as part of their fundraising for forces-related charitable activities. £120 has been collected by the Downe House Trust 21st Century Appeal on behalf of the Radley Foundation Armed Forces Fund (2020: £142) and has not been included in the Financial statements of Downe House Trust or Downe House School.

Investment Performance

Investment performance is reviewed regularly and investments have performed adequately in the year. The Trustee has revalued the investment assets at the year end to market value, increasing net assets by £Nil (2020: £Nil).

FINANCIAL REVIEW

Investment Powers and Policy

The Trust has the powers to invest in its own name and to delegate these powers to professional investment managers. Investments are held to create income and capital growth pending utilisation on specific objects or to match liabilities as appropriate.

Reserves policy

The Trust's tangible assets are all held for use by the School. Investments are held to create income and capital growth pending utilisation on specific objects or to match liabilities as appropriate.
As described in note 8 the Trust's unrestricted reserves are fully represented by tangible fixed assets and associated liabilities. There are no free funds beyond the extent of these assets and commitments.

The Trustee considers that the existing level of reserves is appropriate for the needs of the Trust. This policy is reviewed at least annually.

Financial results

Full results are shown in the financial statements and notes thereto on pages ~~10~~ 9 to ~~18~~ 17. The net outgoing resources for the year were £655,000 (2020: outgoing resources £769,000).

Changes in Tangible Fixed Assets

The movements in tangible fixed assets during the year are set out in note 4 to the financial statements.

PLANS FOR FUTURE PERIODS

The Trust intends to:

- Provide the site and properties used by Downe House School.

Trustee's Responsibilities Statement

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year. Under that law the Trustee has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under that law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee is required to:

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

The Trustee is responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provision of the trust deed. The Trustee is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement on disclosure of information to the auditors

So far as the Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware.

The Trustee has taken all the steps (such as making enquiries of the auditors and any other steps required by the Trustee's duty to exercise due care, skill and diligence) that it ought to have taken in its duty as a Trustee in order to make it aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

Signed on behalf of the Trustee, Downe House School

A F Hazlitt
Trustee
25 November 2021

Independent auditors' report to the trustees of Downe House Trust

Report on the audit of the financial statements

Opinion

In our opinion, Downe House Trust's financial statements (the financial statements"):

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008).

We have audited the financial statements, included within the Annual Report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 August 2021; the statement of financial activities for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charity's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report and financial statements other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on our work undertaken in the course of the audit, the Charities Act 2011 requires us also to report certain opinions and matters as described below.

Trustees' Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employer legislation, 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 financial statements such as the Charities Act 2011 and relevant regulations made or having an effect thereunder, including The Charities (Accounts and Reports) Regulations 2008. We evaluated the incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) by the trustees and those responsible for, or involved in, the preparation of the financial statements, and determined that the principal risks were related to fraudulent transactions designed to overstate the financial performance and position of the charity. Audit procedures performed included:

- Reviewing Board minutes and holding discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Using computer based audit techniques to identify and test higher risk manual journals, in particular those having unusual account combinations; and
- Obtaining third party confirmations of all the charitable company's banking and financing arrangements.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by,

for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charity's trustees as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

Andrew Latham (Senior Statutory Auditor)
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
30 November 2021

Statement of financial activities for the year ended 31 August 2021

	Note	Unrestricted funds £'000	Restricted funds £'000	**Total 2021 £'000**	Total 2020 £'000
INCOMING RESOURCES					
Incoming resources:					
Donations and Legacies		-	1	**1**	-
Income from charitable activities					
Property Rental		646	-	**646**	646
Total Income and Endowments		646	1	**647**	646
RESOURCES EXPENDED					
Expenditure on Charitable activities:					
Premises		877	52	**929**	940
Financing costs	2	370	-	**370**	474
Governance costs	3	3	-	**3**	1
Total expenditure		1,250	52	**1,302**	1,415
NET EXPENDITURE		(604)	(51)	**(655)**	(769)
Total funds brought forward		2,741	684	**3,425**	4,194
Total funds carried forward	**8**	**2,137**	**633**	**2,770**	3,425

All amounts derive from continuing activities.

All gains and losses recognised in the year are included in the statement of financial activities.

There is no difference between the net incoming resources stated above and its historical cost equivalent.

Balance Sheet as at 31 August 2021

	Note	2021 £'000	2020 £'000
Fixed assets			
Tangible assets	4	**27,142**	27,245
		27,142	27,245
Current Assets			
Debtors		**11,087**	10,441
Investments	5	**10**	9
Cash at bank and in hand		**2**	2
		11,099	10,452
Creditors: amounts falling due within one year	6	**(33,605)**	(32,406)
Net current liabilities		**(22,506)**	(21,954)
Total assets less current liabilities		**4,636**	5,291
Creditors: amounts falling due after more than one year	7	**(1,866)**	(1,866)
Net assets		**2,770**	3,425
Represented by:			
Restricted funds	8	**633**	684
Unrestricted funds	8	**2,137**	2,741
		2,770	3,425

The financial statements on pages 9 to 17 were approved by the Trustee on 25 November 2021 and signed on behalf of the Trustee, Downe House School, by:

A F Hazlitt
Trustee

Notes to the financial statements for the year ended 31 August 2021

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom including Financial Reporting Standard 102 (FRS 102) and the Charities Act 2011. In preparing the financial statements the Trust has followed best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS 102)" (revised 2015). A summary of the more important accounting policies of the Trust, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared on a going concern and accruals basis under the historical cost convention modified by the revaluation of investments. The functional and presentational currency is £ Sterling. The Trustee considers it appropriate to adopt the going concern basis and has not identified any material uncertainties in the period of at least 12 months from the date of approval of the financial statements. After making enquiries the Trustee has a reasonable expectation that the Trust has adequate resources to continue in operation for the foreseeable future. The exemption under s1.12 of FRS 102 has been taken not to disclose full details of the Company's financial instruments as these details are included within the consolidated financial statements of Downe House School.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustee in furtherance of the general charitable objectives.

Restricted funds are funds subject to specific conditions imposed by the donors.

Property rental

The Trust owns property used by Downe House School for which it received rental payments of £646,000 (2020: £646,000) for the year. Income is recognised on a receivable basis.

Voluntary income

All voluntary income comprises donations which are shown in the statement of financial activities under incoming resources and are accounted for on a receivable basis.

Gains on disposal of fixed assets

On disposal of tangible fixed assets, the profit or loss on disposal is accounted for as the difference between the net sale proceeds and the net carrying amount of the tangible fixed asset. The profit or loss on disposal of tangible fixed assets is recognised in the Statement of Financial Activities for the year in which the disposal occurs.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Overhead and other costs not directly attributable to particular functional categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, by reference to the level of costs in the functional categories.

Governance costs comprise the costs of running the Trust, including external audit, any legal advice for the Trustee and all the costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings.

1 Principal accounting policies (continued)

Tangible fixed assets and depreciation

Land and buildings held on trust are included at cost incurred prior to completion. Land is not depreciated. Buildings are depreciated at rates calculated to write off the cost less their estimated residual values on a straight line basis over the expected useful economic life of each building. The range of annual rates used for this purpose is between 10 and 50 years. Assets with a cost below £1,000 are not capitalised.

Other tangible fixed assets are stated at cost, less accumulated depreciation, at rates calculated to write off the cost less residual value, of each asset over its expected useful life, as follows:

Equipment and furnishings	12.5%	- straight line

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Investments and investment income

Investments are stated at market value. Any gain or loss on revaluation is included in the statement of financial activities. Investment income is accounted for in the period in which the Trust is entitled to receipt.

Cash Flow Statement

The Trust does not prepare a cash flow statement as its cash flows are included in the cash flow statement of Downe House School.

Concessionary Loans

Public benefit entity concessionary loans are loans made or received between public benefit entities at below the prevailing market rate of interest and are for the purposes of furthering the objectives of the public benefit entity. The loans are measured at the amount received or paid and are recognised in the Statement of Financial Position.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other relevant factors including expectations of future events that are believed to be reasonable in the circumstances. The Trustee does not believe that critical judgements have been made that effect the financial statements but the following significant estimates have been made.

Depreciation rates have been set following consideration of the expected useful lives of each asset classification and annual review.

Accruals and Prepayments are primarily a reflection of timing differences. Where estimates are required these are based on historical evidence.

2 Financing costs

	2021 £'000	2020 £'000
Interest payable on loans and advances from parent undertaking	**370**	474

3 Governance costs

	2021 £'000	2020 £'000
Auditors' remuneration for audit services (excluding VAT)	**2**	1
Tax compliance services	**1**	-
	3	1

There were no employees (2020: Nil).

4 Tangible assets

	Freehold land & buildings £'000	Equipment & furnishings £'000	Total £'000
Cost			
1 September 2020	36,837	114	36,951
Additions	823	-	823
Disposals	-	-	-
31 August 2021	**37,660**	**114**	**37,774**
Accumulated depreciation			
1 September 2020	9,592	114	9,706
Charge for the year	926	-	926
Disposals	-	-	-
31 August 2021	**10,518**	**114**	**10,632**
Net book value			
31 August 2021	**27,142**	**-**	**27,142**
31 August 2020	27,245	-	27,245

Included in freehold land and buildings is land at a cost of £92,473 (2020: £92,473) which is not depreciated.

5 Investments

	Restricted Fund £'000	Total £'000
Market value		
1 September 2020	9	9
Additions at cost	1	1
Disposals at cost	-	-
31 August 2021	**10**	**10**
Cash and short-term deposits	**10**	**10**
Historical cost		
31 August 2021	**10**	**10**
31 August 2020	9	9

6 Creditors: amounts falling due within one year

	2021	2020
	£'000	£'000
Advance from parent undertaking	**33,602**	32,405
Other creditors and accruals	**3**	1
	33,605	32,406

Interest is payable to the Trust's parent undertaking, on the amount due within one year at the rate of 1% over bank base rate. Advances from the parent undertaking are unsecured and repayable on demand and are treated as concessionary loans.

7 Creditors: amounts falling due after more than one year

	2021	2020
	£'000	£'000
Amounts owed to parent undertaking	**1,866**	1,866

Interest is payable to the Trust's parent undertaking, on loan advances due after more than one year in excess of £866,000 at the rate of 1% over bank base rate. No interest is paid on the remaining loan advances due after more than one year of £866,000. Advances from the parent undertaking are unsecured and are treated as concessionary loans.

8 Funds

	Restricted funds £'000	Unrestricted funds £'000	**Total funds £'000**
1 September 2020	684	2,741	3,425
Incoming resources	1	646	647
Resources expended	(52)	(1,250)	(1,302)
31 August 2021	**633**	**2,137**	**2,770**
Represented by:			
Tangible fixed assets	623	26,519	27,142
Investments	10	-	10
Net current liabilities	-	(22,516)	(22,516)
Long-term liabilities	-	(1,866)	(1,866)
	633	**2,137**	**2,770**

The restricted fund is the Downe House Trust 21st Century Appeal which was launched in October 2001; it represents donations made to the Trust to fund the construction of new facilities and the net book value of those facilities.

9 Contingent liabilities

The Trust has guaranteed the bank borrowings of its parent undertaking, sole Trustee and controlling party, Downe House School, up to a maximum of £6 million (2020 £3.5 million) and has given a legal charge over each of the freehold properties of the Trust. At 31 August 2021 the amount of the bank borrowing subject to the guarantee was £Nil (2020: £Nil).

10 Taxation

The Trust is a registered charity and as such tax exemption applies to the income arising from and expended on charitable activities and to its investment income and gains. Investment income is stated inclusive of tax credits.

The Trust registered for VAT with effect from 28 January 2003 and, where applicable, expenditure is recorded net of recoverable VAT.

11 Trustee

The Trustee receives no remuneration for its services or reimbursement of expenses. No other key management personnel are employed by the Trust.

12 Related party transactions

The Trust has taken advantage of the exemption available for wholly owned subsidiaries in FRS 102 s1.12 and not disclosed transactions with its parent undertaking.

13 Ultimate parent undertaking and controlling party

Downe House School, a company limited by guarantee and registered in England and Wales, is the sole corporate Trustee and controlling party of the Downe House Trust. The Trust is managed by the Trustees of the School. Group consolidated financial statements are drawn up by the School. Copies of the School's financial statements can be obtained from the Company Secretary, The Bursary, Downe House School, Cold Ash, Thatcham, Berkshire, RG18 9JJ.

14 Comparative Statement of financial activities for the year ended 31 August 2020

	Note	Unrestricted funds £'000	Restricted funds £'000	**Total 2020 £'000**	Total 2019 £'000
INCOMING RESOURCES					
Incoming resources:					
Donations and Legacies		-	-	**-**	-
Income from charitable activities					
Property Rental		646	-	**646**	646
Total Income and Endowments		646	-	**646**	646
RESOURCES EXPENDED					
Expenditure on Charitable activities:					
Premises		888	52	**940**	785
Financing costs	2	474	-	**474**	511
Governance costs	3	1	-	**1**	2
Total expenditure		1,363	52	**1,415**	1,298
NET EXPENDITURE		(717)	(52)	**(769)**	(652)
Total funds brought forward		3,458	736	**4,194**	4,846
Total funds carried forward	**8**	**2,741**	**684**	**3,425**	4,194