

THE ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

England & Wales · Charity number 312046

Details

Other names	EPSOM COLLEGE, THE ROYAL MEDICAL BENEVOLENT COLLEGE, THE ROYAL MEDICAL FOUNDATION
Status	Registered
Legal form	Other
Registered	1965-06-30
Register	View on the Charity Commission register

Contact

Address	Epsom College College Road Epsom KT17 4JQ
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Website	www.epsomcollege.org.uk

Activities

Objects: (1) TO PROVIDE PENSIONS FOR REGISTERED MEDICAL PRACTITIONERS OF THE UNITED KINGDOM OR INDIVIDUALS WHO HAVE BEEN SUCH PRACTITIONERS AND THEIR WIDOWS OR WIDOWERS IN REDUCED CIRCUMSTANCES.(2) TO PROVIDE GENERALLY FOR THE ADVANCEMENT OF EDUCATION AND (WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING) TO DO SO BY THE PROVISION OF A SCHOOL WITH A PREFERENCE FOR THE CHILDREN OF REGISTERED MEDICAL PRACTITIONERS OF THE UNITED KINGDOM OR INDIVIDUALS WHO HAVE BEEN SUCH PRACTITIONERS.(3) TO PROVIDE ANNUITIES OR OCCASIONAL FINANCIAL ASSISTANCE TO REGISTERED MEDICAL PRACTITIONERS OF THE UNITED KINGDOM OR INDIVIDUALS WHO HAVE BEEN SUCH PRACTITIONERS AND THEIR WIDOWS, WIDOWERS, CHILDREN AND ANY PERSONS TREATED AS CHILDREN OF SUCH A PRACTITIONER'S FAMILY IN REDUCED CIRCUMSTANCES AS THE COUNCIL SHALL DETERMINE BUT ONLY WHERE SUCH ANNUITIES OR FINANCIAL ASSISTANCE MAY BE GRANTED WITHOUT DETRIMENT TO THE PROVISIONS OF SUB-CLAUSES (1) AND (2) ABOVE WHICH ARE TOGETHER TO BE REGARDED AS THE PRIMARY OBJECT OF THE CHARITY.

Activities: (1) To provide pensions for registered medical practitioners of the UK and their widows or widowers in reduced circumstances. (2) To provide generally for the advancement of education by the provision of a school. (3) To provide occasional financial assistance for registered medical practitioners of the UK and their widows or widowers and children in reduced circumstances.

Classification

- **How:** Makes Grants To Individuals, Provides Services
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Defined Groups

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£41,621,000	£40,072,000	£52,862,000	487
2024-06-30	£39,722,000	£38,352,000	£51,060,000	483
2023-06-30	£37,729,000	£32,926,000	£47,605,000	452
2022-06-30	£34,909,000	£29,916,000	£42,462,000	439
2021-06-30	£29,266,000	£27,466,000	£39,043,000	429
2020-06-30	£27,500,000	£26,163,000	£34,656,000	452

Trustees

Name	Role	Appointed
Karen Thomas	Chair	2013-01-03
ALEXANDER MURRAY RUSSELL		2023-09-01
Alexander Robert Vartevanian		2024-07-01
Andrew Pianca		2016-06-15
Belinda Dolbear		2022-06-22
CLIVE WATSON		2016-06-15
DEJ MAHONEY		
Dr ANDREW JOHN VALLANCE-OWEN		
Dr HYWEL BOWEN-PERKINS		
Dr JEREMY BOLTON		
Dr SUNDEEP DHILLON		
John Bowerman		2023-06-22
John Hay		2016-06-15
Katharine Davidson QC		2021-12-01
LORD CARLILE		
Richard Bruce		2013-12-04
SIR JOHN SCARLETT		
Tania Botting		2023-03-01

Linked charities

- EPSOM COLLEGE COMBINED PENSIONS AND ANNUITIES CHARITY (312046-1)
- RALPH GOODING BOTANY PRIZE FUND (312046-100)
- RALPH GOODING CHEMISTRY PRIZE FUND (312046-101)
- HARVEY PRIZE FUND (312046-102)
- HARVEY OWEN SCHOOL RECREATIONAL PRIZE FUND (312046-103)
- HODGKIN TESTIMONIAL PRIZE FUND (312046-104)
- MAJOR PRIZE FUND (312046-105)
- MARTIN PRIZE FUND (312046-106)
- NEWSOM PRIZE FUND (312046-107)
- HERBERT S PENDLEBURY PRIZE FUND (312046-108)
- PIPER PRIZE FUND (312046-109)
- HENRY FEARNESIDE ENDOWMENT FUND (312046-11)
- POLITICAL ESSAY PRIZE FUND (312046-110)
- PROPERT PRIZE FUND (312046-111)
- PROSSER WHITE AWARD (312046-112)
- PROSSER WHITE PRIZE FUND (312046-113)
- ROSEBERY PRIZE FUND (312046-114)
- SMITH-PEARSE PRIZE FUND (312046-115)
- SPEECH PRIZE FUND (312046-116)
- STERRY PRIZE FUND (312046-117)
- SUNDERLAND PRIZE FUND (312046-118)
- THOMAS PRIZE FUND (312046-119)
- VIVIAN MEMORIAL PRIZE FUND (312046-120)
- WAKLEY PRIZE FUND (312046-121)
- WATERFIELD PRIZE FUND (312046-122)
- WATTS MEMORIAL PRIZE FUND (312046-123)
- WILSON PRIZE FUND (312046-124)
- MURRAY WILSON PRIZE FUND (312046-125)
- JOHN INGRAM PRIZE FOR POETRY (312046-126)
- KIRVAN TAYLOR CRICKET PRIZE FUND (312046-127)
- ABERDOUR SCHOOL PRIZE (312046-128)
- FRENCH PRIZE (312046-129)
- ELY WEBSTER ECONOMICS PRIZE (312046-130)
- FORBES PRIZE (312046-131)

- MAUDE BEQUEST (312046-132)
- KITE BEQUEST (312046-133)
- THE HEATH PRIZE FOR MATHS (312046-134)
- THE BRIGADIER GLYN HUGHES PRIZE (312046-135)
- IRISH MEDICAL SCHOOLS AND GRADUATES PRIZE (312046-136)
- BASIL KIERNANDER PRIZE (312046-137)
- DAME KATHLEEN RAVEN PRIZE FUND (312046-140)
- RONALD W RAVEN PRIZE FUND (312046-141)
- ROWE PRIZE FUND (312046-142)
- ELY WEBSTER PRIZE (312046-143)
- EPSOM COLLEGE SCHOOL ENDOWMENT TRUST (312046-144)
- THE ROYAL MEDICAL FOUNDATION (312046-145)
- EPSOM COLLEGE (312046-146)
- EPSOM COLLEGE EDUCATION TRUST (312046-147)
- EPSOM COLLEGE COMBINED PENSIONS AND ANNUITIES CHARITY (312046-148)
- EASTES TRUST FUND (312046-149)
- ELIZABETH HALL ENDOWMENT FUND (312046-16)
- RICHARD WELCH HOLLINS ENDOWMENT FUND (312046-18)
- ELLEN MARKLAND BEQUEST FUND (312046-21)
- MRS ELIZA ROBERTS WIDOWS' FUND (312046-25)
- EDWARD DENIS DE VITRE BEQUEST FUND (312046-30)
- ABRAM FUND (312046-32)
- T CONNELL CRAIG FUND (312046-33)
- DAWSON WILLIAMS SCHOLARSHIP FUND (312046-34)
- EASTES TRUST FUND (312046-35)
- PURNELL SCHOLARSHIP FUND (312046-36)
- SHERMAN BIGG FUND (312046-37)
- SQUIRE SPRIGGE SCHOLARSHIP FUND (312046-38)
- TETLEY SCHOLARSHIP FUND (312046-39)
- A E AND W E WYNTER AUGMENTATION FUND (312046-40)
- CLEN AND GEORGE WAUGH FUND (312046-41)
- ANN HOOD'S LEGACY FUND (312046-42)
- ANSTIE MEMORIAL SCHOLARSHIP FUND (312046-43)
- ROBERT ARMSTRONG SCHOLARSHIP FUND (312046-44)
- BILTON POLLARD BEQUEST FUND (312046-45)

- BOYD FOUNDATION SCHOLARSHIP FUND (312046-46)
- BRUCE BARNETT SCHOLARSHIP FUND (312046-47)
- SIR WALTER BUCHANAN SCHOLARSHIP (312046-48)
- CAROLINE MASON BEQUEST SCHOLARSHIP FUND (312046-49)
- COOPER PATTIN EXHIBITION FUND (312046-50)
- CRAWFORD (WILL) SCHOLARSHIP FUND (312046-51)
- CRAWFORD ENTRANCE SCHOLARSHIP FUND (312046-52)
- CRAWFORD LEAVING SCHOLARSHIP FUND (312046-53)
- DA SILVA EXHIBITION FUND (312046-54)
- DENSHAM SCHOLARSHIP FUND (312046-55)
- ANDREW DIXON SCHOLARSHIP FUND (312046-56)
- DOMETT STONE SCHOLARSHIP FUND (312046-57)
- DONCASTER GIFT SCHOLARSHIP FUND (312046-58)
- DU PASQUIER SCHOLARSHIP FUND (312046-59)
- ELSWORTH BURSURY FUND (312046-60)
- EXHIBITION AND SCHOLARSHIP FUND (312046-61)
- FOREST EXHIBITION FUND (312046-62)
- FREE MEDICAL SCHOLARSHIP FUND (312046-63)
- HARVEY OWEN SCHOLARSHIP FUND (312046-64)
- HAVILAND EXHIBITION FUND (312046-65)
- DR J E HEWLETT FOUNDATION SCHOLARSHIP FUND (312046-66)
- HIGHETT SCHOLARSHIP FUND (312046-67)
- LEACH MEMORIAL SCHOLARSHIP FUND (312046-68)
- LEOPOLD SALOMONS SCHOLARSHIP FUND (312046-69)
- LEVERHULME SCHOLARSHIP FUND (312046-70)
- LOADER COOPER SCHOLARSHIP FUND (312046-71)
- LYNDON BURSARY FUND (312046-72)
- MOSSE SCHOLARSHIP FUND (312046-73)
- RICHARD ARTHUR NEEDHAM SCHOLARSHIP FUND (312046-74)
- PALMER STAWELL GIFT FUND (312046-75)
- HILDA PARHAM GIFT FUND (312046-76)
- PROVIDENT FUND (312046-77)
- COLONEL ROBERT BLACK PURVES SCHOLARSHIP FUND (312046-78)
- HENRY ROBINSON SCHOLARSHIP FUND (312046-79)
- GEORGE AUGUSTUS DAVIES BEQUEST FUND (312046-8)

- LILLA ROSE FOUNDATIONSHIP FUND (312046-80)
- STONE SCHOLARSHIP FUND (312046-81)
- THOMAS SCHOLARSHIP FUND (312046-82)
- DR ROBERT THOMSON AND PHYLLIS BROUGHTON SCHOLARSHIP FUND (312046-83)
- HUGH VARDEN SCHOLARSHIP FUND (312046-84)
- VAWDREY BEQUEST FUND (312046-85)
- MARGARET H WOOD SCHOLARSHIP FUND (312046-86)
- WYNTER SCHOLARSHIP FUND (312046-87)
- THE FRANCIS BRETT YOUNG SCHOLARSHIP FUND (312046-88)
- BARFORD PRIZE FUND (312046-89)
- BRANDE PRIZE FUND (312046-90)
- CLAUDE CALTHROP ESSAY PRIZE FUND (312046-91)
- CARR PRIZE FUND (312046-92)
- CRAWFORD OVERSEAS EMPIRE ESSAY PRIZE FUND (312046-93)
- DR CUNNING ESSAY PRIZE FUND (312046-94)
- DAVIES BEQUEST FUND (312046-95)
- DU BOIS PRIZE FUND (312046-96)
- ENGLDUE PRIZE FUND (312046-97)
- JOHN FACER PRIZE FUND (312046-98)
- GARDINER PRIZE FUND (312046-99)

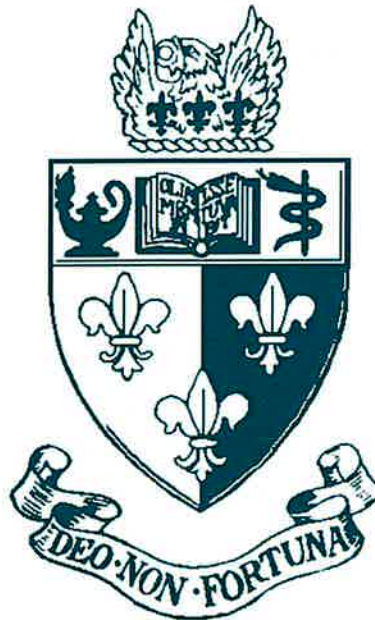
THE ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

England & Wales - Charity number 312046

Accounts

Royal Medical Foundation of Epsom College

**Annual Report and Financial Statements
for the year ended
30 June 2025**



*presented to the
Annual General Meeting of
Council Members on Tuesday 2nd December 2025*

**ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

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ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
COUNCIL AND ADVISERS
YEAR ENDED 30 JUNE 2025

PATRON

HIS MOST GRACIOUS MAJESTY THE KING

VISITOR

The Right Reverend The Lord Bishop of Guildford

PRESIDENT

Lord Carlile, CBE, FRSA, KC

VICE-PRESIDENTS

Mr PG Hakim, FCA

Mr A Hagdrup, LLB (deceased 8th May 2025)

Mr GB Pincus, MBE

Dr AJ Wells, MB, BS, DRCOG, MRCGP (deceased 29th July 2024)

TREASURER

Mr AJ Pianca, FCA

MEMBERS OF COUNCIL

The Governors of the Royal Medical Foundation of Epsom College elect the Members of Council of the Royal Medical Foundation of Epsom College.

Dr JS Bolton, MA, MB, FRCPsych
Mrs Tania Botting, BEd Med
Dr HH Bowen-Perkins, MRCS, LRCP, MB, BS, LMSSA,
PGD(card)
Mr J Bowerman, MA (Oxon), MRICS
Mr R Bruce, LLB, LLM, FCI Arb
Lord Carlile, CBE, FRSA, KC (*President*)
Miss K Davidson, KC
Dr S Dhillon, MBE
Mrs B. Dolbear
Mr JA Hay (Vice-Chairman)
Mr D Mahoney, MA

Mr AJ Pianca, FCA (Treasurer)
Mr GB Pincus, MBE (Vice-President)
Mr Alex Russell MA, OBE
Sir John Scarlett, KCMG, OBE, MA (Oxon)
Mrs K Thomas, BM (Soton), FRCS (Orth) (Chairman)
Dr AJ Vallance-Owen, MBE, MBA, FRCSEd
Mr C Watson, BA(Hons), MA, Mst(Cantab.), ACA
Dr AJ Wells, MB, BS, DRCOG, MRCGP (deceased
29th July 2024)
Mr A R Vartevanian, ACA MCSI (appointed 1 July
2024)

SECRETARY TO COUNCIL

Mrs EL Winfield, LLB

ADDRESS

BANKERS

AUDITOR

INVESTMENT

ADVISERS

Epsom College, College Road, Epsom, Surrey KT17 4JQ
Barclays Bank PLC, One Churchill Place, London E14 5HP
Crowe U.K. LLP, St James House, St James Square,
Cheltenham GL50 3PR
Quilter Cheviot Ltd, 85 Queen Victoria Street, London EC4V
4AB

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

REPORT OF THE COUNCIL

YEAR ENDED 30 JUNE 2025

TRUSTEES' REPORT

The Trustees of the Royal Medical Foundation of Epsom College (the "Charity"), who are also the Members of Council, present their annual report for the year ended 30 June 2025. The financial statements comply with the Charity's governing document and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) as it applies from 1 January 2019.

The present Trustees, any past Trustees who served during the year, the Patron and the external advisers of the Charity, are set out on page 1.

REFERENCE AND ADMINISTRATIVE DETAILS

The Royal Medical Foundation of Epsom College, also known as "RMF of EC", is a registered charity (number 312046) originally established by an Act of Parliament of 1855. The objects of the Charity, which were contained in the Royal Medical Benevolent College Acts of 1855 and 1894 (as amended), were the provision of a school and the provision of assistance to medical men and their dependants. Dr John Propert, together with medical colleagues, set out to collect funds by public subscription, creating the Charity in 1853.

On 2 July 2000 a Statutory Instrument, The Charities (Royal Medical Foundation of Epsom College) Order, dated 18 June 2000 (the "Order"), replaced the old statutory provisions with more appropriate modern rules. Under the Order, two new companies limited by guarantee were created as subsidiary charities of the overall Charity which is called the "Royal Medical Foundation of Epsom College". One subsidiary was formed to carry on the activities of the medical profession charity under the name "The Royal Medical Foundation" and the other to carry on the activities of the school under the name "Epsom College".

Following approval from the Charity Commission, the Council of the Royal Medical Foundation of Epsom College "The Council" passed a resolution on 14 March 2001, made under Section 74 of the Charities Act 1993, to divide the trust funds within the "Epsom College Investment Pool" between these two new limited companies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Governors are aware of the Charity Governance Code published in 2017 and updated in December 2020, which sets out the principles and recommended practice for good governance within the sector. The Board of Governors has reviewed its current governance arrangements against the principles within the code and these are detailed within this report. The Board will continue to review its operation against the Charity Governance Code over the coming year.

Governing Documents

The Charity is governed by its Statutory Instrument adopted on 2 July 2000 and is managed through its two subsidiary charities: The Royal Medical Foundation (charity number 312046-145) and Epsom College (charity number 312046-146).

Governing Body

The Charity is run by the Council, the members of which are the Trustees of the Charity. The Council consists of no more than 24 members, including the President and the Treasurer who are ex-officio members, all of whom are elected by the Governors in accordance with the relevant legislation. The Governors comprise the current Trustees together with both Vice-Presidents and Life Governors. Vice-Presidents are elected by the Council. Life Governors are persons who subscribed certain sums of money to the Charity prior to 1980 and were elected prior to 2000. Since 2000, new Governors have been elected either by the Governors in general meeting, or by the Council. The financial control of the Charity is the responsibility of the Treasurer.

Trustee roles, recruitment and training

To ensure that Trustees' roles and responsibilities are carried out effectively, the Council has prepared a portfolio of expertise that covers specific aspects of the Charity's work. The Council has an agreed process of induction and briefing for new Trustees. The process includes a detailed written and verbal brief by the Secretary, attendance at Council and Sub-Committee meetings before appointment where appropriate and the issuing of an information pack containing legal and trustee documents. Trustees also attend relevant briefings held by advisers.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

REPORT OF THE COUNCIL (CONTINUED)

YEAR ENDED 30 JUNE 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational Management

Council meetings include meetings where Trustees review strategy, operational and investment performance and the setting of operating plans and budgets. An Annual General Meeting is held in November or December. The Council appoints Sub-Committees when appropriate.

Effective partnership between Trustees and staff continues to contribute significantly to our success. The Council delegates the exercise of certain powers in connection with the management and administration of the Charity as set out below. This is controlled by the requirement of regular reporting to the Council, so that all decisions made under delegated powers can be ratified in due course.

Key Personnel

Secretary to Council: The Secretary is responsible for the day-to-day administration of the Charity's affairs as agreed by the Council.

Epsom College: The Head, Chief Operating Officer and members of the Senior Leadership Team are responsible for delivery of the College's charitable vision and purpose and for implementing policies agreed by the Council. The remuneration of key management personnel, including the Head and the Chief Operating Officer, is recommended by the Pay and Remuneration Sub-Committee and is set by the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the College's success. The appropriateness of the remuneration policy is reviewed annually; this includes comparisons with other independent schools to ensure that the College remains sensitive to the broader issues of pay and employment conditions elsewhere. The conduct of affairs is delegated to the executive team consisting of the Head, the Chief Operating Officer and the other members of the Senior Leadership Team.

The Royal Medical Foundation: Together, the RMF Caseworker, the RMF Administrator and the Epsom College finance department are responsible for the day-to-day management of the Charity's affairs and for implementing policies agreed by the Council. Staff salaries are reviewed annually. In view of the nature of the charity, the Trustees benchmark against pay-levels for similar roles in other comparable charities.

Employment policy

The Charity actively supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards. The Charity is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the Charity. In order to promote an environment in which the Charity can call upon the widest possible range of knowledge, skill and experience, as well as ensuring compliance with the relevant legislation and codes of practice, the Charity is committed to achieving and maintaining a workforce which represents the population within its recruitment area in terms of race or colour, nationality or national or ethnic origins, religion or belief, sex, sexual orientation or marital status, age and disability. To this end the Charity regularly reviews the operation of its recruitment, promotion, training and development policies to ensure that no applicant for employment or member of staff is disadvantaged by conditions or requirements which cannot be shown to be justifiable. Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to appraise staff of current issues.

Investment Policy and Objectives

The Joint Investment Committee ("JIC"), a committee of Council, is responsible for the management of the funds on behalf of the Trustees. The JIC meets twice a year, and currently delegates management of the funds to Quilter Cheviot Limited ("QC").

In accordance with the Trustee Act 2000, the JIC have the power to invest in such stocks, shares and investments, as they consider appropriate. The JIC's primary objective is the preservation of the capital value of the trust funds, as adjusted for inflation (measured by the CPI). The secondary objective is to generate the income levels required and maximise capital growth. The JIC takes a long-term view on its investments and have instructed QC to give due consideration to social, environmental and ethical considerations when making investment decisions and have expressly prohibited Quilter Cheviot from directly investing in or trading securities of companies or industries primarily engaged in the production, distribution, or sale of tobacco products. This includes, but is not limited to, companies involved in the manufacturing of cigarettes, cigars, smokeless tobacco, and other tobacco-related products.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2025

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The Charity's registered objects are given in the Statutory Instrument, The Charities (Royal Medical Foundation of Epsom College) Order, dated 18 June 2000.

The Charity has two primary objects:

- (1) To support registered medical practitioners of the United Kingdom, or individuals who have been such practitioners, and/or their widows/widowers, who find themselves in reduced circumstances; and
- (2) To provide generally for the advancement of education and, without compromising this primary object, to do so by the provision of a school with a preference for the children of registered medical practitioners.

In addition, the Charity has a secondary object:

- (3) To provide annuities or occasional financial assistance to registered medical practitioners of the United Kingdom and/or their widows/widowers and children, but only if it can do so without detriment to the primary objects.

The Trustees confirm that they have complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the benefit requirement under that Act when reviewing the Charity's aims and objectives and in planning future activities and setting grant making policy for the year.

The work of the Charity is managed through its two subsidiary charities as follows:

The Royal Medical Foundation ("RMF")

The RMF carries out objects (1) and (3) by:

1. **Providing financial assistance** in the form of means-tested awards. There are four ways this help may be given to eligible beneficiaries who are facing financial hardship:

- regular payments to medical practitioners, their widows or widowers;
- one-off and short-term grants when urgent assistance is required;
- financial assistance with educational expenses at Epsom College; and
- financial assistance with other educational expenses.

2. **Providing information and advice** on organisations that may provide assistance within the public and charity sectors.

- The Caseworker is Citizens Advice Bureau trained and an affiliate of the Institute of Money Advisers and through the provision of information and advice on how to apply for current state welfare benefits, the Caseworker can empower potential applicants to help themselves.
- Where possible, the Caseworker also refers potential applicants to other relevant charities who may be able to help.

Public Benefit Aim and Intended Impact

In setting the Charity's aims the Trustees have given due consideration to the Charity Commission's guidance on public benefit. The Charity's public benefit aim is to give relief to those in need by reason of poverty or financial hardship. The Trustees have sought to ensure that the section of the public that the Charity supports can readily access the Charity's resources and that such access is not restricted by reason of geography within the United Kingdom or by the ability to pay.

Grant-making Policy

The RMF has established its grant making policy to achieve its objects for the public benefit to improve the lives of doctors who are living in poverty or financial hardship and/or their widows, widowers and children. All registered medical practitioners (*who are, or have been, on the Principal List of the General Medical Council of the United Kingdom*) and/or their widows, widowers and children are eligible to apply for assistance. The Caseworker acts as the initial point of contact for all requests for financial assistance. As a first step, the Caseworker researches the circumstances of each case in detail to determine if the request is eligible for RMF support and how best to proceed. For example, if it transpires the applicant is not in receipt of their eligible welfare benefits, information on how to apply will immediately be given. The RMF only gives financial assistance where a beneficiary is in receipt of their welfare benefit entitlement. Providing this information is sometimes enough to empower the person to help themselves and, in many cases, no further financial assistance is required.

Where an eligible applicant wishes to apply for financial assistance, a comprehensive application form is completed and reports from two referees are obtained. The needs of eligible applicants are assessed through telephone assessments, which are undertaken by the Caseworker, following which the Caseworker writes a Case Paper and Assessment Report. Cases are then

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

REPORT OF THE COUNCIL (CONTINUED)

YEAR ENDED 30 JUNE 2025

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

carefully assessed by the RMF Board, which meets four times per year. The RMF Board comprises nominated representatives with both medical and non-medical backgrounds and is responsible for considering and approving all grants decisions.

Grants are valid for a maximum of one year from the date of the award and are conditional on no change in financial or other circumstances. Full disclosure of information is requested at the time of each payment. All grants are subject to a comprehensive annual review and are only continued for a further period if the circumstances are appropriate and if the funds are available. The RMF Board assesses the impact the charity has on the lives of its beneficiaries. This is achieved through regular contact by the Caseworker and by the review of correspondence that is received by the Charity's office.

Epsom College (the "College")

The College carries out object (2) through the provision of day and boarding education on a co-educational basis at Epsom College. The College also has object (3) as a secondary object. The College has various endowed, restricted and unrestricted trust funds held for special purposes in connection with the development of its facilities and for scholarships, bursaries, prizes and other educational uses.

Statement of Aims and Intended Impact

The College's aim is to provide exceptional all-round opportunities - academic, social, sporting and cultural - in a safe and supportive community. The College is a school that aims for excellence, and values both achievement and endeavour. The College challenges pupils to develop their talents and broaden their interests; to become confident in themselves and to be tolerant and appreciative of others.

Primary Objectives

The primary objectives of the College to fulfil these aims are:

1. To provide a flourishing co-educational environment for boarding and day pupils;
2. To deliver a modern, challenging and stimulating academic curriculum;
3. To challenge and ultimately eradicate any form of discrimination within the College by promoting diversity, equality and inclusion throughout the community;
4. To prepare pupils for entry higher education, the workplace or apprenticeships, including those who aim for places on the most competitive courses at university;
5. To preserve and strengthen the College's close traditional links to the medical profession;
6. To provide comprehensive pastoral care and guidance under the leadership of dedicated and caring staff;
7. To offer a wide range of co-curricular activities to foster the interest and maximise the individual potential of each pupil;
8. To foster moral and spiritual values, acceptance and understanding in every pupil and from within Epsom's Christian foundation;
9. To develop a strong sense of responsibility and commitment to the community;
10. To further genuine awareness, understanding and co-operation between College pupils and staff and its wider communities, both local and international;
11. To create a community where pupils will find some things that will matter to them for the rest of their lives.

The aims and objectives set for the College's subsidiaries are to facilitate the achievement of the College's aims and objectives as above.

Strategies to Achieve the Objectives

During the year under review, the Governing Body, who are also Trustees of Epsom College, have focussed on the following areas to assist the College in fulfilling its aim and objectives:

- Work closely with the Head to continue to improve the College's academic and financial performance;
- Work closely with the Head and Senior Team to embed the values of the school – kindness, ambition & integrity;
- Work closely with the Assistant Head: Pupil Wellbeing and the Designated Safeguarding Lead with a particular focus on the continuing enhancement of our safeguarding provision and the embedding of the use of CPOMS, a software solution for monitoring safeguarding;
- Ensure that the College remains 'future proof' and aligns effectively with market demand by exploring possibilities of establishing further income streams;
- Continue to meet the recommendations of the three-year Equality, Diversity & Inclusion (EDI) Development Plan and support the work and development of the Head of EDI;

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

REPORT OF THE COUNCIL (CONTINUED)

YEAR ENDED 30 JUNE 2025

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

- Continue funding and pastoral support for pupils under the aegis the Royal National Children's Springboard Foundation, Surrey County Council Looked After Children provision and Boarding Schools Partnerships and displaced pupils from Ukraine;
- Enable our Co-Curriculum to flourish and continue to promote our policy of 'no-one on the bench' and our pursuit of excellence in the form of national honours;
- Work on the above objectives has continued throughout, albeit mitigated by the need to undertake this in the context of recovering from the tragedy. Additionally, the Governing Body have focussed on the following areas with the College's Senior Leadership;
- Enable our Co-Curriculum to flourish and continue to promote our policy of 'no-one on the bench' and our pursuit of excellence in the form of national honours.

Principal Activities for the Year

The College provides an education to boys and girls aged 11 to 18 on its 72-acre site situated on the outskirts of Epsom, Surrey. At the end of the academic year Epsom College had 1,137 pupils (2024: 1,100), of which 26% were boarders (2024: 28%). 46% (2024: 45%) of the pupils were female.

Public Benefit Aims

The Governors recognise the College's broader responsibilities towards local communities, society and the environment, and staff and pupils are actively encouraged to expand their awareness, understanding and contribution to the wider society wherever possible.

Epsom College is committed to the aim of providing public benefit in accordance with its founding principles. In setting its aims the Governors have carefully considered and complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the benefit requirement under that Act.

The awarding of bursaries, scholarships and other awards is a measurable means of providing public benefit. Despite the introduction of VAT on school fees from January 2025, the College is continuing its efforts to widen access to Epsom to talented youngsters with less financially fortunate families. From September 2025, 103 pupils (2024: 101) will now have the opportunity of an Epsom education, opened up through bursaries with help provided by the Education Trust, Epsom College Bursary Funds, The Old Epsomian Club and other generous benefactors. To date, bursaries awarded for the 2025-26 academic year are £2,378,000 (2024-25: £2,433,000).

All bursaries are awarded based on a proven financial need, and in 2025-26 the average bursary awarded to a pupil will be £23,086 per annum (2024-25: £24,091). Of the 103 pupils with a bursary 50% (2024: 46%) are in receipt of support covering at least 75% of the fees. All but three of the recipients have been awarded 'access widening' bursaries, enabling children whose parents could not have otherwise afforded to enrol their child to start at Epsom College.

The College is an accredited member of the Royal National Children's SpringBoard Foundation and will be fully supporting four pupils (2024-25: four pupils) from disadvantaged circumstances, increasing social mobility by widening access to boarding education and learning, adapting and sharing best practice with other SpringBoard schools. In addition, the College continues to work with Boarding Schools Partnerships, an organisation that works with local authorities to place vulnerable children in boarding schools. Furthermore, the College is supporting two pupils who are attending school under the Ukrainian Placement Scheme.

Those pupils who attend the College and who receive financial support contribute to the school community in a variety of ways and so the benefit is not purely to these pupils but to the whole College and, in some cases, to the wider community.

In addition to financial assistance, the College has engaged in many other activities that provide benefits within the College's objectives. An area of continuing development is the building of closer links with schools within the Bourne Education Trust.

Also, facilities are regularly used by local clubs and local junior schools (Wallace Fields, Banstead Juniors, Danetree). The swimming pool is especially busy, occupied by many local learn-to-swim programmes and also training for local clubs Epsom and Leatherhead; the hockey Astroturfs are the venues for Epsom Hockey Club, Cheam Hockey Club and youth team sessions, and the cricket pitches for regional coaching and matches. We also provide facilities to Surrey Netball, Surrey Squash, Surrey Schools Badminton, Surrey Hockey and Surrey Cricket. Epsom pupils referee or lead groups of junior pupils and Epsom hosts the annual Surrey Schools' Squash tournament for state and independent school pupils.

Throughout the last year, a sum of over £17,900 was raised for causes including the Teenage Cancer Trust, MSF Doctors without Borders, Alopecia UK, Together for Short Lives, the Naval Military Bible Society, Voice of Hope and the Down's Syndrome

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2025

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Public Benefit Aims (continued)

Association. Additionally, the College continued its long-time support of Growbaby, distributing over 1,300 donated toys for needy families in the borough of Kingston each.

The College's Service programme sends over 300 sixth form and lower fourth pupils into the local community to offer up to an hour of service per week to local community projects, local maintained schools, gardeners, foodbanks, hospitals, disabled groups and ad hoc seasonal projects, complemented by use of the College's facilities by local maintained infants, junior and special schools and IT assistance for various community groups. The Programme donates time, not money, and since its establishment in 2013, Epsom's pupils have volunteered over 54,000 hours, equating to over £598,000 in social value.

The College hosted a range of events for its community including 'In Conversations with': former professional tennis player and TV Presenter Annabel Croft; scientist Professor Tim Spector; and actor and comedian Rob Brydon.

Pupils in Year 5 from a selection of local junior and prep schools were welcomed to Epsom College to enjoy a range of academic masterclasses.

The College continues its work in conjunction with The Bourne Education Trust on Artificial Intelligence (AI) in education. AI in Education will maximise the interests of all involved in education, students, teachers, support staff, parents, governors and the wider community.

ACHIEVEMENTS AND PERFORMANCE

RMF

The RMF aims to help registered medical practitioners, and their widows/widowers and children, living in poverty or financial hardship within the United Kingdom. The section of the public that has the opportunity to benefit from the support of the RMF is quite considerable since, at 30 June 2025, there were over 390,500 medical practitioners registered with the General Medical Council (GMC). In addition, their widows/widowers and children are also eligible to apply. During the last financial year, the RMF's contact details were circulated to all registered medical practitioners by the GMC and are available to all Members of the GMC via their web site. Additionally, the RMF is part of both the Educational Trusts' Forum and the joint portal for Medical Charities.

The RMF supports its beneficiaries throughout the UK and our service is given free of charge. The direct cost of providing this service in 2025 was £58,698 (2024: £55,416) out of total administration expenses of £96,763 (2024: £88,700). In most cases, the RMF is contacted at a time of unforeseen crisis or tragedy and one of the greatest achievements of the RMF is to listen and help people when they are most vulnerable and do not know where else to turn. Examples of achievements during the year are given below.

Providing information and advice on organisations that may provide assistance

The Caseworker is Citizens Advice Bureau trained and an affiliate of the Institute of Money Advisers and can empower potential applicants to help themselves through the provision of information and advice on how to apply for current state welfare benefits. For example, the caseworker advised a single parent who was not aware that they may be eligible for the government Tax-Free Childcare Scheme. On making the application they were able to save 20% of their childcare costs, which helped the family immensely.

The Caseworker also refers callers to other relevant charities who may be able to help. In the last year, many people including nurses, medical professionals and medical students were referred to other charities.

The Caseworker offers comfort and support to beneficiaries. This is especially important for those who have no friends or family and are therefore extremely isolated. Usually, this involves a regular telephone call to vulnerable beneficiaries to check how things are going. For example, the caseworker keeps in touch with a beneficiary who has severe trust issues. Although the beneficiary no longer requires financial assistance, they feel comfortable to call at any time to discuss and receive reassurance from the caseworker on a regular basis. They have very little contact with family, friends and other agencies, it means a lot to them that the RMF is always there to support them and said that they feel less abandoned.

This ongoing system of regular support is achieved through regular telephone calls and visits if required. The Caseworker is, therefore, able to monitor the wellbeing of the RMF's beneficiaries, and can refer a case back to the RMF Board should a financial need become apparent.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2025

ACHIEVEMENTS AND PERFORMANCE (continued)

The provision of such information and support by the Caseworker is a fundamental and crucial part of the work of the Charity. It is not possible to distinguish between the amount of time spent purely on giving information, advice and support and that spent on assessing requests for financial assistance. The Trustees consider both equally important.

Providing financial assistance

The RMF provides means-tested financial assistance to alleviate the stress of poverty or financial hardship. Awards totalling £170,891 (2024: £220,466) were made during the year ended 30 June 2025, as shown below:

Number of beneficiaries	Type of Award	Amount Paid (£)
5	Regular payments to medical practitioners and their widows / widowers	9,360
57	Short-term payments or one-off grants where urgent assistance is required	126,060
6	Financial assistance with educational expenses	35,471
-	Financial assistance with educational expenses at Epsom College	-
68	TOTAL	170,891

Regular payments to medical practitioners and their widows / widowers. The RMF has continued to support a number of medical practitioners and their families who live in reduced circumstances. For example, an elderly beneficiary was very concerned about their extremely high electricity bills due to their old cottage having no insulation. The caseworker suggested that the beneficiary may be eligible and should apply for a government insulation grant. The beneficiary was very grateful for the advice.

Short-term payments or one-off grants where urgent assistance is required. A relatively small amount of money paid can have a huge impact on our beneficiaries' lives. For example, a beneficiary who had failed their AKT and SCA exams was given assistance from the RMF for another attempt at both exams, which they were very pleased to finally manage to pass. The beneficiary was very grateful that the RMF had not given up on them and had given them the opportunity to retake their exams which they would have otherwise been able unable to afford.

Financial assistance with educational expenses. Family crisis can strike at any time and educational stability, especially during critical exam years, can be crucial. The RMF helps by providing assistance with educational costs where a change of circumstance puts the family into financial crisis and where they are unable to carry on with paying school fees or extras. For example, a child suffering with many severe diagnoses, who despite being unable to attend school for several months, still managed to sit some of their GCSE exams with the help of the regular tuition in various subjects which was paid for by the RMF.

Section 172 (1) Statement

The RMF is not required to make a disclosure under section 172(1) of the U.K. Companies Act 2006, due to its status as a small company.

Epsom College

Review of Achievements and Performance for the Year

The College enjoyed its strongest ever exam results in 2025 with 91% of grades A*-Bs and 62% A*A. 35% of pupils gained a 'clean sweep' of A*-As.

Overall, the A-level results were excellent and, of the leavers applying to university this year, 89% have met the conditions for first and second choice institutions with 78% of students accepted at their first-choice university.

At GCSE, the results were exceptional with 66% of all grades 9s and 8s and 87% 9s, 8s and 7s, which exceeded the excellent grades received by last year's College-record-breaking cohort with half of pupils gaining straight 9-7s.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

REPORT OF THE COUNCIL (CONTINUED)

YEAR ENDED 30 JUNE 2025

ACHIEVEMENTS AND PERFORMANCE (continued)

Attaining academic achievement did not prejudice sporting and cultural activities this year. In sport there have been unprecedented successes at national level across a range of sports and both for teams and individually. The College prides itself on exceptional breadth of participation by boys and girls in an extensive fixture list against schools with a national reputation for sport. On average around 80% of the whole pupil roll play sport for the College across the year, with 95-100% in the younger groups.

The College's tri-service CCF remains one of the largest in the country and has produced several graduates and serving members of the armed forces across the years. The College also operates a high quality and vibrant Duke of Edinburgh programme, and has continued to see a significant increase in the number of pupils completing their silver and gold awards over the last few years. Similarly, participation and high levels of performance in Music and Drama is widespread, with excellence evident in the staging of plays and musicals such as 'Our Country's Good', 'The Addams Family', 'Wendy and Peter Pan' and 'The Lion King', as well as a wide range of high-quality weekly concerts and recitals by the broad range of musical groups and ensembles. All these are open to anyone to attend and are extremely popular. Individuals have also reached final stages of national competitions.

The Governors' commitment to maintaining the College's excellence has again been reinforced by the capital expenditure programme. Expenditure on capital work this year amounted to over £3.5m (2024: £7.1m).

Fundraising Performance

The fundraising activities of the College are coordinated and run through the Epsom College Development Department. Significant progress has been made this year in their ongoing work of raising voluntary funding for the College. Grants, donations and legacies donated through this department totalled £462,000. The operating costs of the Development Department are paid for by the College. For this year, the performance of fundraising, on costs of £316,000 (including staff costs), was a ratio of 68.4% against the £462,000 voluntary income receivable by the Development Department. These figures exclude funds raised by pupils in support of other charities and the income given under gift aid by the trading subsidiary companies.

All fundraising activities for the College are carried out by the Development Office and College staff, with assistance from the alumni, parents and pupils for the running of specific fundraising events. The College does not use professional external fundraisers or have any commercial participators. All fundraising activities are managed by the Director of Development, with overall oversight by the members of the Risk and Revenue Sub-Committee.

Under the Charities (Protection and Social Investment) Act 2016, the College is reporting that no complaints relating to fundraising activities have been received by the College during this financial year. However, the College has in place procedures that would be followed in the event of a complaint being received, with the initial response being the responsibility of the Director of Development under the Head and the Chair of the Risk and Revenue Sub-Committee. Any continuing issues would then be passed to the Chairman of the College Governing Body to determine what further action might be required. The College is a member of The Institute of Development Professionals in Education and the Council for Advancement and Support of Education and subscribes to the Fundraising Preference Service. It has voluntarily registered with the Fundraising Regulator and complies with the Code of Fundraising Practice. The College considers that it has set appropriate standards for the operation and management of its fundraising activities and these are outlined under its Code of Ethical Fundraising, which may be found on the College website. In particular, the College considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion on a person's privacy and that no fundraising activities would be unreasonably persistent or place undue pressure on a person to give money or other property.

Section 172 (1) Statement

The Governors, as Directors, must act in accordance with a set of general duties. These duties are detailed in section 172(1) of the U.K. Companies Act 2006, which is summarised as follows: *'A Director of a Company must act in the way he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:*

- 1. The likely consequences of any decision in the long term*
- 2. The interests of the Company's employees*
- 3. The need to foster the Company's business relationships with suppliers, customers and others*
- 4. The impact of the Company's operations on the community and the environment*
- 5. The desirability of the Company maintaining a reputation for high standards of business conduct, and*
- 6. The need to act fairly as between members of the Company.'*

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2025

ACHIEVEMENTS AND PERFORMANCE (continued)

The Governors consider that they have fulfilled their duties in accordance with section 172(1) of the U.K. Companies Act 2006 and have acted in a way in which is most likely to promote the success of Epsom College for the benefit of its stakeholders as a whole in the following ways:

Pupils

Boarding and day pupils alike benefit from the College's award-winning pastoral provision with staff placing as much importance on pupils' personal development, lifelong friendships and camaraderie as they do on exam results. Pupils are actively encouraged to offer comments and suggestions on the operation of the school through committees, houses or tutor meetings, and this pupil voice is actively considered in decisions made by the Senior Leadership Team and Governors.

The College's Personal and Social Development (PSD) programme has been significantly enhanced, particularly in Years 10 and 11 where more time has been given to the course. Modules have been refined and new modules introduced covering RSE, digital safety, spiritually & morality and physical wellbeing. These have been augmented to reflect emerging issues such as vaping, consent and Andrew Tait, and to help embed the College's values of kindness, ambition and integrity.

In November 2024, the College had a Routine Inspection by the Independent Schools Inspectorate. A team of ten inspectors visited the College for two and a half days. The College was found to meet all standards.

Employees

The College recognises that the qualities and skills of its employees and the commitment of its staff play a major role in the College's success. Weekly briefings and a newsletter keeps staff informed of school wide developments, and there are opportunities for staff consultation with Governors, both formally and informally.

Parents

The College recognises the many benefits from engaging positively with parents; towards this end, the College publications highlight aspects of College life and provide an insight into the school, especially for parents of weekly and full boarders. The Thursday Post, sent out at 3pm each Thursday, consolidates all of the week's notices and announcements into a singular email and its focus remains with an internal audience concerning matters relating to the successful running of the College. In addition, The Brief continues to be sent on a Friday afternoon to approximately over 4,000 subscribers and it is an important component of the College's marketing and PR. Parental attendance at events, co-curricular, Soirees, Founder's Day and Prize Giving remained very strong; obviously, in part this reflects the growth of the school, however, it also indicates the strength and quality of the relationship that exists within the community.

Community

The College is proud of its place within the local community and endeavours to offer support and assistance where possible by sponsoring local sports clubs and offering opportunities for local schools and clubs to benefit from its excellent academic and co-curricular facilities. This has included hosting a cricket day for pupils with a range of disabilities from specialist schools in the local area, assisted by 6th Form students, something we hope to expand each year towards an Olympics-style event. The mainly 6th Form Service Programme works with local charities and social organisations to identify ways in which the pupil body can best provide support and assistance. Although the 250-strong programme had to adapt during the COVID years to working in-school and producing services and goods for local schools and charities, it has returned as a hybrid operation, with over 150 pupils returning to work in the local community each week, with others continuing to contribute in-school to deliver services. The programme is an integral part of the College's partnership with local state schools and continues to grow in scale and scope, with Lower School pupils involved once again.

The College has endorsed the three-year Equality, Diversity and Inclusion Development Plan; progress has been pleasing and set targets have been met; the work undertaken has received wider recognition and the members of staff at the heart of the provision are regularly invited to speak at regional and national conferences.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2025

ACHIEVEMENTS AND PERFORMANCE (continued)

Environmental Performance: Streamlined Energy and Carbon Reporting

In accordance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, the College presents its energy usage for the year under review.

	2025	2024
UK energy use <i>kWh</i>	7,659,979	7,811,827
Associated Greenhouse gas emissions <i>Tonnes CO₂ equivalent (tCO₂e)</i>	1,493	1,501
Intensity ratio <i>tCO₂e per pupil</i>	1.3	1.4

During the year, the College continued with its LED lighting plan having now replaced most of its lights across the estate; the project will be completed in the forthcoming year.

Most of the radiators within the College have had thermostatic valves fitted to allow temperatures to be controlled locally by individual areas. Outdated older radiators are slowly being replaced.

These initiatives, together with a conscious effort to save energy outside of the normal school day across the site, have led to a decrease in energy consumption this year compared with the prior year. The College will also be developing a climate action plan as part of the new strategy.

During the year, the vehicle fleet was updated and now includes two 9-seater hybrid vehicles. The EV charging points have been a success with much demand from College staff. The College are now considering increasing the number of charging points on site.

The data includes electricity and gas used across the College campus and consumption of fuel used in College owned or leased vehicles or that used by staff in their own vehicles on College business. This data includes usage arising from the activities of Epsom College Enterprises Ltd. The electricity and gas data were gathered directly from supplier meter records and invoices, with fuel consumption data being gathered from vehicle mileage records. Domestic residences on the College site that are responsible for their own energy usage and bills are excluded from this report. The fuel consumption does not include daily staff or pupil commuting, however, it does include College run transport to and from certain College activities and events, such as sports fixtures and community service activities.

Calculations were made in accordance with the [GHC Protocol Corporate Accounting and Reporting Standard](https://ghgprotocol.org/corporate-standard); further information on this protocol can be found here: <https://ghgprotocol.org/corporate-standard>. All the business activities included were converted into carbon emissions using the DEFRA 2024 published emissions factors. No mandatory emissions have been excluded from this report.

FINANCIAL REVIEW

Results for the year

The Statement of Financial Activities reveals a surplus of £1,817,000 (2024: £3,456,000). This exceeded forecast expectations, primarily due to lower than expected expenditure, as a result of recruitment lag and tight control over costs, recoverable input VAT being more than expected and also due to an increase in non-fee income, including bank interest received and donations from subsidiaries.

Within the total surplus, gains of £150,000 arose in respect of Endowed Funds (2024: £1,945,000) and losses of £38,000 (2024: gains £720,000) arose in respect of Restricted activities. A surplus of £1,705,000 arose in respect of Unrestricted activities (2024: £791,000). The Balance Sheet of the Charity remains strong and in line with Council's expectations given the investment in fixed assets.

The principal funding source of the Charity continues to be school fees receivable. This income is used directly to support the primary objectives of the Charity disclosed on Pages 4 and 5 above.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2025

Investment Performance

At the year-end, the Charity's long-term investments totalled £19.7m (2024: £19.2m). The investments generated investment income of £577,000 (2024: £563,000) during the year. The year-end valuation of invested funds resulted in net gains on investments of £305,000 (2024: £2,086,000) being recognised in the Statement of Financial Activities.

In assessing performance, the JIC use various indices as a means of evaluating both the investment adviser in terms of performance against their competitors and the trust funds against returns achieved by other UK charities of the same size. In the past year, the Charity has been above the mean average and the JIC are satisfied with this performance.

Reserves policy

RMF

The Trustees make every effort to distribute the maximum amount that they are able, by awarding grants to any beneficiary who has a proven financial need and who falls within their criteria. In recent years, the RMF has been able to support all eligible applicants. Through the Trustees and Caseworker, the RMF liaises closely with other medical charities and the Educational Trusts Forum to maximise the ability of the Charity to identify qualifying beneficiaries. The RMF details are also available on various web sites, through which many enquiries for assistance are generated. Awards are met from the resources of the Charity, which is supported by donations and bequests from Local Medical Committees, Medical Charities, Medical Organisations and individual Medical Practitioners.

Total reserves at 30 June 2025 are £10,025,000 (2024: £9,895,000) and unrestricted reserves held by the RMF are £2,695,000 (2024: £2,727,000). The Trustees have reviewed the reserves policy and recognise that there are substantial undistributed reserves. The planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on investment income and planned expenditure. The Trustees take the view that the level of reserves is appropriate to meet the RMF's annual obligations on a fund-by-fund basis and to ensure financial stability. Undistributed reserves are invested to increase income to enable more beneficiaries to be helped in the future and our cash deposits could easily be drawn down should working capital be required. The accounts have therefore been prepared on the basis that the charity is a going concern.

Epsom College

The College and its subsidiaries currently hold minimal free reserves. This is because the College continues to invest its unrestricted surpluses, over the years, into the College campus and educational facilities. This investment is vital to the long-term sustainability of the College. The College is able to operate using this model, due to the significant cash generated throughout the year via school fees, which, along with the banking facilities, provides the required working capital to operate during the year, and to manage any short-term income volatility. The Governors have reviewed this position and consider it remains appropriate.

The Epsom College Group's total reserves of £42.9m (2024: £41.1m) at the year-end is represented by £8.0m (2024: £7.9m) of endowed funds, £4.1m (2024: £4.2m) of restricted funds and £30.8m (2024: £29.0m) unrestricted funds. There are currently free reserves in the Group of £16,000 (2024: £16,000) and none in the College (2024: nil) as funds continue to be invested in tangible fixed assets.

The impact of the introduction of VAT school fees raised significant concern amongst our parent body and has been challenging for some parents. Despite this, at the time of approving these financial statements, the College has not seen any material reduction in prospective pupil numbers for the 2025-26 academic year, but the number of conversations about parental affordability challenges are increasing.

It is expected that the impact of VAT on school fees will be felt in future admissions cycles. The Governors continue to be satisfied that external financial facilities provide an additional and adequate safety net, if it should be required and, therefore, have no concerns regarding going concern of the College. The Going Concern policy, found in Note 1(q) to the Financial Statements expands on the reasons for this conclusion.

A pension liability of £34,000 (2024: £11,000) arising from the College's obligations as a member of The Pension Trust (historic defined benefit pension scheme) exists at the year-end date. A funding agreement is in place with The Pensions Trust and the College has sufficient resources to meet the future funding requirements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2025

PRINCIPAL RISKS AND UNCERTAINTIES

RMF

The RMF has a register of major potential risks for the charity and the RMF Board regularly examines the principal areas of the Charity's operations and considers what major risks may arise in each of these areas. In the opinion of the Trustees, the Charity has established procedures and review systems to manage these risks, the principal risk being a reduction in investment income which could jeopardise the amounts available for beneficiaries which is mitigated by communication with the investment managers and regular meetings of the Joint Investment Committee.

Epsom College

The College maintains a Risk Register which is reviewed annually by the Board of Governors with a view to ensuring that the charitable objectives of the College are achieved in the short, medium and longer term, and that the risks of the trading subsidiaries are understood and managed. The principal risks for the forthcoming academic year are as follows:

- **Health, Safety and Wellbeing:** the health, safety and wellbeing of our pupils, staff and community remains our utmost priority and this year continue to actively improve our site safety and security to reduce risks and promote safeguarding as everyone's responsibility.
- **Political change:** the Government has levied 20% VAT on school fees from 1 January 2025 and removed business rate relief from April 2025. The mid-academic year introduction of VAT was earlier than anticipated and the College 'absorbed' 10.5% of the VAT, which was a challenge and will continue to affect the financial position for the forthcoming year. Despite this support, the 9.5% increase in fees has still been a challenge for many parents.
- **Finance:** whilst the College is in good financial shape, it is not blessed with endowments and reserves. To 'absorb' 10.5% of the VAT the College has worked hard to save costs and increase its non-fee income, and will need to continue to do so in the forthcoming years. Parents are rightly concerned about the increased cost of education, and we will endeavour to keep future fee increases as low as possible.
- **Pupil numbers:** could be at risk because of the introduction of VAT and increased financial pressure on parents.

The key controls used by the Governors to manage risk include:

- Formal agenda and minutes for the Committee and Board activities;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear authorisation and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable; and
- Consideration of the recent recommendations of any ISI inspections and the Educational Review that took place in Lent Term 2024.

Through the risk management process established for the College and its subsidiaries, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute assurance that major risks have been adequately managed. The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for both the College and its subsidiaries

FUTURE PLANS

RMF

The RMF Trustees recognise that the charitable sector as a whole faces many challenges, particularly for a small charity with such a focused operation. With a portfolio of investments where fund values are directly affected by market conditions, the Trustees are conscious of the continuing need to reduce overhead costs to the minimum, in particular those associated with administration, and the need to maximise income from its investments and other sources.

The Trustees believe that the Charity has a sound financial basis upon which to build for the future. Work will continue to strengthen the RMF's profile and to develop existing services yet further to reach and help the medical community. The Board are sure that the charity's founder, Dr John Propert, would heartily approve of the efforts of the Foundation over the last year and would be content that the RMF is meeting the moral and legal obligations that it owes to its beneficiaries and to its benefactors.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2025

FUTURE PLANS (continued)

Epsom College

Over the course of the coming academic year the following aspects of school development will receive particular attention:

- **Strategic Planning:** a new Strategic Plan is now in place and will continue to be developed;
- **Safeguarding:** best practice will be identified and implemented to enhance pupil and staff wellbeing throughout the College community, in order to safeguard all those in our care;
- **Finance:** recognising the need to keep future fee rises to more manageable levels, a rigorous look at our costs will take place alongside an exploration of non-fee income streams;
- **International:** potential opportunities overseas that will both bolster Epsom's reputation locally and internationally, while also providing income, will be explored;
- **Admissions and Marketing:** the new Director of Admissions, working closely with the Director of Marketing, will seek to continue to attract academically strong and talented pupils despite the introduction of VAT on school fees;
- **Academic results:** maintain the upward trajectory of the excellent GCSE and A-level grades of the past two years;
- **Outstanding pupil experience:** continue to evaluate and monitor each pupil's experience, to ensure that they enjoy success in and out of the classroom, achieve their potential and love their journey through the College;
- **Co-curricular:** build a market-leading co-curricular programme, in terms of both quality and participation, and continue to pursue success at County and National level.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under Charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principle in the Charities SORP;
- make judgements 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 Charity will continue in business.

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

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

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2025

DISCLOSURE OF INFORMATION TO AUDITOR

Insofar as each of the Trustees at the date of approval of this report is aware, there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each member of Council has taken all the steps that he or she ought to have taken as a member of Council in order to make himself or herself aware of the relevant audit information and to establish that the charity's auditor is aware of that information.

COUNCIL MEMBERSHIP

Council member Mrs Belinda Dolbear, Mr Dej Mahoney, Sir John Scarlett, Mr Clive Watson, and Dr Andrew J Vallance-Owen are standing down in rotation at the Annual General Meeting but are eligible and recommended for re-election for a term of three years.

AUDITOR

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor and a general resolution proposing reappointment will be submitted to the forthcoming Annual General Meeting.

Approved by Members of Council present at a meeting on 2nd December 2025 and signed on its behalf by:



Mrs K Thomas
Chair

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

Opinion

We have audited the financial statements of the Royal Medical Foundation of Epsom College ('the charity') and its subsidiaries ('the group') for the year ended 30 June 2025 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including 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 group's and the parent charity's affairs as at 30 June 2025 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE (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 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, set out on page 14, 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 group and the parent 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

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts 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 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were the General Data Protection Regulation, Health and Safety legislation, Employment and Education (Independent School Standards) Regulations 2014.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the assumptions and volatility of valuation data used to value the financial instruments and derivatives and the override of controls by management for all entities. Our audit procedures to respond to these risks included enquiries of management, and The Council of the Royal Medical Foundation of Epsom College about their own identification and assessment of the risks of

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE (CONTINUED)**

irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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

Crowe UK LLP

Date: 23 December 2025

Crowe U.K LLP
Statutory Auditor
Cheltenham

Crowe U.K LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2025

	Notes	Unrestricted	Restricted	Endowed	Total	Total
		£'000	£'000	£'000	2025	2024
					£'000	£'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities						
School fees receivable	2	35,397	-	-	35,397	33,380
Ancillary trading income	3	2,764	-	-	2,764	2,635
Other trading activities						
Non-ancillary trading income	4	1,062	-	-	1,062	1,010
Other activities	4	295	-	-	295	465
Investments						
Investment income		104	474	(1)	577	563
Bank interest		959	-	-	959	402
Voluntary sources						
Grants and donations	6	5	562	-	567	1,267
TOTAL INCOME		40,586	1,036	(1)	41,621	39,722
EXPENDITURE ON:						
Raising funds						
Non-ancillary trading	7	164	-	-	164	158
Financing costs	7,8	940	-	-	940	846
Decrease in value of derivative	5,7	102	-	-	102	685
Investment management	7	12	15	57	84	79
Fundraising and development	7	316	-	-	316	331
TOTAL DEDUCTIBLE COSTS		1,534	15	57	1,606	2,099
CHARITABLE ACTIVITIES						
Education and grant making	7	37,354	1,112	-	38,466	36,253
TOTAL EXPENDITURE	7	38,888	1,127	57	40,072	38,352
NET INCOME/(EXPENDITURE) FROM OPERATIONS						
		1,698	(91)	(58)	1,549	1,370
Gains on investments	11	44	53	208	305	2,086
NET INCOME FOR THE YEAR		1,742	(38)	150	1,854	3,456
Pension scheme actuarial losses	21	(37)	-	-	(37)	-
NET MOVEMENT IN FUNDS		1,705	(38)	150	1,817	3,456
Fund balances brought forward at 1 July	20	31,769	5,317	13,991	51,077	47,621
FUND BALANCES CARRIED FORWARD AT 30 JUNE	20	33,474	5,279	14,141	52,894	51,077

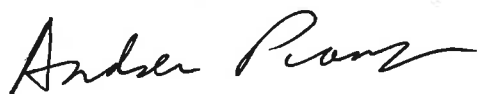
The notes on pages 23 to 42 form part of these financial statements

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
GROUP AND CHARITY BALANCE SHEETS
AT 30 JUNE 2025

	Notes	Group 2025 £'000	Group 2024	Charity 2025 £'000	Charity 2024 £'000
FIXED ASSETS					
Tangible assets	10	39,830	41,719	39,811	41,698
Investments	11	19,626	19,224	19,701	19,299
Derivatives	12	2,443	2,545	2,443	2,545
		61,899	63,488	61,955	63,542
CURRENT ASSETS					
Stock		48	39	44	36
Debtors	13	4,120	2,666	4,666	3,358
Cash and deposits		20,780	19,339	20,015	18,529
		24,948	22,044	24,725	21,923
CURRENT LIABILITIES					
Creditors payable within one year	14	(14,753)	(12,591)	(14,618)	(12,541)
NET CURRENT ASSETS					
		10,195	9,453	10,107	9,382
TOTAL ASSETS LESS CURRENT LIABILITIES					
		72,094	72,941	72,062	72,924
LONG TERM LIABILITIES					
Creditors payable after one year	15	(19,200)	(21,864)	(19,200)	(21,864)
NET ASSETS					
		52,894	51,077	52,862	51,060
ENDOWED FUNDS					
	19,20	14,141	13,991	14,142	13,417
RESTRICTED FUNDS					
	19,20	5,279	5,317	5,262	5,888
UNRESTRICTED FUNDS					
	19,20	33,474	31,769	33,458	31,755
TOTAL FUNDS					
		52,894	51,077	52,862	51,060

The net result of the charity for the year, included within the financial statements, was a surplus of £1,802,000 (2024: £3,455,000).

Approved and authorised for issue by Members of Council present at a meeting on 2nd December 2025 and signed on their behalf by:



A. J. Pianca
Treasurer

The notes on pages 23 to 42 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 £'000	2024 £'000
Cash flows from operating activities			
Net cash provided by operating activities	(i)	6,922	5,656
Cash flows from investing activities:			
Dividends and interest from investments		578	559
Payments for tangible fixed assets		(3,504)	(7,144)
Change in cash awaiting investment		(97)	201
New capital introduced		-	(574)
Net cash used in investing activities		(3,023)	(6,958)
Cash flows from financing activities:			
Repayment of borrowing		(652)	(652)
Movement in finance leases		(214)	164
Finance costs paid		(940)	(846)
New fees in advance money		4,850	10,625
Fees in advance money utilised		(5,502)	(1,674)
Net cash provided by financing activities		(2,458)	7,617
Change in cash and cash equivalents in the reporting period		1,441	6,315
Cash and cash equivalents at the beginning of the reporting period		<u>19,339</u>	<u>13,024</u>
Cash and cash equivalents at the end of the reporting period	(ii)	<u>20,780</u>	<u>19,339</u>

The notes on pages 23 to 42 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

(i) Reconciliation of net income to net cash flow from operating activities

	2025 £'000		2024 £'000
Net income for the reporting period (as per the statement of financial activities)	1,549		1,370
Investment income	(578)	(559)	
Decrease / (increase) in value of derivative	102	685	
Finance costs	940	846	
Depreciation charges	3,814	3,708	
Loss on disposal of assets	1,579	-	
Change in actuarial assumptions (recognised in SOFA)	(37)	-	
(Increase) / decrease in stock	(9)	9	
Increase in debtors	(1,454)	(112)	
(Decrease) / increase in creditors (excluding fees in advance)	<u>1,016</u>	<u>(291)</u>	
	<u>5,373</u>		<u>4,286</u>
Net cash provided by operating activities	<u>6,922</u>		<u>5,656</u>

ii) Analysis of cash and cash equivalents

	2025 £'000		2024 £'000
Cash in bank	7,252		15,833
Cash in hand	7		10
Notice deposits (less than 3 months)	<u>13,521</u>		<u>3,496</u>
Total cash and cash equivalents	<u>20,780</u>		<u>19,339</u>

iii) Analysis of changes in net debt

	1 July 2024 £'000	Cash flows £'000	Non-cash changes	30 June 2025 £'000
Cash in bank	15,833	(8,580)	-	7,253
Cash in hand	10	(3)	-	7
Notice deposits	3,496	10,024		13,520
Cash and cash equivalents	<u>19,339</u>	<u>1,441</u>	-	<u>20,780</u>
Bank loans falling due within one year	(652)	-	-	(652)
Bank loans falling due after more than one year	(13,326)	-	652	(12,674)
Finance lease obligations due within one year	(216)	214	(78)	(80)
Finance lease obligations due after more than one year	(78)	-	78	-
Total borrowings and finance lease obligations	<u>(14,272)</u>	<u>214</u>	<u>652</u>	<u>(13,406)</u>
Net debt	<u>5,067</u>	<u>1,655</u>	<u>652</u>	<u>7,374</u>

The notes on pages 23 to 42 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1. ACCOUNTING POLICIES

The principle accounting policies adopted and critical areas of judgement are as follows:

a) Basis of Preparation of the Financial Statements

The financial statements have been prepared on the historical cost basis of accounting, as modified by the revaluation of investment investments, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, the Charities SORP (FRS 102) and the accounting policies set out below.

The functional currency of the Charity is considered to be pounds sterling as that is the currency of the primary economic environment in which the Charity operates. The financial statements are also presented in pounds sterling.

The financial statements consolidate, on a line-by-line basis, all funds of the RMF and the College together with the financial statements of its wholly owned subsidiaries, Epsom College Enterprises Limited (company number 01066747), Epsom College Overseas Limited (company number 07562826) and Epsom College Transport Limited (company number 12437332) that are prepared for the same period. No separate Statement of Financial Activities has been prepared for the College alone, as permitted by Section 408 of the Companies Act 2006. The College has taken advantage of the exemption available to a qualifying entity in FRS 102 from requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

The Charity is a public benefit entity and is registered as a charity in England and Wales (charity number: 312046). It was established by an Act of Parliament of 1855. The Charity is domiciled in the UK and the address of the registered office is Epsom College, College Road, Epsom, KT17 4JQ.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods. Bank loans are amortised using the effective interest rate method.

In the view of the Trustees, with the exception of pension liabilities (see note 21), no assumptions concerning the future or estimation uncertainly affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

b) Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the College against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

c) Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

1. ACCOUNTING POLICIES (Continued)

d) Donations, legacies, grants and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Charity is considered probable.

Voluntary income for the Charity's general purpose is accounted for as "Unrestricted Funds". Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

Grant income is recognised when there is evidence of entitlement, the receipt is probable and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

e) Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for long-term liabilities. Expenditure attributable to more than one cost category in the SOFA is appropriated to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements as well as Trustee training.

f) Tangible fixed assets and depreciation

Expenditure of the acquisition, construction or enhancement of land and buildings, vehicles, furniture, machinery, ICT infrastructure and equipment and other equipment costing more than £500 are capitalised and carried in the balance sheet at historical cost. Other expenditure on equipment incurred in the normal day-to-day running of the Charity is charged to the Statement of Financial Activities as incurred.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal instalments over their expected useful economic lives. The current depreciation rates are as follows:

New buildings	2 – 4%
Freehold and leasehold improvements and renovations	2 – 20%
Furniture, machinery and equipment	10 – 25%
Motor Vehicles	25%

Buildings outside the grounds of Epsom College have been included at their 30 June 1995 valuation. Costs associated with buildings in the course of construction have not been depreciated pending completion of the work.

g) Investments

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated the appropriate fund according to the "ownership" of the underlying assets.

Investments in subsidiaries are valued at cost less provision for impairment.

h) Stock

Stock represents goods for resale and is valued at the lower of cost or estimated selling price.

i) Debtors

Short term debtors are measured at transaction price (e.g. value of school fees billed but not yet paid), less any impairment.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

ACCOUNTING POLICIES (continued)

j) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities including bank loans, are measured at fair value, net of transactions costs, and are measured subsequently at amortised cost using the effective interest method.

Pupil fee deposits held by the school: Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The school does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held are included within current liabilities.

k) School fees in advance

In addition to the school fees, which are payable one term in advance, the College accepts fees for longer periods. These longer-term fees paid in advance are credited to income when the fees are due. In consideration of the lump sum received the scheme provides for a discount to be applied towards the cost of education.

Amounts received under the College's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

l) Provisions for liabilities

Provisions are recognised when the Charity has a present obligation (legal or constructive) as a result of a past event, it is probable that the Charity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The Charity recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

m) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Charity. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at fair value of the leased asset (or, if lower, the present value of the minimum lease payments) at inception of the lease. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

n) Fund accounting

Charitable trust funds are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the Charity's corporate reserves, spendable at the discretion of the Trustees either to further the Charity's Objects or to benefit the Charity itself. Where the Trustees decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

ACCOUNTING POLICIES (Continued)

Restricted income comprises gifts and legacies where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the Charity (e.g. freehold land) or for its financial benefit (i.e. by investment).

Expendable endowment funds can be converted into income for spending with at the Trustees own discretion or else upon the happening of some event contemplated by the donor.

o) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with exception of investments which are held at fair value.

Financial assets held at amortised cost comprise cash at bank and in hand, together with all debtors other than prepayments and tax recoverable. A specific provision is made for any debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and fees received in advance.

Derivatives are not basic financial instruments. These are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at the balance sheet date. Changes in fair value are recognised in the Statement of Financial Activities in finance costs or finance income as appropriate.

Derivatives classified as liabilities have been split between due with one year and after one year based on the future estimated cashflows.

p) Pension costs

Retirement benefits to employees of the Charity are provided through three pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme

This is a multi-employer pension scheme and it is not possible to identify the Charity's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, the College accounts for the scheme as if it were a defined contribution scheme. The Charity's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

Pensions Trust

Contributions are paid, in respect of non-teaching staff, to the Pensions Trust into a defined contribution scheme. Contributions for current employees are generally at a rate equivalent to 7% of annual basic pay for those in the existing scheme and 4% for those who were auto-enrolled from the Charity's staging date of 1 January 2014.

The Charity previously contributed to a Pension Trust defined benefit scheme. A liability exists in relation to the deficit funding for this historic scheme.

The historic defined benefit scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standard issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Retiring Pensions Fund

The Charity also pays post-employment benefits to certain former members of staff and their relatives. This was previously paid from a designated, separately invested fund, which was divested during the year. The College now pays these benefits from operating income. The Fund is invested separately from all other funds.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

ACCOUNTING POLICIES (Continued)

q) Going concern

The preparation of financial statements requires an assessment of the validity of the going concern assumption, this being dependent upon the availability of adequate financial resource to allow the Group and Charity to continue in operational existence for the foreseeable future.

The income expected to be available depends most importantly upon an estimate of pupil numbers and their boarding mix as well as investment income. At the time of approving these financial statements the College is experiencing increased pupil numbers compared with prior years. The College has considered the effects of a small reduction in pupil numbers on the financial forecasts, taking account of current cash reserves, banking facilities and the College's ability to rescale its operations accordingly. There are currently adequate cash balances and banking facilities in place to ensure that the College can meet its obligations through this period of uncertainty.

The Trustees have reviewed budgets and projected cash flows and are confident that with the continued support of existing bank funding levels the Group and Charity will have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of the financial statements. Consequently, the Trustees consider it appropriate to prepare the financial statements on the going concern basis.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

2.	CHARITABLE ACTIVITIES – FEES RECEIVABLE	2025	<i>2024</i>
		£'000	<i>£'000</i>
	Fees receivable consist of:		
	School fees	37,735	<i>35,785</i>
	Less: Scholarships, bursaries and other awards	(3,328)	<i>(3,286)</i>
		<u>34,407</u>	<u><i>32,499</i></u>
	Add back scholarships and grants paid out of restricted funds	990	<i>881</i>
		<u>35,397</u>	<u><i>33,380</i></u>

Scholarships and grants paid out of restricted funds is the total restricted expenditure on grants and awards made during the year. In previous years, only restricted expenditure on grants and awards that was funded by investment income was included here, and funding from other sources was netted against the cost of scholarships, bursaries and other awards in note 2. Comparative figures above have been restated.

3.	CHARITABLE ACTIVITIES – OTHER INCOME	2025	<i>2024</i>
		£'000	<i>£'000</i>
	Ancillary trading income		
	Entrance and registration fees	145	<i>206</i>
	Additional charges to pupils	2,532	<i>2,362</i>
	Other	87	<i>67</i>
		<u>2,764</u>	<u><i>2,635</i></u>

4.	OTHER TRADING ACTIVITIES	2025	<i>2024</i>
		£'000	<i>£'000</i>
	Non-ancillary trading income		
	Epsom College Enterprises Ltd	310	<i>327</i>
	Courses and lettings	752	<i>683</i>
		<u>1,062</u>	<u><i>1,010</i></u>
	Other activities		
	Unrestricted income		
	Epsom College Overseas Ltd - royalties	295	<i>233</i>
	Restricted income		
	Epsom College Overseas Ltd - royalties	<u>-</u>	<u><i>232</i></u>

Trading subsidiaries

Epsom College Enterprises Ltd: the aggregate amount of its assets, liabilities and funds as the end of the reporting period were £91,491 (2024: £91,491). It had turnover of 309,836 (2024: £327,449), expenditure of £118,599 (2024: £119,729) and a profit of £191,237 (2024: £207,720) for the reporting period.

Epsom College Overseas Ltd: the aggregate amount of its assets, liabilities and funds as the end of the reporting period were £100 (2024: £100). It had turnover of £295,115 (2024: £465,835), expenditure of £5,713 (2024: £5,452) and a profit of £289,402 (2024: £459,383) for the reporting period.

Epsom College Transport Ltd: the aggregate amount of its assets, liabilities and funds at the end of the reporting period were £100 (2024: £100). It had turnover, derived from transport services provided to Epsom College, of £253,196 (2024: £265,120), expenditure of £212,239 (2024: £225,606) and a profit of £40,957 (2024: £39,514) for the reporting period.

5.	FINANCE INCOME	2025	<i>2024</i>
		£'000	<i>£'000</i>
	Decrease in fair value of derivatives	<u>102</u>	<u><i>685</i></u>

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

6. GRANTS AND DONATIONS RECEIVABLE

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2025 £'000	Total 2024 £'000
Donations to Royal Medical Foundation	5	-	-	5	4
Donations to the College for other charities, bursaries, fixed asset purchases and other purposes	-	100	-	100	129
Donations to the Epsom College Education Trust for the development of educational facilities and activities of the College	-	462	-	462	1,029
Other Donations	-	-	-	-	105
	5	562	-	567	1,267

During the year ended 30 June 2025 four Governors made total donations of £33,000 to the College for the development of educational facilities (2024: two Governors donated £65,000 in total).

7. ANALYSIS OF TOTAL EXPENDITURE

(a) Total expenditure

	Staff Costs £'000	Other Costs £'000	Depreciation £'000	2025 Total £'000	2024 Total £'000
Raising funds					
Trading costs	-	156	8	164	158
Financing costs (note 8)	-	940	-	940	846
Decrease in value of derivative	-	102	-	102	685
Investment management	-	84	-	84	79
Fundraising costs	173	143	-	316	331
Total raising funds	173	1,425	8	1,606	2,099
Charitable activities					
Teaching	15,066	3,014	108	18,188	17,084
Welfare	4,713	2,091	-	6,804	6,384
Premises	594	3,101	3,055	6,750	6,467
Support and governance costs	2,210	2,680	643	5,533	5,206
Grants, awards and prizes	-	1,191	-	1,191	1,112
Total charitable activities	22,583	12,077	3,806	38,466	36,253
Total expenditure	22,756	13,502	3,814	40,072	38,352

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

(b) Governance included in support costs

	2025	<i>2024</i>
	£'000	<i>£'000</i>
Remuneration paid to auditor for audit services	69	68
Remuneration paid to auditor for assurance services	2	1
Reimbursement of personal expenses to Governors – travel costs	16	-
	<u>87</u>	<u>69</u>

Remuneration paid to auditor for audit services and assurance services exclude irrecoverable VAT.

Remuneration paid to the auditor of the trading subsidiaries for audit services are included, net of VAT, within Trading costs and amount to £15,100 (2024: £14,300).

Remuneration paid to the auditor of the trading subsidiaries for tax services was £8,250 (2024: £3,850).

8. FINANCE COSTS

	2025	<i>2024</i>
	£'000	<i>£'000</i>
School fees in advance financing costs	386	277
Bank borrowings financing costs	930	1,023
Interest rate swap (income)	(376)	(455)
Pension scheme financing costs	-	1
	<u>940</u>	<u>846</u>

9. STAFF COSTS

	2025	<i>2024</i>
	£'000	<i>£'000</i>
The aggregate payroll costs for the year were as follows:		
Wages and salaries	17,914	16,749
Social security costs	2,024	1,740
Pension contributions	2,818	2,330
	<u>22,756</u>	<u>20,819</u>
Aggregate employee benefits of key management personnel	<u>2,345</u>	<u>2,219</u>

The average number of employees during the year was:

	2025	<i>2024</i>
	No.	<i>No.</i>
Teaching	132	136
Other (including teaching support staff)	355	347
	<u>487</u>	<u>483</u>

None of the Trustees, or persons connected with them, received any remuneration during the year.

Travel expenses of £16,400 were reimbursed to one governor during the year (2024: three governors, £1,936).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

9. STAFF COSTS (continued)

The number of employees who received remuneration of £60,000 or greater, in the following bands, was:

	2025	2024
£60,001 - £70,000	37	36
£70,001 - £80,000	36	31
£80,001 - £90,000	13	8
£90,001 - £100,000	4	4
£100,001 - £110,000	1	1
£110,001 - £120,000	3	1
£130,001 - £140,000	-	1
£140,001 - £150,000	-	-
£180,001 - £190,000	1	1
£260,001 - £270,000	1	-
£270,001 - £280,000	-	1

The number with retirement benefits accruing in the Teachers' Defined Benefit and Non-Teachers' Defined Contribution Schemes was 79 and 16 respectively (2024: 68 and 13). The relevant amount of contributions in respect of the Non-Teachers' Scheme was £97,455 (2024: £94,221).

Redundancy payments of £38,155 were made during the year (2024: £NIL) which was outstanding at the year end. There were no settlement payments made during the year (2024: NIL).

10. TANGIBLE FIXED ASSETS - CHARITY AND GROUP

	Charity		Fixtures & Equipment	Charity Total	Subsidiary		Group Total
	Land & Buildings	Plant, Machinery & Vehicles			Fixtures & Equipment	Group Total	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or frozen valuation							
<i>At 1 July 2024</i>	83,238	2,306	6,204	91,748	82		91,830
Additions at cost	2,603	165	730	3,498	6		3,504
Disposals	(1,579)	-	-	(1,579)	-		(1,579)
At 30 June 2025	84,262	2,471	6,934	93,667	88		93,755
Depreciation							
<i>At 1 July 2024</i>	43,374	1,886	4,790	50,050	61		50,111
Charge for the year	2,932	138	736	3,806	8		3,814
At 30 June 2025	46,306	2,024	5,526	53,856	69		53,925
Net book value							
<i>At 1 July 2024</i>	39,864	420	1,414	41,698	21		41,719
At 30 June 2025	37,956	447	1,408	39,811	19		39,830

The amount of expenditure on buildings up to 31 December 1955 is unascertainable and is not considered to be material to these financial statements. Expenditure since that date has been capitalised in the balance sheet.

Included in Land & Buildings are properties outside the College grounds. These were first capitalised in the balance sheet as at 30 June 1995 at their market value of £2,060,771 at that date. Additions since then have been included at cost. Chartered Surveyors carried out an independent valuation of freehold properties outside the College grounds as at 30 June 1995 on the assumption that vacant possession was immediately available. Properties comprising sub-divided flats were valued on the assumption that the individual flats had the benefit of 99 year leases at peppercorn ground rent and that an acceptable management and service agreement was in place. No structural survey or legal searches were carried out.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

The total net book value of fixtures & equipment of the College of £1,405,000 (2024: £1,414,000) includes £226,000 (2024: £322,000) held under finance lease. Depreciation charged on these assets amounted to £96,000 (2024: £150,000). All tangible fixed assets are held for use in charitable activities.

11. INVESTMENTS

a) Group and Charity Investment movements	Total 2025 £'000	<i>Total 2024 £'000</i>
Group investments as at 1 July	19,224	16,765
New capital introduced	-	574
Change in cash awaiting investment	97	(201)
Realised gains	358	139
Unrealised gains	(53)	1,947
Group investments at 30 June	<u>19,626</u>	<u>19,224</u>
Investment in subsidiaries	75	75
Charity investments at 30 June	<u>19,701</u>	<u>19,299</u>
b) Investment analysis	2025 £'000	<i>2024 £'000</i>
Fixed interest stocks and bonds	4,430	2,991
UK equities	3,241	5,653
Worldwide equities	10,022	9,892
Alternative investments	1,933	688
Group investments	<u>19,626</u>	<u>19,224</u>
Investment in subsidiaries	75	75
Charity investments	<u>19,701</u>	<u>19,299</u>

12. DERIVATIVES

	Group 2025 £'000	<i>Group 2024 £'000</i>	Charity 2025 £'000	<i>Charity 2024 £'000</i>
Financial instruments	<u>2,443</u>	<u>2,545</u>	<u>2,443</u>	<u>2,545</u>

The College has derivative arrangements to protect against interest rate volatility over the period of repayment of its loan facilities. Further information on the interest rate swap arrangements is found in Note 15.

13. DEBTORS

	Group 2025 £'000	<i>Group 2024 £'000</i>	Charity 2025 £'000	<i>Charity 2024 £'000</i>
Fees and extras	164	175	164	175
Trade debtors	186	44	-	-
Sundry debtors	3,071	1,282	3,061	1,271
Prepayments and accrued income	699	1,165	695	1,160
Amounts due from subsidiary companies	-	-	746	752
	<u>4,120</u>	<u>2,666</u>	<u>4,666</u>	<u>3,358</u>

Sundry debtors include £1.475m which is recoverable after more than one year (2024: £1.18m). All others debtors are due within one year.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

14. CREDITORS PAYABLE WITHIN 1 YEAR	Group	<i>Group</i>	Charity	<i>Charity</i>
	2025	<i>2024</i>	2025	<i>2024</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Deposits from fee payers	3,393	2,975	3,393	2,975
Bank loans and overdrafts	652	652	652	652
Finance lease	80	216	80	216
Trade creditors	869	751	863	742
Taxation and social security	1,476	450	1,476	450
Other creditors, accruals and deferred income	2,371	3,046	2,242	3,006
School fees in advance scheme (see note 16)	5,259	3,966	5,259	3,965
Pension deficit funding (see note 21)	23	11	23	11
Holiday pay accrual	630	524	630	524
	14,753	<i>12,591</i>	14,618	<i>12,541</i>

Deposits from fee payers, under normal circumstances, are repaid over future years when the pupils complete their education at the school. However, as pupils can leave at earlier dates, the balance of the deposits held at the end of the financial year have been included within current liabilities. In the normal course of business, the expected repayment of these amounts will be £1,258,000 within one year (2024: £885,000) and £2,134,000 after more than one year (2024: £2,090,000).

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2025	<i>2024</i>
	£'000	<i>£'000</i>
Bank loans and overdrafts	12,674	13,326
School fees in advance scheme (see note 16)	6,515	8,460
Finance lease	-	78
Pension deficit funding (see note 21)	11	-
	19,200	<i>21,864</i>

The total bank loan at the year-end is £13,326,000 (2024: £13,978,000) and is comprised of two facilities. The £8m facility, with a 25-year amortisation period, is fully drawn and is for the purpose of funding the College's previous building and development programmes. The £7m facility was arranged to part fund the construction of the Mermaid building and is fully drawn. Total repayments are due on these loans as follows:

Total repayments are due on these loans as follows:

	2025	<i>2024</i>
	£'000	<i>£'000</i>
Due within 1 year	652	652
Due between 2 and 5 years	2,609	2,609
Due after more than 5 years	10,065	10,717
	13,326	<i>13,978</i>

Interest is charged at SONIA plus 1.90% on both loans.

The College has entered into fixed interest rate swaps in relation to both loans. The strike rates are 1.25% and 2.8% for the £8m and £7m loans, respectively. The interest rate swap has a zero-floor mechanism with an embedded cap, the floor and cap elements are valued separately as assets for the purposes of these accounts.

The College has access to a £3.5m revolving credit facility to help fund its building and capital development programme. There was no utilisation of this facility during the year. Interest is charged on this facility at a rate of SONIA plus 1.35%. The College also has in place a £1.5m overdraft facility to help manage working capital requirements throughout the year. All facilities are secured by a fixed and floating charge over all assets of the College.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

16. SCHOOL FEES IN ADVANCE SCHEME

Parents may enter into a contract to pay to the College up to the equivalent of seven years' fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. The scheme provides for discounts to be applied to the cost of education as the fees fall due. Assuming pupils remain at the College/ start at the college as anticipated, the liability for advance fees, accrued to date, will be applied as follows:

	2025	2024
	£'000	£'000
Beyond 5 years	298	623
Within 2-5 years	6,217	7,837
Within 1 year	5,259	3,966
	11,774	12,426

The movements during the year were as follows:

At 1 July	12,426	3,475
New contracts during the year	4,850	10,625
Amounts accrued to contracts	-	-
	17,276	14,100
Amounts returned to leavers	(329)	(6)
Amounts utilised in payment of fees	(5,173)	(1,668)
Balance at 30 June	11,774	12,426

17. FINANCIAL INSTRUMENTS

	2025	2024
	£'000	£'000
Financial assets measured at fair value	12,880	12,871

Financial assets held at fair value include assets held as investments and derivative financial instruments (swap, floor and cap) (2023: investments and derivative asset (swap, floor and cap)).

18. FUNDS OF THE GROUP

UNRESTRICTED FUNDS

Epsom College

General fund – Representing accumulated income from the College's activities and other sources that are available for the general purpose of the College.

Fixed assets fund – A designated fund that represents the College's investment in property less the amount funded by bank borrowings.

Derivative reserve – Representing accumulated fair value gains and losses associated with the annual revaluations of derivative financial instruments.

Royal Medical Foundation

General fund – Representing accumulated income from the Charity's activities and other sources that are available for the general purpose of the Charity.

Royal Medical Foundation of Epsom College

Surrey scholars' fund – Representing funds received from the parents of Surrey Scholars and held for the general purpose of the charity.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

18. FUNDS OF THE GROUP (CONTINUED)

RESTRICTED FUNDS

Epsom College

Scholarships, bursaries and the development of educational activities – Representing numerous individual gifts, legacies and grants given to the College over many years for a specific purpose but where there is no requirement to preserve capital.

Royal Medical Foundation

Grant funds for education and maintenance (restricted and endowed) – Representing funds held to provide pensions, annuities and grants and other pecuniary assistance for medical practitioners or their families in need.

Gift/annuity fund (restricted and endowed) – Representing the Funds held to provide renewable annual grants, annuities and other pecuniary assistance for medical practitioners or their families in need.

ENDOWED FUNDS

Epsom College

Scholarships and Bursaries - Representing numerous individual gifts, legacies and grants given to the College over many years for scholarships and bursaries. Endowed funds of £7,967,000 (2024: £7,884,000) included expendable endowments of £1,971, 000 (2024: £2,034,000).

Royal Medical Foundation

Foundation scholars' fund – Representing the funds held to provide for the education of children of medical practitioners in need at Epsom College.

19. ALLOCATION OF THE NET ASSETS

The net assets are held for the various funds as follows:

	Fixed Assets	Investments	Net Current Assets/ (Liabilities)	Long Term Liabilities	2025 Total
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds					
General fund	1,874	2,129	(1,279)	(11)	2,713
Fixed assets fund	37,956	-	9,551	(19,189)	28,318
Derivative reserve	2,443	-	-	-	2,443
	42,273	2,129	8,272	(19,200)	33,474
Restricted funds	-	3,559	1,720	-	5,279
Endowed funds	-	13,938	203	-	14,141
Balances at 30 June 2025	42,273	19,626	10,195	(19,200)	52,894

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

19. ALLOCATION OF THE NET ASSETS (CONTINUED)

<i>2024</i>	<i>Fixed Assets</i>	<i>Investments</i>	<i>Net Current Assets/ (Liabilities)</i>	<i>Long Term Liabilities</i>	<i>2024 Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Unrestricted funds					
General fund	1,855	1,914	(946)	(78)	2,745
Fixed assets fund	39,864	-	8,401	(21,786)	26,479
Derivative reserve	2,545	-	-	-	2,545
	<u>44,264</u>	<u>1,914</u>	<u>7,455</u>	<u>(21,864)</u>	<u>31,769</u>
Restricted funds	-	3,520	1,797	-	5,317
Endowed funds	-	13,790	201	-	13,991
Balances at 30 June 2024	<u>44,264</u>	<u>19,224</u>	<u>9,453</u>	<u>(21,864)</u>	<u>51,077</u>

20. MOVEMENT ON FUNDS

	<i>1 July 2024</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Gains /Losses</i>	<i>30 June 2025</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
a. UNRESTRICTED						
Epsom College						
General fund	16	40,474	(38,603)	(1,839)	(32)	16
Designated fixed asset fund	26,479	-	-	1,839	-	28,318
Derivative reserve	2,545	-	(102)	-	-	2,443
Royal Medical Foundation						
General funds	2,729	112	(183)	-	39	2,697
	<u>31,769</u>	<u>40,586</u>	<u>(38,888)</u>	<u>-</u>	<u>7</u>	<u>33,474</u>
b. RESTRICTED						
Epsom College						
Scholarships, bursaries and development of educational facilities	4,243	858	(1,030)	-	40	4,111
Royal Medical Foundation						
Grant funds – maintenance and education	271	79	(51)	-	3	302
Gift/annuity fund	803	99	(46)	-	10	866
	<u>5,317</u>	<u>1,036</u>	<u>(1,127)</u>	<u>-</u>	<u>53</u>	<u>5,279</u>
c. ENDOWED						
Epsom College						
Scholarships	7,884	(1)	(32)	-	116	7,967
Royal Medical Foundation						
Grant funds – maintenance and education	2,531	-	(10)	-	37	2,558
Relief of poverty fund	233	-	(1)	-	4	236
Gift/annuity fund	2,819	-	(12)	-	43	2,850
Foundation scholars	524	-	(2)	-	8	530
	<u>13,991</u>	<u>(1)</u>	<u>(57)</u>	<u>-</u>	<u>208</u>	<u>14,141</u>
TOTAL FUNDS	<u>51,077</u>	<u>41,621</u>	<u>(40,072)</u>	<u>-</u>	<u>268</u>	<u>52,894</u>

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

20. MOVEMENT ON FUNDS (Continued)	1 July 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains /Losses £'000	30 June 2024 £'000
a. UNRESTRICTED						
Epsom College						
General fund	16	37,657	(36,392)	(1,304)	39	16
Designated fixed asset fund	25,175	-	-	1,304	-	26,479
Derivative reserve	3,230	-	(685)	-	-	2,545
Royal Medical Foundation						
General funds	2,557	110	(201)	-	263	2,729
	30,978	37,767	(37,278)	-	302	31,769
b. RESTRICTED						
Epsom College						
Scholarships, bursaries and development of educational facilities	3,719	1,185	(934)	-	273	4,243
Royal Medical Foundation						
Grant funds – maintenance and education	211	79	(43)	-	24	271
Gift/annuity fund	667	113	(43)	-	66	803
	4,597	1,377	(1,020)	-	363	5,317
c. ENDOWED						
Epsom College						
Scholarships	6,545	578	(30)	-	791	7,884
Royal Medical Foundation						
Grant funds – maintenance and education	2,280	-	(10)	-	261	2,531
Relief of poverty fund	210	-	(1)	-	24	233
Gift/annuity fund	2,539	-	(11)	-	291	2,819
Foundation scholars	472	-	(2)	-	54	524
	12,046	578	(54)	-	1,421	13,991
TOTAL FUNDS	47,621	39,722	(38,352)	-	2,086	51,077

21. PENSION COSTS

(a) Teachers' Pension Scheme

The College participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,413,533 (2024: £1,985,959) and at the year-end £271,237 (2024: £262,023) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023. The Valuation Report shows notional assets of £222.2bn and liabilities of £262bn, resulting in a scheme deficit of £39.8bn.

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

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

21. PENSION COSTS (Continued)

During the year the College introduced a phased withdrawal from the TPS and the scheme is closed to new members from September 2025.

(b) AVIVA Pension Trust for Independent Schools

Following the phased withdrawal from the TPS from September 2025, the College introduced a new defined contribution scheme, the AVIVA Pension Trust for Independent Schools (“APTIS”) during the year for its teaching staff.

The scheme is a salary sacrifice scheme and contributions for employees are generally at a rate equivalent to 25% of annual basic pay for current employees, and 22% for those joining the scheme from September 2025. The pension charge for the year includes contributions payable to APTIS of £16,719 (2024: £NIL). At the year-end £13,766 (2024: £NIL) was accrued in respect of contributions to this scheme.

(c) Pensions Trust

Contributions are paid, in respect of non-teaching staff, to the Pensions Trust into a defined contribution scheme.

Contributions for current employees are generally at a rate equivalent to 7% of annual basic pay for those in the existing scheme and 4% for those who were auto-enrolled from the College’s staging date of 1 January 2014. The pension charge for the year includes contributions payable to The Pensions Trust of £363,336 (2024: £328,723) excluding the defined benefit deficit funding. At the year-end £71,422 (2024: £63,032) was accrued in respect of contributions to this scheme.

The College previously contributed to a Pension Trust defined benefit scheme. A liability exists in relation to the deficit funding for this historic scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The historic defined benefit scheme is classified as a ‘last-man standing arrangement’. Therefore, the College is potentially liable for other participating employers’ obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2025 to 31 January 2028:	£2,100,000 per annum	(payable monthly)
---------------------------------------	----------------------	-------------------

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

As the scheme is in deficit and the College has entered into a deficit funding arrangement a liability has been recognised for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement. The present value is calculated using a discount rate of 6.4% per annum. The discount rates are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions. The unwinding of the discount rate is recognised as a finance cost.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

21. PENSION COSTS (Continued)

RECONCILIATION OF OPENING AND CLOSING PROVISIONS	2025	<i>2024</i>
	£'000	<i>£'000</i>
Provision at 1 July	11	28
Unwinding of the discount factor (interest expense recognised in SOFA)	-	1
Deficit contribution paid	(14)	(18)
Re-measurements – impact of change in actuarial assumptions (recognised in SOFA)	37	-
	<hr/>	<hr/>
Provision at 30 June	34	<i>11</i>

22. CAPITAL AND OTHER COMMITMENTS

Epsom College

Tangible fixed assets contracted for at 30 June 2025 totalled £1,971,000 (2024: £1,138,000).

The College utilises bank borrowings in order to fund capital development. A bank overdraft is secured by a fixed charge against the freehold assets of the College and forms part of the facilities agreement that includes the loans referred to in Note 15.

In the forthcoming academic year, the College has committed to fund bursaries for 103 pupils totalling £2,378,000 and has awarded 350 scholarships (to 324 pupils) totalling £766,000. Bursaries and scholarships are funded principally from school fees receivable, supplemented by investment income.

Royal Medical Foundation

The Royal Medical Foundation and related Trust Funds have already made awards totalling £37,800 for the year to 30 June 2026 (to 30 June 2025 £68,726) in respect of tuition fees and other charitable assistance. The Trustees have authorised these awards, which have not been provided for within the accounts as the awards are subject to the recipients fulfilling certain conditions.

23. LEASE COMMITMENTS

The Charity's future minimum finance lease payments are as follows:

	2025	<i>2024</i>
	£'000	<i>£'000</i>
Within one year	318	317
Between one and five years	248	469
More than five years	-	10
	<hr/>	<hr/>
	566	<i>796</i>

Certain IT equipment is held under finance lease arrangements. Finance lease liabilities are secured by the related assets held under finance leases (see note 10).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

24. RELATED PARTY TRANSACTIONS

The Charity has entered into the following related party transactions during the year:

The Royal Medical Foundation Limited (the “RMF”)

The Royal Medical Foundation is a sister company which falls under The Royal Medical Foundation of Epsom College umbrella.

In the year ended 30 June 2025, the Royal Medical Foundation of Epsom College charged the RMF a management charge of £7,218 to cover the governance and administration costs of the parent charity (2024: £6,366).

During the year Epsom College charged the RMF £5,000 (2024: £5,000) to rent office space and paid salaries including pension contributions of £68,728 (2024: £63,035) on behalf of the RMF which were subsequently reimbursed by the RMF. There were no school fees paid by the RMF to Epsom College for Foundationer beneficiaries during the year (2024: £33,551).

At the year-end, Epsom College owed the Royal Medical Foundation £8,007 (2024: £16,215).

Epsom College

During the year, Jennifer Hay Ballet, operated by a daughter of Governor JA Hay, invoiced the College for educational services totalling £8,895 (2024: £14,695).

In the year to June 2023, the College made an interest-free loan to Sir Anthony Seldon, Head of Epsom College of £1.18m. The loan was provided for the purpose of purchasing a property convenient to get to the College each day and, originally, was repayable within three months of the cessation of his employment at Epsom College, August 2024. In the year to June 2024, the Governors agreed to extend the repayment date to no later than 30th September 2025. In September 2025, £600,000 of the loan has been repaid and the Governors agreed to extend the repayment date of the balance of £0.58m to no later than 31st December 2025.

In the year ended 30 June 2025, the Royal Medical Foundation of Epsom College charged Epsom College a management charge of £7,218 to cover the governance and administration costs of the parent charity (2024: £6,366).

Epsom College in Malaysia

The Treasurer of the Royal Medical Foundation of Epsom College, A J Pianca, is a director on the Board of Epsom College in Malaysia and its parent company Educ8 Group Sdn Bhd.

Epsom College Enterprises Limited (“Enterprises”)

Epsom College Enterprises Limited is a wholly owned subsidiary company.

During the year Epsom College Enterprises donated £191,237 (2024: £207,720) of income to Epsom College. In addition, the College made payments for salaries and expenses on behalf of Enterprises, which totalled £99,399 (2024: £110,552). All expenses were reimbursed by Enterprises. No loans were made by Epsom College to Epsom College Enterprises during the year (2024: NIL).

At the year-end, Epsom College Enterprises owed the College £343,967 (2024: £268,255).

Epsom College Overseas Limited (“Overseas”)

Epsom College Overseas Limited is a wholly owned subsidiary company.

During the year Overseas donated £289,402 (2024: £459,383) of income to Epsom College. There were no other payments made by the College for expenses on behalf of Overseas (2024: £13). No loans were made by between the two organisations during the year (2024: NIL).

At the year-end, Epsom College Overseas owed the College £288,570 (2024: £459,384).

Epsom College Transport Limited (“Transport”)

Epsom College Transport Limited is a wholly owned subsidiary company.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

24. RELATED PARTY TRANSACTIONS (Continued)

During the year Epsom College Transport donated £40,957 (2024: £39,514) of income to Epsom College. The organisation provided a minibus service to the College throughout the year. In addition, the College made payments for salaries and expenses on behalf of Transport, which totalled £162,771 (2024: £168,635). All expenses were reimbursed by Transport. No loans were made by between the two organisations during the year (2024: NIL).

At the year-end, Epsom College Transport owed the College £113,656 (2024: £24,948).

The Royal Medical Foundation of Epsom College

The Royal Medical Foundation of Epsom College is the parent Charity to which Epsom College belongs.

The Royal Medical Foundation of Epsom College is responsible for the 'Pool' within which Epsom College invests. There were no new funds invested in the Pool during the year (2024: £574,000). The Pool has generated Epsom College and the Royal Medical Foundation investment income of £295,000 (2024: £277,000) and £282,000 (2024: £286,000) respectively.

At the year-end, the Royal Medical Foundation of Epsom College owed the College £100,518 (2024: £268,973).

At the year end, the Royal Medical Foundation owed the Royal Medical Foundation of Epsom College £27,725 (2024: Royal Medical Foundation of Epsom College owed the Royal Medical Foundation £87,189).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

25. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 30 JUNE 2024

	Unrestricted	Restricted	Endowed	Total 2024
	£'000	£'000	£'000	£'000
INCOME AND ENDOWMENTS FROM:				
Charitable activities				
School fees receivable	33,380	-	-	33,380
Ancillary trading income	2,635	-	-	2,635
Other trading activities				
Non-ancillary trading income	1,010	-	-	1,010
Other activities	233	232	-	465
Investments				
Investment income	103	456	4	563
Bank interest	402	-	-	402
Voluntary sources				
Grants and donations	4	689	574	1,267
TOTAL BEFORE FINANCE INCOME	37,767	1,377	578	39,722
Increase in fair value of derivatives	-	-	-	-
TOTAL INCOME	37,767	1,377	578	39,722
EXPENDITURE ON:				
Raising funds				
Non-ancillary trading	158	-	-	158
Financing costs	846	-	-	846
Decrease in value of derivative	685	-	-	685
Investment management	12	13	54	79
Fundraising and development	331	-	-	331
TOTAL DEDUCTIBLE COSTS	2,032	13	54	2,099
CHARITABLE ACTIVITIES				
Education and grant making	35,246	1,007	-	36,253
TOTAL EXPENDITURE	37,278	1,020	54	38,352
NET INCOME/(EXPENDITURE) FROM OPERATIONS	489	357	524	1,370
Gains on investments	302	363	1,421	2,086
NET INCOME FOR THE YEAR	791	720	1,945	3,456
Pension scheme actuarial losses	-	-	-	-
NET MOVEMENT IN FUNDS	791	720	1,945	3,456
Fund balances brought forward at 1 July	30,978	4,597	12,046	47,621
FUND BALANCES CARRIED FORWARD AT 30 JUNE	31,769	5,317	13,991	51,077

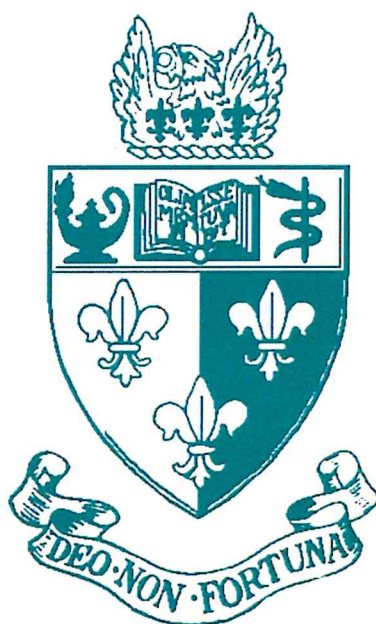
THE ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

England & Wales - Charity number 312046

Accounts

Royal Medical Foundation of Epsom College

**Annual Report and Financial Statements
for the year ended
30 June 2024**



*presented to the
Annual General Meeting of
Council Members on Wednesday 4th December 2024*

**ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

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**ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
COUNCIL AND ADVISERS
YEAR ENDED 30 JUNE 2024**

PATRON

HIS MOST GRACIOUS MAJESTY THE KING

VISITOR

The Right Reverend The Lord Bishop of Guildford

PRESIDENT

Lord Carlile, CBE, FRSA, KC

VICE-PRESIDENTS

Mr PM Dodd, TD (deceased 26th June 2024)

Mr PG Hakim, FCA

Mr A Hagdrup, LLB

Mr GB Pincus, MBE

Dr AJ Wells, MB, BS, DRCOG, MRCGP (deceased 29th July 2024)

TREASURER

Mr AJ Pianca, FCA

MEMBERS OF COUNCIL

The Governors of the Royal Medical Foundation of Epsom College elect the Members of Council of the Royal Medical Foundation of Epsom College.

Dr JS Bolton, MA, MB, FRCPsych

Dr HH Bowen-Perkins, MRCS, LRCP, MB, BS, LMSSA,
PGD(card)

J Bowerman, MA (Oxon), MRICS

R Bruce, LLB, LLM, FCI Arb

Lord Carlile, CBE, FRSA, KC (*President*)

Miss K Davidson, KC

Dr S Dhillon, MBE

Mrs B. Dolbear

JA Hay (Vice-Chairman)

D Mahoney, MA

AJ Pianca, FCA (Treasurer)

GB Pincus, MBE (Vice-President)

Mr Alex Russell MA, OBE

(appointed 1st September 2023)

Sir John Scarlett, KCMG, OBE, MA (Oxon)

Mrs K Thomas, BM (Soton), FRCS (Orth) (Chairman)

AJ Vallance-Owen, MBE, MBA, FRCSEd

C Watson, BA(Hons), MA, Mst(Cantab.), ACA

Dr AJ Wells, MB, BS, DRCOG, MRCGP (deceased
29th July 2024)

Mr A R Vartevanian, ACA MCSI (appointed 16 June
2024)

SECRETARY TO COUNCIL

Mrs EL Winfield, LLB

ADDRESS

BANKERS

AUDITOR

INVESTMENT

ADVISERS

Epsom College, College Road, Epsom, Surrey KT17 4JQ

Barclays Bank PLC, One Churchill Place, London E14 5HP

Crowe U.K. LLP, St James House, St James Square,
Cheltenham GL50 3PR

Quilter Cheviot Ltd, 85 Queen Victoria Street, London EC4V
4AB

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL
YEAR ENDED 30 JUNE 2024

TRUSTEES' REPORT

The Trustees of the Royal Medical Foundation of Epsom College (the "Charity"), who are also the Members of Council, present their annual report for the year ended 30 June 2024. The financial statements comply with the Charity's governing document and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) as it applies from 1 January 2019.

The present Trustees, any past Trustees who served during the year, the Patron and the external advisers of the Charity, are set out on page 1.

REFERENCE AND ADMINISTRATIVE DETAILS

The Royal Medical Foundation of Epsom College, also known as "RMF of EC", is a registered charity (number 312046) originally established by an Act of Parliament of 1855. The objects of the Charity, which were contained in the Royal Medical Benevolent College Acts of 1855 and 1894 (as amended), were the provision of a school and the provision of assistance to medical men and their dependants. Dr John Propert, together with medical colleagues, set out to collect funds by public subscription, creating the Charity in 1853.

On 2 July 2000 a Statutory Instrument, The Charities (Royal Medical Foundation of Epsom College) Order, dated 18 June 2000 (the "Order"), replaced the old statutory provisions with more appropriate modern rules. Under the Order, two new companies limited by guarantee were created as subsidiary charities of the overall Charity which is called the "Royal Medical Foundation of Epsom College". One subsidiary was formed to carry on the activities of the medical profession charity under the name "The Royal Medical Foundation" and the other to carry on the activities of the school under the name "Epsom College".

Following approval from the Charity Commission, the Council of the Royal Medical Foundation of Epsom College "The Council" passed a resolution on 14 March 2001, made under Section 74 of the Charities Act 1993, to divide the trust funds within the "Epsom College Investment Pool" between these two new limited companies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Governors are aware of the Charity Governance Code published in 2017 and updated in December 2020, which sets out the principles and recommended practice for good governance within the sector. The Board of Governors has reviewed its current governance arrangements against the principles within the code and these are detailed within this report. The Board will continue to review its operation against the Charity Governance Code over the coming year.

Governing Documents

The Charity is governed by its Statutory Instrument adopted on 2 July 2000 and is managed through its two subsidiary charities: The Royal Medical Foundation (charity number 312046-145) and Epsom College (charity number 312046-146).

Governing Body

The Charity is run by the Council, the members of which are the Trustees of the Charity. The Council consists of no more than 24 members, including the President and the Treasurer who are ex-officio members, all of whom are elected by the Governors in accordance with the relevant legislation. The Governors comprise the current Trustees together with both Vice-Presidents and Life Governors. Vice-Presidents are elected by the Council. Life Governors are persons who subscribed certain sums of money to the Charity prior to 1980 and were elected prior to 2000. Since 2000, new Governors have been elected either by the Governors in general meeting, or by the Council. The financial control of the Charity is the responsibility of the Treasurer.

Trustee roles, recruitment and training

To ensure that Trustees' roles and responsibilities are carried out effectively, the Council has prepared a portfolio of expertise that covers specific aspects of the Charity's work. The Council has an agreed process of induction and briefing for new Trustees. The process includes a detailed written and verbal brief by the Secretary, attendance at Council and Sub-Committee meetings before appointment where appropriate and the issuing of an information pack containing legal and trustee documents. Trustees also attend relevant briefings held by advisers.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational Management

Council meetings include meetings where Trustees review strategy, operational and investment performance and the setting of operating plans and budgets. An Annual General Meeting is held in November or December. The Council appoints Sub-Committees when appropriate.

Effective partnership between Trustees and staff continues to contribute significantly to our success. The Council delegates the exercise of certain powers in connection with the management and administration of the Charity as set out below. This is controlled by the requirement of regular reporting to the Council, so that all decisions made under delegated powers can be ratified in due course.

Key Personnel

Secretary to Council: The Secretary is responsible for the day-to-day administration of the Charity's affairs as agreed by the Council.

Epsom College: The Head, Bursar and members of the Senior Leadership Team are responsible for delivery of the College's charitable vision and purpose and for implementing policies agreed by the Council. The remuneration of key management personnel is set by the College Governors, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the College's success. The appropriateness of the remuneration policy is reviewed annually; this includes comparisons with other independent schools to ensure that the College remains sensitive to the broader issues of pay and employment conditions elsewhere. The conduct of affairs is delegated to the executive team consisting of the Head, the Bursar and the other members of the Senior Leadership Team.

The Royal Medical Foundation: Together, the RMF Caseworker, the RMF Administrator and the Epsom College finance department are responsible for the day-to-day management of the Charity's affairs and for implementing policies agreed by the Council. Staff salaries are reviewed annually. In view of the nature of the charity, the Trustees benchmark against pay-levels for similar roles in other comparable charities.

Employment policy

The Charity actively supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards. The Charity is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the Charity. In order to promote an environment in which the Charity can call upon the widest possible range of knowledge, skill and experience, as well as ensuring compliance with the relevant legislation and codes of practice, the Charity is committed to achieving and maintaining a workforce which represents the population within its recruitment area in terms of race or colour, nationality or national or ethnic origins, religion or belief, sex, sexual orientation or marital status, age and disability. To this end the Charity regularly reviews the operation of its recruitment, promotion, training and development policies to ensure that no applicant for employment or member of staff is disadvantaged by conditions or requirements which cannot be shown to be justifiable. Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to appraise staff of current issues.

Investment Policy and Objectives

The Joint Investment Committee ("JIC"), a committee of Council, is responsible for the management of the funds on behalf of the Trustees. The JIC meets twice a year, and currently delegates management of the funds to Quilter Cheviot Limited ("QC").

In accordance with the Trustee Act 2000, the JIC have the power to invest in such stocks, shares and investments, as they consider appropriate. The JIC's primary objective is the preservation of the capital value of the trust funds, as adjusted for inflation (measured by the RPI). The secondary objective is to generate the income levels required and maximise capital growth. The JIC takes a long-term view on its investments and have instructed QC to give due consideration to social, environmental and ethical considerations when making investment decisions.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2024

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The Charity's registered objects are given in the Statutory Instrument, The Charities (Royal Medical Foundation of Epsom College) Order, dated 18 June 2000.

The Charity has two primary objects:

- (1) To support registered medical practitioners of the United Kingdom, or individuals who have been such practitioners, and/or their widows/widowers, who find themselves in reduced circumstances; and
- (2) To provide generally for the advancement of education and, without compromising this primary object, to do so by the provision of a school with a preference for the children of registered medical practitioners.

In addition, the Charity has a secondary object:

- (3) To provide annuities or occasional financial assistance to registered medical practitioners of the United Kingdom and/or their widows/widowers and children, but only if it can do so without detriment to the primary objects.

The Trustees confirm that they have complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the benefit requirement under that Act when reviewing the Charity's aims and objectives and in planning future activities and setting grant making policy for the year.

The work of the Charity is managed through its two subsidiary charities as follows:

The Royal Medical Foundation ("RMF")

The RMF carries out objects (1) and (3) by:

1. **Providing financial assistance** in the form of means-tested awards. There are four ways this help may be given to eligible beneficiaries who are facing financial hardship:

- regular payments to medical practitioners, their widows or widowers;
- one-off and short-term grants when urgent assistance is required;
- financial assistance with educational expenses at Epsom College; and
- financial assistance with other educational expenses.

2. **Providing information and advice** on organisations that may provide assistance within the public and charity sectors.

- The Caseworker is Citizens Advice Bureau trained and an affiliate of the Institute of Money Advisers and through the provision of information and advice on how to apply for current state welfare benefits, the Caseworker can empower potential applicants to help themselves.
- Where possible, the Caseworker also refers potential applicants to other relevant charities who may be able to help.

Public Benefit Aim and Intended Impact

In setting the Charity's aims the Trustees have given due consideration to the Charity Commission's guidance on public benefit. The Charity's public benefit aim is to give relief to those in need by reason of poverty or financial hardship. The Trustees have sought to ensure that the section of the public that the Charity supports can readily access the Charity's resources and that such access is not restricted by reason of geography within the United Kingdom or by the ability to pay.

Grant-making Policy

The RMF has established its grant making policy to achieve its objects for the public benefit to improve the lives of doctors who are living in poverty or financial hardship and/or their widows, widowers and children. All registered medical practitioners (*who are, or have been, on the Principal List of the General Medical Council of the United Kingdom*) and/or their widows, widowers and children are eligible to apply for assistance. The Caseworker acts as the initial point of contact for all requests for financial assistance. As a first step, the Caseworker researches the circumstances of each case in detail to determine if the request is eligible for RMF support and how best to proceed. For example, if it transpires the applicant is not in receipt of their eligible welfare benefits, information on how to apply will immediately be given. The RMF only gives financial assistance where a beneficiary is in receipt of their welfare benefit entitlement. Providing this information is sometimes enough to empower the person to help themselves and, in many cases, no further financial assistance is required.

Where an eligible applicant wishes to apply for financial assistance, a comprehensive application form is completed and reports from two referees are obtained. The needs of eligible applicants are assessed through telephone assessments, which are undertaken by the Caseworker, following which the Caseworker writes a Case Paper and Assessment Report. Cases are then

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2024

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

carefully assessed by the RMF Board, which meets four times per year. The RMF Board comprises nominated representatives with both medical and non-medical backgrounds and is responsible for considering and approving all grants decisions.

Grants are valid for a maximum of one year from the date of the award and are conditional on no change in financial or other circumstances. Full disclosure of information is requested at the time of each payment. All grants are subject to a comprehensive annual review and are only continued for a further period if the circumstances are appropriate and if the funds are available. The RMF Board assesses the impact the charity has on the lives of its beneficiaries. This is achieved through regular contact by the Caseworker and by the review of correspondence that is received by the Charity's office.

Epsom College (the "College")

The College carries out object (2) through the provision of day and boarding education on a co-educational basis at Epsom College. The College also has object (3) as a secondary object. The College has various endowed, restricted and unrestricted trust funds held for special purposes in connection with the development of its facilities and for scholarships, bursaries, prizes and other educational uses.

Statement of Aims and Intended Impact

The College's aim is to provide exceptional all-round opportunities - academic, social, sporting and cultural - in a safe and supportive community. The College is a school that aims for excellence, and values both achievement and endeavour. The College challenges pupils to develop their talents and broaden their interests; to become confident in themselves and to be tolerant and appreciative of others.

Primary Objectives

The primary objectives of the College to fulfil these aims are:

1. To provide a flourishing co-educational environment for boarding and day pupils;
2. To deliver a modern, challenging and stimulating academic curriculum;
3. To challenge and ultimately eradicate any form of discrimination within the College by promoting diversity, equality and inclusion throughout the community;
4. To prepare pupils for entry higher education, the workplace or apprenticeships, including those who aim for places on the most competitive courses at university;
5. To preserve and strengthen the College's close traditional links to the medical profession;
6. To provide comprehensive pastoral care and guidance under the leadership of dedicated and caring staff;
7. To offer a wide range of co-curricular activities to foster the interest and maximise the individual potential of each pupil;
8. To foster moral and spiritual values, acceptance and understanding in every pupil and from within Epsom's Christian foundation;
9. To develop a strong sense of responsibility and commitment to the community;
10. To further genuine awareness, understanding and co-operation between College pupils and staff and its wider communities, both local and international;
11. To create a community where pupils will find some things that will matter to them for the rest of their lives.

The aims and objectives set for the College's subsidiaries are to facilitate the achievement of the College's aims and objectives as above.

Strategies to Achieve the Objectives

During the year under review, the Governing Body, who are also Trustees of Epsom College, have focussed on the following areas to assist the College in fulfilling its aim and objectives:

- Work closely with the Head to continue to improve the College's academic and financial performance;
- Work closely with the Head and Senior Team to embed the values of the school – kindness, ambition & integrity;
- Work closely with the newly appointed Assistant Head: Designated Safeguarding Lead and the DSL with a particular focus on the continuing enhancement of our safeguarding provision and the embedding of the use of CPOMS, a software solution for monitoring safeguarding;
- Ensure that the College remains 'future proof' and aligns effectively with market demand by exploring possibilities of establishing further income streams;
- Continue to meet the recommendations of the three-year Equality, Diversity & Inclusion (EDI) Development Plan and support the work and development of the Head of EDI;

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2024

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

- Increase funding and pastoral support for pupils under the aegis the Royal National Children's Springboard Foundation, Surrey County Council Looked After Children provision and Boarding Schools Partnerships and displaced pupils from Ukraine;
- Enable our Co-Curriculum to flourish and continue to promote our policy of 'no-one on the bench' and our pursuit of excellence in the form of national honours;
- Work on the above objectives has continued throughout, albeit mitigated by the need to undertake this in the context of recovering from the tragedy. Additionally, the Governing Body have focussed on the following areas with the College's Senior Leadership:

Principal Activities for the Year

The College provides an education to boys and girls aged 11 to 18 on its 72-acre site situated on the outskirts of Epsom, Surrey. At the end of the academic year Epsom College had 1,100 pupils (2023: 1,097), of which 28% were boarders (2023: 28%). 45% (2023: 44%) of the pupils were female.

Public Benefit Aims

The Governors recognise the College's broader responsibilities towards local communities, society and the environment, and staff and pupils are actively encouraged to expand their awareness, understanding and contribution to the wider society wherever possible.

Epsom College is committed to the aim of providing public benefit in accordance with its founding principles. In setting its aims the Governors have carefully considered and complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the benefit requirement under that Act.

The awarding of bursaries, scholarships and other awards is a measurable means of providing public benefit. Despite the expected introduction of VAT on school fees from January 2025, the College is continuing its efforts to widen access to Epsom to talented youngsters with less financially fortunate families. 101 pupils in September 2024 (2023: 103) will now have the opportunity of an Epsom education, opened up through bursaries with help provided by the Education Trust, Epsom College Bursary Funds, The Old Epsomian Club and other generous benefactors. So far £2,433,000 (2023-24: £2,418,000) has been allocated to bursaries for the 2024-25 academic year.

All bursaries are awarded based on a proven financial need, and in 2024-25 the average bursary awarded to a pupil will be £24,091 per annum (2023-24: £23,477). Of the 101 pupils with a bursary 46% (2023: 52%) are in receipt of support covering at least 75% of the fees. All but four of the recipients have been awarded 'access widening' bursaries, enabling children whose parents could not have otherwise afforded to enrol their child to start at Epsom College.

The College is an accredited member of the Royal National Children's SpringBoard Foundation and will be fully supporting four pupils (2023-24: four pupils) from disadvantaged circumstances, increasing social mobility by widening access to boarding education and learning, adapting and sharing best practice with other SpringBoard schools. In addition, the College continues to work with Boarding Schools Partnerships, an organisation that works with local authorities to place vulnerable children in boarding schools. In September 2024, the College will again be fully funding two children under this scheme. Furthermore, the College is supporting two pupils who are attending school under the Ukrainian Placement Scheme.

Those pupils who attend the College and who receive financial support contribute to the school community in a variety of ways and so the benefit is not purely to these pupils but to the whole College and, in some cases, to the wider community.

In addition to financial assistance, the College has engaged in many other activities that provide benefits within the College's objectives. An area of continuing development is the building of closer links with schools within the Bourne Education Trust.

Also, facilities are regularly used by local clubs and local junior schools (Wallace Fields, Banstead Juniors, Danetree). The swimming pool is especially busy, occupied by many local learn-to-swim programmes and also training for local clubs Epsom and Leatherhead; the hockey AstroTurf is the venue for Epsom Hockey Club, Cheam Hockey Club and youth team sessions, and the cricket pitches for regional coaching and matches. We also provide facilities to Surrey Netball, Surrey Squash, Surrey Schools Badminton, Surrey Hockey and Surrey Cricket. Epsom pupils referee or lead groups of junior pupils and Epsom hosts the annual Surrey Schools' Squash tournament for state and independent school pupils.

Throughout the last year, a sum of over £8,500 was raised for causes including the Teenage Cancer Trust, Surrey Stands With Ukraine, Disasters Emergency Committee effort for humanitarian relief in Turkey and Syria, and Epsom & Ewell Food Bank. Additionally, the College continued its long-time support of Growbaby, distributing over 1,300 donated toys for needy families in the borough of Kingston each December.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2024

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Public Benefit Aims (continued)

The College's Service programme sends over 200 sixth form and lower fourth pupils into the local community to offer up to an hour of service per week to local community projects, local maintained schools, gardeners, foodbanks, hospitals, disabled groups and ad hoc seasonal projects, complemented by use of the College's facilities by local maintained infants, junior and special schools and IT assistance for various community groups. The Programme donates time, not money, and since its establishment in 2013, Epsom's pupils have volunteered over 29,000 hours, equating to over £300,000 in social value.

The College hosted a range of events for its community including 'In Conversations with': former professional tennis player and TV Presenter Annabel Croft; scientist Professor Tim Spector; and actor and comedian Rob Brydon.

The College continues its work in conjunction with The Bourne Education Trust on Artificial Intelligence (AI) in education. AI in Education will maximise the interests of all involved in education, students, teachers, support staff, parents, governors and the wider community. It hosted a second AI in Education Conference in which the conference began with a keynote speech from Baroness Barran, then Parliamentary Under Secretary of State at the Department for Education, and the Minister Responsible for AI.

ACHIEVEMENTS AND PERFORMANCE

RMF

The RMF aims to help registered medical practitioners, and their widows/widowers and children, living in poverty or financial hardship within the United Kingdom. The section of the public that has the opportunity to benefit from the support of the RMF is quite considerable since, at 30 June 2024, there were over 363,000 medical practitioners registered with the General Medical Council (GMC). In addition, their widows/widowers and children are also eligible to apply. During the last financial year, the RMF's contact details were circulated to all registered medical practitioners by the GMC and are available to all Members of the GMC via their web site. Additionally, the RMF is part of both the Educational Trusts' Forum and the joint portal for Medical Charities.

The RMF supports its beneficiaries throughout the UK and our service is given free of charge. The direct cost of providing this service in 2024 was £55,416 (2023: £52,220) out of total administration expenses of £88,700 (2023: £103,137). In most cases, the RMF is contacted at a time of unforeseen crisis or tragedy and one of the greatest achievements of the RMF is to listen and help people when they are most vulnerable and do not know where else to turn. Examples of achievements during the year are given below.

Providing information and advice on organisations that may provide assistance

The Caseworker is Citizens Advice Bureau trained and an affiliate of the Institute of Money Advisers and can empower potential applicants to help themselves through the provision of information and advice on how to apply for current state welfare benefits. For example, a single parent hosting a refugee in her home was not aware that she was eligible for the 25% single adult council tax refund. The new council tax regulations came into effect in April 2022 and states that hosted refugees are now disregarded when calculating how many adults reside in the property. She applied to the council tax office and received her refund of which she was very grateful for.

The Caseworker also refers callers to other relevant charities who may be able to help. In the last year, many people including nurses, medical professionals and medical students were referred to other charities.

The Caseworker offers comfort and support to beneficiaries. This is especially important for those who have no friends or family and are therefore extremely isolated. Usually, this involves a regular telephone call to vulnerable beneficiaries to check how things are going. For example, the caseworker kept in touch with a beneficiary suffering with depression and suicidal thoughts. They were very grateful to have an extra listening ear when things became overwhelming for them. The caseworker continues to call the beneficiary on a regular basis to offer moral support. They were also signposted to other agencies that were able to provide further support.

This ongoing system of regular support is achieved through regular telephone calls and visits if required. The Caseworker is, therefore, able to monitor the wellbeing of the RMF's beneficiaries, and can refer a case back to the RMF Board should a financial need become apparent.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
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ACHIEVEMENTS AND PERFORMANCE (continued)

The provision of such information and support by the Caseworker is a fundamental and crucial part of the work of the Charity. It is not possible to distinguish between the amount of time spent purely on giving information, advice and support and that spent on assessing requests for financial assistance. The Trustees consider both equally important.

Providing financial assistance

The RMF provides means-tested financial assistance to alleviate the stress of poverty or financial hardship. Awards totalling £220,466 (2023: £199,754) were made during the year ended 30 June 2024, as shown below:

Number of beneficiaries	Type of Award	Amount Paid (£)
6	Regular payments to medical practitioners and their widows / widowers	11,160
56	Short-term payments or one-off grants where urgent assistance is required	177,614
3	Financial assistance with educational expenses	33,185
1	Financial assistance with educational expenses at Epsom College	(1,493)
66	TOTAL	220,466

Regular payments to medical practitioners and their widows / widowers. The RMF has continued to support a number of medical practitioners and their families who live in reduced circumstances. For example, the RMF has been assisting a doctor suffering with mental health problems who felt very cut off from family and friends. The regular award from the RMF has provided them with the opportunity of making visits and joining in with some of the family activities which they were unable to participate before due to lack of funds. The beneficiary is very grateful for the support, especially as they are now able to visit and have the occasional outings with family and friends making them feel less isolated.

Short-term payments or one-off grants where urgent assistance is required. A relatively small amount of money paid can have a huge impact on our beneficiaries' lives. For example, a young doctor who had suffered a stroke and was left very disabled, needed specialised medical equipment not provided by the NHS to help them progress with their rehabilitation. The RMF funded a specialised treadmill with the recommendation from their occupational therapist and other equipment which has helped speed up their recovery.

Financial assistance with educational expenses. Family crisis can strike at any time and educational stability, especially during critical exam years, can be crucial. The RMF helps by providing assistance with educational costs where a change of circumstance puts the family into financial crisis and where they are unable to carry on with paying school fees or extras. For example, the RMF assisted a single-parent doctor and her children, who all suffered trauma during the family break up, to continue with their extra-curricular activities when the father stopped paying for these costs. It helped the children immensely to carry on participating in their regular activities and feel some normality in their lives when all else was falling apart.

Section 172 (1) Statement

The RMF is not required to make a disclosure under section 172(1) of the U.K. Companies Act 2006, due to its status as a small company.

Epsom College

Review of Achievements and Performance for the Year

The College enjoyed excellent A-level results in 2024 with 87% of grades A*-Bs and 61% A*A. The grade distributions were even better than last year's Sunday Times award-winning results.

Overall, the A-level results were excellent and, of the leavers applying to University this year, over 90% have met the conditions for first and second choice institutions with 84% of students accepted at their first-choice university and 95% have been successful with their first and second choices. Again, these entry levels are amongst the best the College has ever had.

At GCSE, the results were exceptional with 63.2% of all grades 9s and 8s and 82.3% 9s, 8s and 7s, which matched the excellent grades received by last year's College record-breaking cohort.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
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ACHIEVEMENTS AND PERFORMANCE (continued)

Attaining academic achievement did not prejudice sporting and cultural activities this year. In sport there have been unprecedented successes at national level across a range of sports and both for teams and individually. The College prides itself on exceptional breadth of participation by boys and girls in an extensive fixture list against schools with a national reputation for sport. On average around 80% of the whole pupil roll play sport for the College across the year, with 95-100% in the younger groups.

The College's tri-service CCF remains one of the largest in the country and has produced several graduates and serving members of the armed forces across the years. The College also operates a high quality and vibrant Duke of Edinburgh programme, and has continued to see a significant increase in the number of pupils completing their silver and gold awards over the last few years. Similarly, participation and high levels of performance in Music and Drama is widespread, with excellence evident in the staging of plays and musicals such as 'Our Country's Good', 'The Addams Family', 'Wendy and Peter Pan' and 'The Lion King', as well as a wide range of high-quality weekly concerts and recitals by the broad range of musical groups and ensembles. All these are open to anyone to attend and are extremely popular. Individuals have also reached final stages of national competitions.

The Governors' commitment to maintaining the College's excellence has again been reinforced by the capital expenditure programme. Expenditure on capital work this year amounted to over £7.1m (2023: £7.4m).

Fundraising Performance

The fundraising activities of the College are coordinated and run through the Epsom College Development Department. Significant progress has been made this year in their ongoing work of raising voluntary funding for the College. Grants, donations and legacies donated through this department totalled £1,029,000 (2023: £1,147,000). The operating costs of the Development Department are paid for by the College. For this year, the performance of fundraising, on costs of £331,000 (including staff costs), was a ratio of 32.2% against the £1,029,000 voluntary income receivable by the Development Department. These figures exclude funds raised by pupils in support of other charities and the income given under gift aid by the trading subsidiary companies.

All fundraising activities for the College are carried out by the Development Office and College staff, with assistance from the alumni, parents and pupils for the running of specific fundraising events. The College does not use professional external fundraisers or have any commercial participators. All fundraising activities are managed by the Director of Development, with overall oversight by the members of the Enterprise, Commercial, Charity and Overseas Sub-Committee.

Under the Charities (Protection and Social Investment) Act 2016, the College is reporting that no complaints relating to fundraising activities have been received by the College during this financial year. However, the College has in place procedures that would be followed in the event of a complaint being received, with the initial response being the responsibility of the Director of Development under the Head and the Chair of the Enterprise, Commercial, Charity and Overseas Sub-Committee. Any continuing issues would then be passed to the Chairman of the College Governing Body to determine what further action might be required. The College is a member of The Institute of Development Professionals in Education and the Council for Advancement and Support of Education and subscribes to the Fundraising Preference Service. It has voluntarily registered with the Fundraising Regulator and complies with the Code of Fundraising Practice. The College considers that it has set appropriate standards for the operation and management of its fundraising activities and these are outlined under its Code of Ethical Fundraising, which may be found on the College website. In particular, the College considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion on a person's privacy and that no fundraising activities would be unreasonably persistent or place undue pressure on a person to give money or other property.

Section 172 (1) Statement

The Governors, as Directors, must act in accordance with a set of general duties. These duties are detailed in section 172(1) of the U.K. Companies Act 2006, which is summarised as follows: *'A Director of a Company must act in the way he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:*

1. *The likely consequences of any decision in the long term*
2. *The interests of the Company's employees*
3. *The need to foster the Company's business relationships with suppliers, customers and others*
4. *The impact of the Company's operations on the community and the environment*
5. *The desirability of the Company maintaining a reputation for high standards of business conduct, and*
6. *The need to act fairly as between members of the Company.'*

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
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ACHIEVEMENTS AND PERFORMANCE (continued)

The Governors consider that they have fulfilled their duties in accordance with section 172(1) of the U.K. Companies Act 2006 and have acted in a way in which is most likely to promote the success of Epsom College for the benefit of its stakeholders as a whole in the following ways:

Pupils

Boarding and day pupils alike benefit from the College's award-winning pastoral provision with staff placing as much importance on pupils' personal development, lifelong friendships and camaraderie as they do on exam results. Pupils are actively encouraged to offer comments and suggestions on the operation of the school through committees, houses or tutor meetings, and this pupil voice is actively considered in decisions made by the Senior Leadership Team and Governors.

The College's Personal and Social Development (PSD) programme has been significantly enhanced, particularly in Years 10 and 11 where more time has been given to the course. Modules have been refined and new modules introduced covering RSE, digital safety, spiritually & morality and physical wellbeing. These have been augmented to reflect emerging issues such as vaping, consent and Andrew Tait, and to help embed the College's values of kindness, ambition and integrity.

In October 2022 the College had its ISI progress monitoring visit and met all standards to make it fully compliant. While inspections can happen at any time we are now on the three-year cycle and anticipate the next ISI inspection to occur in during academic year 2025-2026. In Lent Term 2024 an Educational Review was undertaken to ensure that the College is always inspection-ready.

Employees

The College recognises that the qualities and skills of its employees and the commitment of its staff play a major role in the College's success. Weekly briefings keep staff informed of school wide developments, and there are opportunities for staff consultation with Governors, both formally and informally. Staff wellbeing has remained a key focus this year as the College heals from the tragic events of February 2023. The College continues to offer support in the form of external counsellors as well as of trained teaching and support staff who had undertaken the mental health first aiders course and the College Chaplain has added further care and energy to the College provision.

Parents

The College recognises the many benefits from engaging positively with parents; towards this end, the College publications highlight aspects of College life and provide an insight into the school, especially for parents of weekly and full boarders.

The Thursday Post, sent out at 3pm each Thursday, consolidates all of the week's notices and announcements into a singular email and its focus remains with an internal audience concerning matters relating to the successful running of the College. In addition, The Brief continues to be sent on a Friday afternoon to approximately 3,300 subscribers and it is an important component of the College's marketing and PR. Parental attendance at events, co-curricular, Soirees, Founder's Day and Speech Day remained very strong; obviously, in part this reflects the growth of the school, however, it also indicates the strength and quality of the relationship that exists within the community.

Community

The College is proud of its place within the local community and endeavours to offer support and assistance where possible by sponsoring local sports clubs and offering opportunities for local schools and clubs to benefit from its excellent academic and co-curricular facilities. This has included hosting a cricket day for pupils with a range of disabilities from specialist schools in the local area, assisted by 6th Form students, something we hope to expand each year towards an Olympics-style event. The mainly 6th Form Service Programme works with local charities and social organisations to identify ways in which the pupil body can best provide support and assistance. Although the 250-strong programme had to adapt during the COVID years to working in-school and producing services and goods for local schools and charities, it has returned as a hybrid operation, with over 150 pupils returning to work in the local community each week, with others continuing to contribute in-school to deliver services. The programme is an integral part of the College's partnership with local state schools and continues to grow in scale and scope, with Lower School pupils involved once again.

The College has endorsed the three-year Equality, Diversity and Inclusion Development Plan; progress has been pleasing and set targets have been met; the work undertaken has received wider recognition and the members of staff at the heart of the provision are regularly invited to speak at regional and national conferences.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2024

ACHIEVEMENTS AND PERFORMANCE (continued)

Environmental Performance: Streamlined Energy and Carbon Reporting

In accordance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, the College presents its energy usage for the year under review.

	2024	2023
UK energy use <i>kWh</i>	7,811,827	8,648,099
Associated Greenhouse gas emissions <i>Tonnes CO₂ equivalent (tCO₂e)</i>	1,501	1,612
Intensity ratio <i>tCO₂e per pupil</i>	1.4	1.5

The College continues with its LED lighting plan having now replaced some 75% of lights across the estate. The project will now be extended across both main sports halls and the external flood-lighting.

Most of the radiators within the College have had thermostatic valves fitted to allow temperatures to be controlled locally by individual areas. Outdated older radiators are slowly being replaced which has contributed to the significant decrease in natural gas usage.

The upcoming renewal of the vehicle fleet includes two 9-seater hybrid vehicles within the new contract. The EV charging points have been a success with much demand from College staff. The College are now considering increasing the number of charging points on site.

Recently a large, previously undetected, water leak has been discovered and repaired, and therefore water consumption is expected to fall over the coming year.

The data includes electricity and gas used across the College campus and consumption of fuel used in College owned or leased vehicles or that used by staff in their own vehicles on College business. This data includes usage arising from the activities of Epsom College Enterprises Ltd. The electricity and gas data were gathered directly from supplier meter records and invoices, with fuel consumption data being gathered from vehicle mileage records. Domestic residences on the College site that are responsible for their own energy usage and bills are excluded from this report. The fuel consumption does not include daily staff or pupil commuting, however, it does include College run transport to and from certain College activities and events, such as sports fixtures and community service activities.

Calculations were made in accordance with the GHC Protocol Corporate Accounting and Reporting Standard; further information on this protocol can be found here: <https://ghgprotocol.org/corporate-standard>. All the business activities included were converted into carbon emissions using the DEFRA 2021 published emissions factors. No mandatory emissions have been excluded from this report.

FINANCIAL REVIEW

Results for the year

The Statement of Financial Activities reveals a surplus of £3,456,000 (2023: £5,143,000). This exceeded forecast expectations, primarily due to funding secured from individuals to support pupils during their time at the College, and a number of other factors including strong ancillary income and tight control over costs.

Within the total surplus, gains of £1,945,000 arose in respect of Endowed Funds (2023: 826,000) and gains of £720,000 (2023: losses £2,465,000) arose in respect of Restricted activities. A surplus of £791,000 arose in respect of Unrestricted activities (2023: £6,782,000 including the transfer of donations raised of £2,899,000 in respect of the 6th Form Centre, the Mermaid, from restricted to unrestricted reserves). The Balance Sheet of the Charity remains strong and in line with Council's expectations given the investment in fixed assets.

The principal funding source of the Charity continues to be school fees receivable. This income is used directly to support the primary objectives of the Charity disclosed on Pages 4 and 5 above.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2024

Investment Performance

At the year-end, the Charity's long-term investments totalled £19.2m (2023: £16.8m). The investments generated investment income of £563,000 (2023: £521,000) during the year. The year-end valuation of invested funds resulted in net gains on investments of £2,086,000 (2023: £399,000) being recognised in the Statement of Financial Activities.

In assessing performance, the JIC use various indices as a means of evaluating both the investment adviser in terms of performance against their competitors and the trust funds against returns achieved by other UK charities of the same size. In the past year, the Charity has been above the mean average and the JIC are satisfied with this performance.

Reserves policy

RMF

The Trustees make every effort to distribute the maximum amount that they are able, by awarding grants to any beneficiary who has a proven financial need and who falls within their criteria. In recent years, the RMF has been able to support all eligible applicants. Through the Trustees and Caseworker, the RMF liaises closely with other medical charities and the Educational Trusts Forum to maximise the ability of the Charity to identify qualifying beneficiaries. The RMF details are also available on various web sites, through which many enquiries for assistance are generated. Awards are met from the resources of the Charity, which is supported by donations and bequests from Local Medical Committees, Medical Charities, Medical Organisations and individual Medical Practitioners.

Total reserves at 30 June 2024 are £9,895,000 (2023: £8,936,000) and unrestricted reserves held by the RMF are £2,727,000 (2023: £2,553,000). The Trustees have reviewed the reserves policy and recognise that there are substantial undistributed reserves. The planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on investment income and planned expenditure. The Trustees take the view that the level of reserves is appropriate to meet the RMF's annual obligations on a fund-by-fund basis and to ensure financial stability. Undistributed reserves are invested to increase income to enable more beneficiaries to be helped in the future and our cash deposits could easily be drawn down should working capital be required. The accounts have therefore been prepared on the basis that the charity is a going concern.

Epsom College

The College and its subsidiaries currently hold minimal free reserves. This is because the College continues to invest its unrestricted surpluses, over the years, into the College campus and educational facilities. This investment is vital to the long-term sustainability of the College. The College is able to operate using this model, due to the significant cash generated throughout the year via school fees, which, along with the banking facilities, provides the required working capital to operate during the year, and to manage any short-term income volatility. The Governors have reviewed this position and consider it remains appropriate.

The Epsom College Group's total reserves of £41.1m (2023: £38.7m) at the year-end is represented by £7.9m (2023: £6.6m) of endowed funds, £4.2m (2023: £3.7m) of restricted funds and £29.0m (2023: £28.4m) unrestricted funds. There are currently free reserves in the Group of £16,000 (2023: £16,000) and none in the College (2023: nil) as funds continue to be invested in tangible fixed assets.

The impact of the new Labour Government's pledge to introduce VAT on school fees has raised significant concern amongst our parent body. Despite this, at the time of approving these financial statements, the College has not seen any material reduction in prospective pupil numbers for the 2024-25 academic year, but the number of conversations about affordability challenges are increasing.

It is expected that the impact of VAT on school fees will be felt in future admissions cycles and perhaps in January 2025 when it becomes a reality. The Governors continue to be satisfied that external financial facilities provide an additional and adequate safety net, if it should be required and, therefore, have no concerns regarding going concern of the College. The Going Concern policy, found in Note 1(q) to the Financial Statements expands on the reasons for this conclusion.

A pension liability of £11,000 (2023: £28,000) arising from the College's obligations as a member of The Pension Trust (historic defined benefit pension scheme) exists at the year-end date. A funding agreement is in place with The Pensions Trust and the College has sufficient resources to meet the future funding requirements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2024

PRINCIPAL RISKS AND UNCERTAINTIES

RMF

The RMF has a register of major potential risks for the charity and the RMF Board regularly examines the principal areas of the Charity's operations and considers what major risks may arise in each of these areas. In the opinion of the Trustees, the Charity has established procedures and review systems to manage these risks, the principal risk being a reduction in investment income which could jeopardise the amounts available for beneficiaries.

Epsom College

The College maintains a Risk Register which is reviewed annually by the Board of Governors with a view to ensuring that the charitable objectives of the College are achieved in the short, medium and longer term, and that the risks of the trading subsidiaries are understood and managed. The principal risks for the forthcoming academic year are as follows:

- **Health, Safety and Wellbeing:** the health, safety and wellbeing of our pupils, staff and community remains our utmost priority and this year continue to actively improve our site safety and security to reduce risks and promote safeguarding as everyone's responsibility.
- **Political change:** the Government have confirmed that they intend to levy 20% VAT on school fees from 1 January 2025, along with removing business rate relief from April 2025. The mid-academic year introduction of VAT is earlier than anticipated and despite the College 'absorbing' 10.5% of the VAT, the 9.5% increase in fees will be a challenge for many parents.
- **Finance:** whilst the College is in good financial shape, it is not blessed with endowments and reserves. To 'absorb' 10.5% of the VAT the College will have to work hard to save costs and increase its non-fee income. Parents are rightly concerned about the increased cost of education, and the College will work hard to keep any future fee increases as low as possible and certainly below the level of inflation.
- **Pupil numbers:** could be at risk because of the likely addition of VAT and increased financial pressure on parents.

The key controls used by the Governors to manage risk include:

- Formal agenda and minutes for the Committee and Board activities;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear authorisation and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable; and
- Consideration of the recent recommendations of any ISI inspections and the Educational Review that took place in Lent Term 2024.

Through the risk management process established for the College and its subsidiaries, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute assurance that major risks have been adequately managed. The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for both the College and its subsidiaries

FUTURE PLANS

RMF

The RMF Trustees recognise that the charitable sector as a whole faces many challenges, particularly for a small charity with such a focused operation. With a portfolio of investments where fund values are directly affected by market conditions, the Trustees are conscious of the continuing need to reduce overhead costs to the minimum, in particular those associated with administration, and the need to maximise income from its investments and other sources.

The Trustees believe that the Charity has a sound financial basis upon which to build for the future. Work will continue to strengthen the RMF's profile and to develop existing services yet further to reach and help the medical community. The Board are sure that the charity's founder, Dr John Propert, would heartily approve of the efforts of the Foundation over the last year and would be content that the RMF is meeting the moral and legal obligations that it owes to its beneficiaries and to its benefactors.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2024

FUTURE PLANS (continued)

Epsom College

Over the course of the coming academic year the following aspects of school development will receive particular attention:

- **Strategic Planning:** a new Strategic Plan, with an associated campus masterplan, will be developed;
- **Safeguarding:** best practice will be identified and implemented to enhance pupil and staff wellbeing throughout the College community, in order to safeguard all those in our care;
- **Finance:** recognising the need to keep future fee rises to more manageable levels, a rigorous review of costs will take place alongside continued development of non-fee income streams;
- **International:** potential opportunities overseas that will both bolster Epsom's reputation locally and internationally, while also providing income, will be explored;
- **Admissions and Marketing:** a new Director of Admissions, working closely with the Director of Marketing, will seek to continue to attract academically strong and talented pupils despite the introduction of VAT on school fees;
- **Academic results:** maintain the upward trajectory of the excellent GCSE and A-level grades of the past two years;
- **Outstanding pupil experience:** continue to evaluate and monitor each pupil's experience, to ensure that they enjoy success in and out of the classroom, achieve their potential and love their journey through the College;
- **Co-curricular:** build a market-leading co-curricular programme, in terms of both quality and participation, and continue to pursue success at County and National level.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under Charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principle in the Charities SORP;
- make judgements 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 Charity will continue in business.

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

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

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2024

DISCLOSURE OF INFORMATION TO AUDITOR

Insofar as each of the Trustees at the date of approval of this report is aware, there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each member of Council has taken all the steps that he or she ought to have taken as a member of Council in order to make himself or herself aware of the relevant audit information and to establish that the charity's auditor is aware of that information.

COUNCIL MEMBERSHIP

Council member Dr Jeremy S Bolton, Dr Hywel H Bowen-Perkins, Mr Richard H. Bruce, Miss K Davidson, Dr S Dhillon, Mr John Hay and Mr George P Pincus are standing down in rotation at the Annual General Meeting but are eligible and recommended for re-election for a term of three years.

AUDITOR

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor and a general resolution proposing reappointment will be submitted to the forthcoming Annual General Meeting.

Approved by Members of Council present at a meeting on 4th December 2024 and signed on its behalf by:



Mrs K Thomas
Chair

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

Opinion

We have audited the financial statements of the Royal Medical Foundation of Epsom College ('the charity') and its subsidiaries ('the group') for the year ended 30 June 2024 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including 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 group's and the parent charity's affairs as at 30 June 2024 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE (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 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, set out on page 14, 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 group and the parent 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

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts 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 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were the General Data Protection Regulation, Health and Safety legislation, Employment and Education (Independent School Standards) Regulations 2014.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the assumptions and volatility of valuation data used to value the financial instruments and derivatives, the procurement processes for significant capital projects, grant expenditure and the override of controls by management for all entities. Our audit procedures to respond to these risks included enquiries of management, and The Council of the Royal Medical Foundation of

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE (CONTINUED)

Epsom College about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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

Crowe UK LLP

Date: 09 December 2024

Crowe U.K LLP
Statutory Auditor
Cheltenham

Crowe U.K LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Unrestricted £'000	Restricted £'000	Endowed £'000	Total 2024 £'000	Total 2023 £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities						
School fees receivable	2	33,380	-	-	33,380	30,816
Ancillary trading income	3	2,635	-	-	2,635	2,300
Other trading activities						
Non-ancillary trading income	4	1,010	-	-	1,010	636
Other activities	4	233	232	-	465	200
Investments						
Investment income		103	456	4	563	521
Bank interest		402	-	-	402	75
Voluntary sources						
Grants and donations	6	4	689	574	1,267	1,323
TOTAL BEFORE FINANCE INCOME		37,767	1,377	578	39,722	35,871
Increase in fair value of derivatives	5	-	-	-	-	1,858
TOTAL INCOME		37,767	1,377	578	39,722	37,729
EXPENDITURE ON:						
Raising funds						
Non-ancillary trading	7	158	-	-	158	194
Financing costs	7,8	846	-	-	846	579
Decrease in value of derivative	7	685	-	-	685	-
Investment management	7	12	13	54	79	75
Fundraising and development	7	331	-	-	331	220
TOTAL DEDUCTIBLE COSTS		2,032	13	54	2,099	1,068
CHARITABLE ACTIVITIES						
Education and grant making	7	35,246	1,007	-	36,253	31,858
TOTAL EXPENDITURE	7	37,278	1,020	54	38,352	32,926
NET INCOME/(EXPENDITURE) FROM OPERATIONS						
		489	357	524	1,370	4,803
Gains on investments	11	302	363	1,421	2,086	339
NET INCOME FOR THE YEAR		791	720	1,945	3,456	5,142
Pension scheme actuarial losses	21	-	-	-	-	1
NET MOVEMENT IN FUNDS		791	720	1,945	3,456	5,143
Fund balances brought forward at 1 July	20	30,978	4,597	12,046	47,621	42,478
FUND BALANCES CARRIED FORWARD AT 30 JUNE	20	31,769	5,317	13,991	51,077	47,621

The notes on pages 23 to 42 form part of these financial statements

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
GROUP AND CHARITY BALANCE SHEETS
AT 30 JUNE 2024

	Notes	Group 2024 £'000	Group 2023	Charity 2024 £'000	Charity 2023 £'000
FIXED ASSETS					
Tangible assets	10	41,719	38,283	41,698	38,261
Investments	11	19,224	16,765	19,299	16,840
Derivatives	12	2,545	3,230	2,545	3,230
		63,488	58,278	63,542	58,331
CURRENT ASSETS					
Stock		39	48	36	45
Debtors	13	2,666	2,554	3,358	2,938
Cash and deposits		19,339	13,024	18,529	12,269
		22,044	15,626	21,923	15,252
CURRENT LIABILITIES					
Creditors payable within one year	14	(12,591)	(10,006)	(12,541)	(9,701)
NET CURRENT ASSETS		9,453	5,620	9,382	5,551
TOTAL ASSETS LESS CURRENT LIABILITIES		72,941	63,898	72,924	63,882
LONG TERM LIABILITIES					
Creditors payable after one year	15	(21,864)	(16,277)	(21,864)	(16,277)
NET ASSETS		51,077	47,621	51,060	47,605
ENDOWED FUNDS	19,20	13,991	12,046	13,417	12,046
RESTRICTED FUNDS	19,20	5,317	4,597	5,888	4,597
UNRESTRICTED FUNDS	19,20	31,769	30,978	31,755	30,962
TOTAL FUNDS		51,077	47,621	51,060	47,605

The net result of the charity for the year, included within the financial statements, was a surplus of £3,455,000 (2023: £5,143,000).

Approved and authorised for issue by Members of Council present at a meeting on 4th December 2024 and signed on their behalf by:



A. J. Pianca
Treasurer

The notes on pages 23 to 42 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 £'000	2023 £'000
Cash flows from operating activities			
Net cash provided by operating activities	(i)	5,656	6,825
Cash flows from investing activities:			
Dividends and interest from investments		559	521
Payments for tangible fixed assets		(7,144)	(7,675)
Change in cash awaiting investment		201	86
New capital introduced		(574)	-
Proceeds on sale of tangible fixed assets		-	7
Net cash used in investing activities		(6,958)	(7,061)
Cash flows from financing activities:			
Repayment of borrowing		(652)	(370)
Cash inflows from new borrowing		-	2,026
Movement in finance leases		164	(59)
Finance costs paid		(846)	(722)
New fees in advance money		10,625	1,933
Fees in advance money utilised		(1,674)	(1,477)
Net cash provided by financing activities		7,617	1,331
Change in cash and cash equivalents in the reporting period		6,315	1,095
Cash and cash equivalents at the beginning of the reporting period		13,024	11,929
Cash and cash equivalents at the end of the reporting period	(ii)	19,339	13,024

The notes on pages 23 to 42 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024

(i) Reconciliation of net income to net cash flow from operating activities

	2024	2023
	£'000	£'000
Net income for the reporting period (as per the statement of financial activities)	1,370	4,803
Investment income	(559)	(521)
Decrease / (increase) in value of derivative	685	(1,858)
Finance costs	846	579
Depreciation charges	3,708	3,266
Loss on disposal of assets	-	(7)
Decrease in stock	9	3
Increase in debtors	(112)	(1,362)
(Decrease) / increase in creditors (excluding fees in advance)	(291)	1,922
	4,286	2,022
Net cash provided by operating activities	5,656	6,825

ii) Analysis of cash and cash equivalents

	2024	2023
	£'000	£'000
Cash in bank	15,833	9,040
Cash in hand	10	14
Notice deposits (less than 3 months)	3,496	3,970
Total cash and cash equivalents	19,339	13,024

iii) Analysis of changes in net debt

	1 July 2023	Cash flows	Non-cash changes	30 June 2024
	£'000	£'000		£'000
Cash in bank	9,040	6,793	-	15,833
Cash in hand	14	(4)	-	10
Notice deposits	3,970	(474)	-	3,496
Cash and cash equivalents	13,024	6,315	-	19,339
Bank loans falling due within one year	(652)	-	-	(652)
Bank loans falling due after more than one year	(13,978)	-	652	(13,326)
Finance lease obligations due within one year	(61)	(164)	9	(216)
Finance lease obligations due after more than one year	(69)	-	(9)	(78)
Total borrowings and finance lease obligations	(14,760)	(164)	652	(14,272)
Net debt	(1,736)	6,151	652	5,067

The notes on pages 23 to 42 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

1. ACCOUNTING POLICIES

The principle accounting policies adopted and critical areas of judgement are as follows:

a) Basis of Preparation of the Financial Statements

The financial statements have been prepared on the historical cost basis of accounting, as modified by the revaluation of investment investments, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, the Charities SORP (FRS 102) and the accounting policies set out below.

The functional currency of the Charity is considered to be pounds sterling as that is the currency of the primary economic environment in which the Charity operates. The financial statements are also presented in pounds sterling.

The financial statements consolidate, on a line-by-line basis, all funds of the RMF and the College together with the financial statements of its wholly owned subsidiaries, Epsom College Enterprises Limited (company number 01066747), Epsom College Overseas Limited (company number 07562826) and Epsom College Transport Limited (company number 12437332) that are prepared for the same period. No separate Statement of Financial Activities has been prepared for the College alone, as permitted by Section 408 of the Companies Act 2006. The College has taken advantage of the exemption available to a qualifying entity in FRS 102 from requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

The Charity is a public benefit entity and is registered as a charity in England and Wales (charity number: 312046). It was established by an Act of Parliament of 1855. The Charity is domiciled in the UK and the address of the registered office is Epsom College, College Road, Epsom, KT17 4JQ.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods. Bank loans are amortised using the effective interest rate method.

In the view of the Trustees, with the exception of pension liabilities (see note 21), no assumptions concerning the future or estimation uncertainly affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

b) Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the College against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

c) Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

1. ACCOUNTING POLICIES (Continued)

d) Donations, legacies, grants and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Charity is considered probable.

Voluntary income for the Charity's general purpose is accounted for as "Unrestricted Funds". Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

Grant income is recognised when there is evidence of entitlement, the receipt is probable and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

e) Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for long-term liabilities. Expenditure attributable to more than one cost category in the SOFA is appropriated to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements as well as Trustee training.

f) Tangible fixed assets and depreciation

Expenditure of the acquisition, construction or enhancement of land and buildings, vehicles, furniture, machinery, ICT infrastructure and equipment and other equipment costing more than £500 are capitalised and carried in the balance sheet at historical cost. Other expenditure on equipment incurred in the normal day-to-day running of the Charity is charged to the Statement of Financial Activities as incurred.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal instalments over their expected useful economic lives. The current depreciation rates are as follows:

New buildings	2 – 4%
Freehold and leasehold improvements and renovations	2 – 20%
Furniture, machinery and equipment	10 – 25%
Motor Vehicles	25%

Buildings outside the grounds of Epsom College have been included at their 30 June 1995 valuation. Costs associated with buildings in the course of construction have not been depreciated pending completion of the work.

g) Investments

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated the appropriate fund according to the "ownership" of the underlying assets.

Investments in subsidiaries are valued at cost less provision for impairment.

h) Stock

Stock represents goods for resale and is valued at the lower of cost or estimated selling price.

i) Debtors

Short term debtors are measured at transaction price (e.g. value of school fees billed but not yet paid), less any impairment.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

ACCOUNTING POLICIES (continued)

j) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities including bank loans, are measured at fair value, net of transactions costs, and are measured subsequently at amortised cost using the effective interest method.

Pupil fee deposits held by the school: Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The school does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held are included within current liabilities.

k) School fees in advance

In addition to the school fees, which are payable one term in advance, the College accepts fees for longer periods. These longer-term fees paid in advance are credited to income when the fees are due. In consideration of the lump sum received the scheme provides for a discount to be applied towards the cost of education.

Amounts received under the College's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

l) Provisions for liabilities

Provisions are recognised when the Charity has a present obligation (legal or constructive) as a result of a past event, it is probable that the Charity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in the Statement of Financial Activities ("SOFA") in the period it arises.

The Charity recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

m) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Charity. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at fair value of the leased asset (or, if lower, the present value of the minimum lease payments) at inception of the lease. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

ACCOUNTING POLICIES (Continued)

n) Fund accounting

Charitable trust funds are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the Charity's corporate reserves, spendable at the discretion of the Trustees either to further the Charity's Objects or to benefit the Charity itself. Where the Trustees decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts and legacies where there is no capital retention obligation or power but only a trust law restriction to some specific propose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the Charity (e.g. freehold land) or for its financial benefit (i.e. by investment).

Expendable endowment funds can be converted into income for spending with at the Trustees own discretion or else upon the happening of some event contemplated by the donor.

o) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with exception of investments which are held at fair value.

Financial assets held at amortised cost comprise cash at bank and in hand, together with all debtors other than prepayments and tax recoverable. A specific provision is made for any debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and fees received in advance.

Derivatives are not basic financial instruments. These are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at the balance sheet date. Changes in fair value are recognised in the Statement of Financial Activities in finance costs or finance income as appropriate.

Derivatives classified as liabilities have been split between due with one year and after one year based on the future estimated cashflows.

p) Pension costs

Retirement benefits to employees of the Charity are provided through three pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme

This is a multi-employer pension scheme and it is not possible to identify the Charity's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, the College accounts for the scheme as if it were a defined contribution scheme. The Charity's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

Pensions Trust

Contributions are paid, in respect of non-teaching staff, to the Pensions Trust into a defined contribution scheme. Contributions for current employees are generally at a rate equivalent to 7% of annual basic pay for those in the existing scheme and 4% for those who were auto-enrolled from the Charity's staging date of 1 January 2014.

The Charity previously contributed to a Pension Trust defined benefit scheme. A liability exists in relation to the deficit funding for this historic scheme.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

ACCOUNTING POLICIES (Continued)

p) Pension costs (continued)

The historic defined benefit scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standard issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Retiring Pensions Fund

The Charity also pays post-employment benefits to certain former members of staff and their relatives. This was previously paid from a designated, separately invested fund, which was divested during the year. The College now pays these benefits from operating income. The Fund is invested separately from all other funds.

q) Going concern

The preparation of financial statements requires an assessment of the validity of the going concern assumption, this being dependent upon the availability of adequate financial resource to allow the Group and Charity to continue in operational existence for the foreseeable future.

The income expected to be available depends most importantly upon an estimate of pupil numbers and their boarding mix as well as investment income. At the time of approving these financial statements the College is experiencing increased pupil numbers compared with prior years. The College has considered the effects of a small reduction in pupil numbers on the financial forecasts, taking account of current cash reserves, banking facilities and the College's ability to rescale its operations accordingly. There are currently adequate cash balances and banking facilities in place to ensure that the College can meet its obligations through this period of uncertainty.

The Trustees have reviewed budgets and projected cash flows and are confident that with the continued support of existing bank funding levels the Group and Charity will have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of the financial statements. Consequently, the Trustees consider it appropriate to prepare the financial statements on the going concern basis.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE	2024	2023
	£'000	£'000
Fees receivable consist of:		
School fees	35,785	33,035
Less: Scholarships, bursaries and other awards	(3,286)	(2,714)
	32,499	30,321
Add back scholarships and grants paid out of restricted funds	881	495
	33,380	30,816

Scholarships and grants paid out of restricted funds is the total restricted expenditure on grants and awards made during the year. In previous years, only restricted expenditure on grants and awards that was funded by investment income was included here, and funding from other sources was netted against the cost of scholarships, bursaries and other awards in note 2. Comparative figures above have been restated.

3. CHARITABLE ACTIVITIES – OTHER INCOME	2024	2023
	£'000	£'000
Ancillary trading income		
Entrance and registration fees	206	164
Additional charges to pupils	2,362	2,093
Other	67	43
	2,635	2,300
4. OTHER TRADING ACTIVITIES	2024	2023
	£'000	£'000
Non-ancillary trading income		
Epsom College Enterprises Ltd	327	347
Courses and lettings	683	142
Insurance claim	-	147
	1,010	636
Other activities		
Unrestricted income		
Epsom College Overseas Ltd - royalties	233	200
Restricted income		
Epsom College Overseas Ltd - royalties	232	-

Trading subsidiaries

Epsom College Enterprises Ltd: the aggregate amount of its assets, liabilities and funds as the end of the reporting period were £91,491 (2023: £91,491). It had turnover of £327,449 (2023: £346,577), expenditure of £119,729 (2023: £145,853) and a profit of £207,720 (2023: £200,724) for the reporting period.

Epsom College Overseas Ltd: the aggregate amount of its assets, liabilities and funds as the end of the reporting period were £100 (2023: £100). It had turnover of £465,835 (2023: £200,000), expenditure of £5,452 (2023: £14,123) and a profit of £459,383 (2023: £185,877) for the reporting period.

Epsom College Transport Ltd: the aggregate amount of its assets, liabilities and funds at the end of the reporting period were £100 (2023: £100). It had turnover, derived from transport services provided to Epsom College, of £265,120 (2023: £240,055), expenditure of £225,606 (2023: £206,002) and a profit of £39,514 (2023: £34,053) for the reporting period.

5. FINANCE INCOME	2024	2023
	£'000	£'000
Increase in fair value of derivatives	-	1,858
	-	1,858

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

6. GRANTS AND DONATIONS RECEIVABLE

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2024 £'000	Total 2023 £'000
Donations to Royal Medical Foundation	4	-	-	4	2
Donations to the College for other charities, bursaries, fixed asset purchases and other purposes	-	129	-	129	137
Donations to the Epsom College Education Trust for the development of educational facilities and activities of the College	-	1,029	-	1,029	1,148
Other Donations	-	105	-	105	36
	4	1,263	-	1,267	1,323

During the year ended 30 June 2024 two Governors made total donations of £65,000 to the College for the development of educational facilities (2023: two Governors donated £12,321 in total).

7. ANALYSIS OF TOTAL EXPENDITURE

(a) Total expenditure

	Staff Costs £'000	Other Costs £'000	Depreciation £'000	2024 Total £'000	2023 Total £'000
Raising funds					
Trading costs	-	148	10	158	194
Fundraising costs	164	167	-	331	220
Decrease in value of derivative	-	685	-	685	-
Investment management	-	79	-	79	75
Financing costs (note 8)	-	846	-	846	579
Total raising funds	164	1,925	10	2,099	1,068
Charitable activities					
Teaching	13,838	3,188	58	17,084	15,091
Welfare	4,302	2,082	-	6,384	5,769
Premises	535	3,007	2,925	6,467	5,761
Support and governance costs	1,980	2,511	715	5,206	4,489
Grants, awards and prizes	-	1,112	-	1,112	748
Total charitable activities	20,655	11,900	3,698	36,253	31,858
Total expenditure	20,819	13,825	3,708	38,352	32,926

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

(b) Governance included in support costs

	2024	<i>2023</i>
	£'000	<i>£'000</i>
Remuneration paid to auditor for audit services	68	<i>71</i>
Remuneration paid to auditor for assurance services	1	<i>3</i>
	69	<i>74</i>

Remuneration paid to auditor for audit services and assurance services exclude irrecoverable VAT.

Remuneration paid to the auditor of the trading subsidiaries for audit services are included, net of VAT, within Trading costs and amount to £14,300 (2023: £12,800).

Remuneration paid to the auditor of the trading subsidiaries for tax services was £3,850 (2023: £4,550).

8. FINANCE COSTS

	2024	<i>2023</i>
	£'000	<i>£'000</i>
School fees in advance financing costs	277	<i>148</i>
Bank borrowings financing costs	1,023	<i>589</i>
Interest rate swap (income)	(455)	<i>(159)</i>
Pension scheme financing costs	1	<i>1</i>
	846	<i>579</i>

9. STAFF COSTS

	2024	<i>2023</i>
	£'000	<i>£'000</i>
The aggregate payroll costs for the year were as follows:		
Wages and salaries	16,749	<i>14,680</i>
Social security costs	1,740	<i>1,579</i>
Pension contributions	2,330	<i>2,001</i>
	20,819	<i>18,260</i>
Aggregate employee benefits of key management personnel	2,672	<i>1,645</i>

The average number of employees during the year was:

	2024	<i>2023</i>
	No.	<i>No.</i>
Teaching	136	<i>127</i>
Other (including teaching support staff)	347	<i>325</i>
	483	<i>452</i>

None of the Trustees, or persons connected with them, received any remuneration during the year. Travel expenses of £1,936 were reimbursed to three governors during the year (2023: £1,613).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

9. STAFF COSTS (continued)

The number of employees who received remuneration of £60,000 or greater, in the following bands, was:

	2024	2023
£60,001 - £70,000	36	34
£70,001 - £80,000	31	19
£80,001 - £90,000	8	9
£90,001 - £100,000	4	1
£100,001 - £110,000	1	2
£110,001 - £120,000	1	-
£130,001 - £140,000	1	-
£160,001 - £170,000	-	1
£180,001 - £190,000	1	-
£270,001 - £280,000	1	-

The number with retirement benefits accruing in the Teachers' Defined Benefit and Non-Teachers' Defined Contribution Schemes was 68 and 13 respectively (2023: 55 and 9). The relevant amount of contributions in respect of the Non-Teachers' Scheme was £94,221 (2023: £56,070).

There were no redundancy payments made during the year (2023: £4,996). There were no settlement payments made during the year (2023: NIL). There were no outstanding payments at the year-end (2023: NIL).

10. TANGIBLE FIXED ASSETS - CHARITY AND GROUP

	Land & Buildings	Charity Assets Under Construction	Plant, Machinery & Vehicles	Fixtures & Equipment	Charity Total	Subsidiary Fixtures & Equipment	Group Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or frozen valuation							
<i>At 1 July 2023</i>	77,192	-	1,999	5,422	84,613	73	84,686
Additions at cost	6,046	-	307	782	7,135	9	7,144
At 30 June 2024	83,238	-	2,306	6,204	91,748	82	91,830
Depreciation							
<i>At 1 July 2023</i>	40,558	-	1,763	4,031	46,352	51	46,403
Charge for the year	2,816	-	123	759	3,698	10	3,708
At 30 June 2024	43,374	-	1,886	4,790	50,050	61	50,111
Net book value							
<i>At 1 July 2023</i>	36,634	-	236	1,391	38,261	22	38,283
At 30 June 2024	39,864	-	420	1,414	41,698	21	41,719

The amount of expenditure on buildings up to 31 December 1955 is unascertainable and is not considered to be material to these financial statements. Expenditure since that date has been capitalised in the balance sheet.

Included in Land & Buildings are properties outside the College grounds. These were first capitalised in the balance sheet as at 30 June 1995 at their market value of £2,060,771 at that date. Additions since then have been included at cost. Chartered Surveyors carried out an independent valuation of freehold properties outside the College grounds as at 30 June 1995 on the assumption that vacant possession was immediately available. Properties comprising sub-divided flats were valued on the assumption that the individual flats had the benefit of 99 year leases at peppercorn ground rent and that an acceptable management and service agreement was in place. No structural survey or legal searches were carried out.

The total net book value of fixtures & equipment of the College of £1,414,000 (2023: £1,391,000) includes £322,000 (2023: £81,000) held under finance lease. Depreciation charged on these assets amounted to £150,000 (2023: £75,000).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

All tangible fixed assets are held for use in charitable activities.

11. INVESTMENTS

a) Group and Charity Investment movements	Total 2024 £'000	Total 2023 £'000
Group investments as at 1 July	16,765	16,512
New capital introduced	574	-
Change in cash awaiting investment	(201)	(86)
Realised gains	139	165
Unrealised gains	1,947	174
Group investments at 30 June	<u>19,224</u>	<u>16,765</u>
Investment in subsidiaries	75	75
Charity investments at 30 June	<u>19,299</u>	<u>16,840</u>
b) Investment analysis	2024 £'000	2023 £'000
Fixed interest stocks and bonds	2,991	2,914
UK equities	5,653	4,471
Worldwide equities	9,892	8,608
Alternative investments	688	772
Group investments	<u>19,224</u>	<u>16,765</u>
Investment in subsidiaries	75	75
Charity investments	<u>19,299</u>	<u>16,840</u>

12. DERIVATIVES

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Financial instruments	<u>2,545</u>	<u>3,230</u>	<u>2,545</u>	<u>3,230</u>

The College has derivative arrangements to protect against interest rate volatility over the period of repayment of its loan facilities. Further information on the interest rate swap arrangements is found in Note 15.

13. DEBTORS

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Fees and extras	175	275	175	275
Trade debtors	44	28	-	-
Sundry debtors	1,282	1,281	1,271	1,281
Prepayments and accrued income	1,165	970	1,160	965
Amounts due from subsidiary companies	-	-	752	417
	<u>2,666</u>	<u>2,554</u>	<u>3,358</u>	<u>2,938</u>

All debtors are due within one year.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

14. CREDITORS PAYABLE WITHIN 1 YEAR	Group	Group	Charity	Charity
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Deposits from fee payers	2,975	2,701	2,975	2,701
Bank loans and overdrafts	652	652	652	652
Finance lease	216	61	216	61
Trade creditors	751	875	742	865
Taxation and social security	450	412	450	422
Other creditors, accruals and deferred income	3,046	3,537	3,006	3,232
School fees in advance scheme (see note 16)	3,966	1,255	3,965	1,255
Pension deficit funding (see note 21)	11	19	11	19
Holiday pay accrual	524	494	524	494
	12,591	10,006	12,541	9,701

Deposits from fee payers, under normal circumstances, are repaid over future years when the pupils complete their education at the school. However, as pupils can leave at earlier dates, the balance of the deposits held at the end of the financial year have been included within current liabilities. In the normal course of business, the expected repayment of these amounts will be £885,000 within one year (2023: £908,000) and £2,090,000 after more than one year (2023: £1,793,000).

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2024	2023
	£'000	£'000
Bank loans and overdrafts	13,326	13,978
School fees in advance scheme (see note 16)	8,460	2,220
Finance lease	78	69
Pension deficit funding (see note 21)	-	10
	21,864	16,277

The total bank loan at the year-end is £13,978,000 (2023: £14,630,000) and is comprised of two facilities. The £8m facility, with a 25-year amortisation period, is fully drawn and is for the purpose of funding the College's previous building and development programmes. The £7m facility was arranged to part fund the construction of the Mermaid building. There have been no new drawdowns during the year (2023: £2,025,901) and the facility is now fully drawn.

Total repayments are due on these loans as follows:

	2024	2023
	£'000	£'000
Due within 1 year	652	652
Due between 2 and 5 years	2,609	2,609
Due after more than 5 years	10,717	11,369
	13,978	14,630

Interest is charged at SONIA plus 1.90% on both loans.

The College has entered into fixed interest rate swaps in relation to both loans. The strike rates are 1.25% and 2.8% for the £8m and £7m loans, respectively. The interest rate swap has a zero-floor mechanism with an embedded cap, the floor and cap elements are valued separately as assets for the purposes of these accounts.

The College has access to a £3.5m revolving credit facility to help fund its building and capital development programme. There was no utilisation of this facility during the year. Interest is charged on this facility at a rate of SONIA plus 1.35%. The College also has in place a £1.5m overdraft facility to help manage working capital requirements throughout the year. All facilities are secured by a fixed and floating charge over all assets of the College.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

16. SCHOOL FEES IN ADVANCE SCHEME

Parents may enter into a contract to pay to the College up to the equivalent of seven years' fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. The scheme provides for discounts to be applied to the cost of education as the fees fall due. Assuming pupils remain at the College/ start at the college as anticipated, the liability for advance fees, accrued to date, will be applied as follows:

	2024	2023
	£'000	£'000
Beyond 5 years	623	319
Within 2-5 years	7,837	1,901
Within 1 year	3,966	1,255
	12,426	3,475

The movements during the year were as follows:

At 1 July	3,475	3,019
New contracts during the year	10,625	1,933
Amounts accrued to contracts	-	-
	14,100	4,952
Amounts returned to leavers	(6)	(56)
Amounts utilised in payment of fees	(1,668)	(1,421)
Balance at 30 June	12,426	3,475

17. FINANCIAL INSTRUMENTS

	2024	2023
	£'000	£'000
Financial assets measured at fair value	12,871	19,995

Financial assets held at fair value include assets held as investments and derivative financial instruments (swap, floor and cap) (2023: investments and derivative asset (swap, floor and cap)).

18. FUNDS OF THE GROUP

UNRESTRICTED FUNDS

Epsom College

General fund – Representing accumulated income from the College's activities and other sources that are available for the general purpose of the College.

Fixed assets fund – A designated fund that represents the College's investment in property less the amount funded by bank borrowings.

Derivative reserve – Representing accumulated fair value gains and losses associated with the annual revaluations of derivative financial instruments.

Royal Medical Foundation

General fund – Representing accumulated income from the Charity's activities and other sources that are available for the general purpose of the Charity.

Royal Medical Foundation of Epsom College

Surrey scholars' fund – Representing funds received from the parents of Surrey Scholars and held for the general purpose of the charity.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

18. FUNDS OF THE GROUP (CONTINUED)

RESTRICTED FUNDS

Epsom College

Scholarships, bursaries and the development of educational activities – Representing numerous individual gifts, legacies and grants given to the College over many years for a specific purpose but where there is no requirement to preserve capital. For the past three financial years, the College has been receiving donations to The Mermaid capital campaign to fund a new centre to transform the educational experience of its pupils, with particular focus on the Sixth Form. These donations are restricted for this purpose only.

Royal Medical Foundation

Grant funds for education and maintenance (restricted and endowed) – Representing funds held to provide pensions, annuities and grants and other pecuniary assistance for medical practitioners or their families in need.

Gift/annuity fund (restricted and endowed) – Representing the Funds held to provide renewable annual grants, annuities and other pecuniary assistance for medical practitioners or their families in need.

ENDOWED FUNDS

Epsom College

Scholarships and Bursaries - Representing numerous individual gifts, legacies and grants given to the College over many years for scholarships and bursaries. Endowed funds of £7,884,000 (2023: £6,545,000) included expendable endowments of £2,034,000 (2023: £1,852,000).

Royal Medical Foundation

Foundation scholars' fund – Representing the funds held to provide for the education of children of medical practitioners in need at Epsom College.

19. ALLOCATION OF THE NET ASSETS

The net assets are held for the various funds as follows:

	Fixed Assets	Investments	Net Current Assets/ (Liabilities)	Long Term Liabilities	2024 Total
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds					
General fund	1,855	1,914	(946)	(78)	2,745
Fixed assets fund	39,864	-	8,401	(21,786)	26,479
Derivative reserve	2,545	-	-	-	2,545
	44,264	1,914	7,455	(21,864)	31,769
Restricted funds	-	3,520	1,797	-	5,317
Endowed funds	-	13,790	201	-	13,991
Balances at 30 June 2024	44,264	19,224	9,453	(21,864)	51,077

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

19. ALLOCATION OF THE NET ASSETS (CONTINUED)

<i>2023</i>	<i>Fixed Assets</i>	<i>Investments</i>	<i>Net Current Assets/ (Liabilities)</i>	<i>Long Term Liabilities</i>	<i>2023 Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Unrestricted funds					
<i>General fund</i>	1,649	1,755	(752)	(79)	2,573
<i>Fixed assets fund</i>	36,634	-	4,739	(16,198)	25,175
<i>Derivative reserve</i>	3,230	-	-	-	3,230
	<u>41,513</u>	<u>1,755</u>	<u>3,987</u>	<u>(16,277)</u>	<u>30,978</u>
Restricted funds	-	3,170	1,427	-	4,597
Endowed funds	-	11,840	206	-	12,046
Balances at 30 June 2022	<u>41,513</u>	<u>16,765</u>	<u>5,620</u>	<u>(16,277)</u>	<u>47,621</u>

20. MOVEMENT ON FUNDS

	<i>1 July 2023</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Gains /Losses</i>	<i>30 June 2024</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
a. UNRESTRICTED						
Epsom College						
General fund	16	37,657	(36,392)	(1,304)	39	16
Designated fixed asset fund	25,175	-	-	1,304	-	26,479
Derivative reserve	3,230	-	(685)	-	-	2,545
Royal Medical Foundation						
General funds	2,557	110	(201)	-	263	2,729
	<u>30,978</u>	<u>37,767</u>	<u>(37,278)</u>	<u>-</u>	<u>302</u>	<u>31,769</u>
b. RESTRICTED						
Epsom College						
Scholarships, bursaries and development of educational facilities	3,719	1,185	(934)	-	273	4,243
Royal Medical Foundation						
Grant funds – maintenance and education	211	79	(43)	-	24	271
Gift/annuity fund	667	113	(43)	-	66	803
	<u>4,597</u>	<u>1,377</u>	<u>(1,020)</u>	<u>-</u>	<u>363</u>	<u>5,317</u>
c. ENDOWED						
Epsom College						
Scholarships	6,545	578	(30)	-	791	7,884
Royal Medical Foundation						
Grant funds – maintenance and education	2,280	-	(10)	-	261	2,531
Relief of poverty fund	210	-	(1)	-	24	233
Gift/annuity fund	2,539	-	(11)	-	291	2,819
Foundation scholars	472	-	(2)	-	54	524
	<u>12,046</u>	<u>578</u>	<u>(54)</u>	<u>-</u>	<u>1,421</u>	<u>13,991</u>
TOTAL FUNDS	<u>47,621</u>	<u>39,722</u>	<u>(38,352)</u>	<u>-</u>	<u>2,086</u>	<u>51,077</u>

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

20. MOVEMENT ON FUNDS (Continued)	1 July 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains /Losses £'000	30 June 2023 £'000
a. UNRESTRICTED						
Epsom College						
General fund	16	34,019	(32,005)	(2,055)	41	16
Designated fixed asset fund	20,221	-	-	4,954	-	25,175
Derivative reserve	1,372	1,858	-	-	-	3,230
Royal Medical Foundation						
General funds	2,587	99	(140)	-	11	2,557
	24,196	35,976	(32,145)	2,899	52	30,978
b. RESTRICTED						
Epsom College						
Scholarships, bursaries and development of educational facilities	6,227	1,587	(595)	(3,555)	55	3,719
Royal Medical Foundation						
Grant funds – maintenance and education	220	74	(87)	-	4	211
Gift/annuity fund	615	92	(51)	-	11	667
	7,062	1,753	(733)	(3,555)	70	4,597
c. ENDOWED						
Epsom College						
Scholarships	5,801	-	(25)	656	113	6,545
Royal Medical Foundation						
Grant funds – maintenance and education	2,247	-	(10)	-	43	2,280
Relief of poverty fund	207	-	(1)	-	4	210
Gift/annuity fund	2,501	-	(11)	-	49	2,539
Foundation scholars	464	-	(1)	-	9	472
	11,220	-	(48)	656	218	12,046
TOTAL FUNDS	42,478	37,729	(32,926)	-	340	47,621

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

21. PENSION COSTS

(a) Teachers' Pension Scheme

The College participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,985,959 (2023: £1,687,339) and at the year-end £328,723 (2023: £203,291) was accrued in respect of contributions to this scheme.

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

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

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

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

(b) Pensions Trust

Contributions are paid, in respect of non-teaching staff, to the Pensions Trust into a defined contribution scheme.

Contributions for current employees are generally at a rate equivalent to 7% of annual basic pay for those in the existing scheme and 4% for those who were auto-enrolled from the College's staging date of 1 January 2014. The pension charge for the year includes contributions payable to The Pensions Trust of £328,723 (2023: £285,199) excluding the defined benefit deficit funding. At the year-end £63,032 (2023: £55,142) was accrued in respect of contributions to this scheme.

The College previously contributed to a Pension Trust defined benefit scheme. A liability exists in relation to the deficit funding for this historic scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The historic defined benefit scheme is classified as a 'last-man standing arrangement'. Therefore, the College is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2023 to 31 January 2025: £3,312,000 per annum (payable monthly and increasing by 3% on 1st April each year)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

21. PENSION COSTS (Continued)

As the scheme is in deficit and the College has entered into a deficit funding arrangement a liability has been recognised for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement. The present value is calculated using a discount rate of 6.4% per annum. The discount rates are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions. The unwinding of the discount rate is recognised as a finance cost.

RECONCILIATION OF OPENING AND CLOSING PROVISIONS	2024	2023
	£'000	£'000
Provision at 1 July	28	47
Unwinding of the discount factor (interest expense recognised in SOFA)	1	1
Deficit contribution paid	(18)	(19)
Re-measurements – impact of change in actuarial assumptions (recognised in SOFA)	-	(1)
Provision at 30 June	11	28

22. CAPITAL AND OTHER COMMITMENTS

Epsom College

Tangible fixed assets contracted for at 30 June 2024 totalled £1,138,000 (2023: £1,617,809).

The College utilises bank borrowings in order to fund capital development. A bank overdraft is secured by a fixed charge against the freehold assets of the College and forms part of the facilities agreement that includes the loans referred to in Note 15.

In the forthcoming academic year, the College has committed to fund bursaries for 101 pupils totalling £2,433,000, and has awarded 322 scholarships (to 300 pupils) totalling £643,000. Bursaries and scholarships are funded principally from school fees receivable, supplemented by investment income.

Royal Medical Foundation

The Royal Medical Foundation and related Trust Funds have already made awards totalling £68,726 for the year to 30 June 2024 (to 30 June 2024 £79,349) in respect of tuition fees and other charitable assistance. The Trustees have authorised these awards, which have not been provided for within the accounts as the awards are subject to the recipients fulfilling certain conditions.

23. LEASE COMMITMENTS

The Charity's future minimum finance lease payments are as follows:

	2024	2023
	£'000	£'000
Within one year	317	61
Between one and five years	469	69
More than five years	10	-
	796	130

Certain IT equipment is held under finance lease arrangements. Finance lease liabilities are secured by the related assets held under finance leases (see note 10).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

24. RELATED PARTY TRANSACTIONS

The Charity has entered into the following related party transactions during the year:

Epsom College

During the year, Jennifer Hay Ballet, operated by a daughter of Governor JA Hay, invoiced the College for educational services totalling £14,695 (2023: £18,531).

Last year, the College made an interest-free loan to Sir Anthony Seldon, Head of Epsom College of £1.18m. The loan was provided for the purpose of purchasing a property convenient to get to the College each day and is repayable within three months of the cessation of his employment at Epsom College. In September 2024, the Governors agreed to extend the repayment date to no later than 30th September 2025.

In the year ended 30 June 2024, the Royal Medical Foundation of Epsom College charged Epsom College a management charge of £6,366 to cover the governance and administration costs of the parent charity (2023: £7,217).

Epsom College in Malaysia

The Treasurer of the Royal Medical Foundation of Epsom College, A J Pianca, is a director on the Board of Epsom College in Malaysia and its parent company Educ8 Group Sdn Bhd.

The Royal Medical Foundation Limited (the “RMF”)

The Royal Medical Foundation is a sister company which falls under The Royal Medical Foundation of Epsom College umbrella.

In the year ended 30 June 2024, the Royal Medical Foundation of Epsom College charged the RMF a management charge of £6,366 to cover the governance and administration costs of the parent charity (2023: £7,218).

During the year Epsom College charged the RMF £5,000 (2023: £5,000) to rent office space and paid salaries including pension contributions of £63,035 (2023: £53,057) on behalf of the RMF which were subsequently reimbursed by the RMF. In addition, the RMF paid school fees to Epsom College for the Foundationer beneficiary totalling £33,551 (2023: £35,296).

At the year-end, Epsom College owed the Royal Medical Foundation £16,215 (2023: £12,271).

Epsom College Enterprises Limited (“Enterprises”)

Epsom College Enterprises Limited is a wholly owned subsidiary company.

During the year Epsom College Enterprises donated £207,720 (2023: £200,724) of income to Epsom College. In addition, the College made payments for salaries and expenses on behalf of Enterprises, which totalled £110,552 (2023: £135,172). All expenses were reimbursed by Enterprises. No loans were made by Epsom College to Epsom College Enterprises during the year (2023: NIL).

At the year-end, Epsom College Enterprises owed the College £268,255 (2023: £219,198).

Epsom College Overseas Limited (“Overseas”)

Epsom College Overseas Limited is a wholly owned subsidiary company.

During the year Overseas donated £459,383 (2023: £185,877) of income to Epsom College. In addition, the College made payments for expenses on behalf of Overseas, which totalled £13 (2023: £10,694). All expenses were reimbursed by Overseas. No loans were made by between the two organisations during the year (2022: NIL).

At the year-end, Epsom College Overseas owed the College £459,384 (2023: £184,047).

Epsom College Transport Limited (“Transport”)

Epsom College Transport Limited is a wholly owned subsidiary company.

During the year Epsom College Transport donated £39,514 (2023: £34,054) of income to Epsom College. The organisation provided a minibus service to the College throughout the year. In addition, the College made payments for salaries and expenses on behalf of Transport, which totalled £168,635 (2023: £141,004). All expenses were reimbursed by Transport. No loans were made by between the two organisations during the year (2023: £10,000).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

24. RELATED PARTY TRANSACTIONS (Continued)

At the year-end, Epsom College Transport owed the College £24,948 (2023: £13,252).

The Royal Medical Foundation of Epsom College

The Royal Medical Foundation of Epsom College is the parent Charity to which Epsom College belongs.

The Royal Medical Foundation of Epsom College is responsible for the 'Pool' within which Epsom College invests. Additional funds of £574,000 were invested in the Pool during the year (2023: NIL). The Pool has generated Epsom College an investment income of £277,000 (2023: £258,135).

At the year-end, the Royal Medical Foundation of Epsom College owed the College £268,973 (2023: £86,328).

At the year end, the Royal Medical Foundation of Epsom College owed the Royal Medical Foundation £87,189 (2023: Royal Medical Foundation owed the Royal Medical Foundation of Epsom College £32,387).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

25. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 30 JUNE 2023

	Unrestricted	Restricted	Endowed	Total 2023
	£'000	£'000	£'000	£'000
INCOME AND ENDOWMENTS FROM:				
Charitable activities				
School fees receivable	30,816	-	-	30,816
Ancillary trading income	2,300	-	-	2,300
Other trading activities				
Non-ancillary trading income	636	-	-	636
Other activities	200	-	-	200
Investments				
Investment income	97	424	-	521
Bank interest	67	8	-	75
Voluntary sources				
Grants and donations	2	1,321	-	1,323
TOTAL BEFORE FINANCE INCOME	34,118	1,753	-	35,871
Change in fair value of derivatives	1,858	-	-	1,858
TOTAL INCOME	35,976	1,753	-	37,729
EXPENDITURE ON:				
Raising funds				
Non-ancillary trading	194	-	-	194
Financing costs	579	-	-	579
Investment management	12	15	48	75
Fundraising and development	220	-	-	220
TOTAL DEDUCTIBLE COSTS	1,005	15	48	1,068
CHARITABLE ACTIVITIES				
Education and grant making	31,140	718	-	31,858
TOTAL EXPENDITURE	32,145	733	48	32,926
NET INCOME/(EXPENDITURE) FROM OPERATIONS	3,831	1,020	(48)	4,803
Transfer between fund	2,899	(3,555)	656	-
(Losses)/gains on investments	51	70	218	339
NET INCOME FOR THE YEAR	6,781	(2,465)	826	5,142
Pension scheme actuarial losses	1	-	-	1
NET MOVEMENT IN FUNDS	6,782	(2,465)	826	5,143
Fund balances brought forward at 1 July	24,196	7,062	11,220	42,478
FUND BALANCES CARRIED FORWARD AT 30 JUNE	30,978	4,597	12,046	47,621

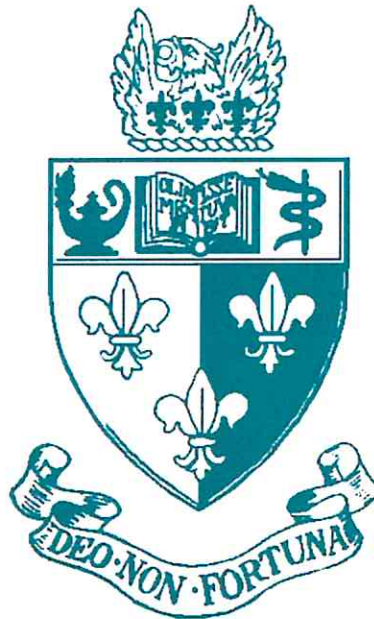
THE ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

England & Wales - Charity number 312046

Accounts

Royal Medical Foundation of Epsom College

**Annual Report and Financial Statements
for the year ended
30 June 2023**



*presented to the
Annual General Meeting of
Council Members on Wednesday 6th December 2023*

**ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

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**ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
COUNCIL AND ADVISERS
YEAR ENDED 30 JUNE 2023**

PATRON

HER MAJESTY THE QUEEN (Deceased 8th September 2022)

VISITOR

The Right Reverend The Lord Bishop of Guildford

PRESIDENT

Lord Carlile, CBE, FRSA, KC

VICE-PRESIDENTS

Mr PM Dodd, TD

Mr PG Hakim, FCA

Mr A Hagdrup, LLB

Mr GB Pincus, MBE (appointed 30th November 2022)

TREASURER

Mr AJ Pianca, FCA

MEMBERS OF COUNCIL

The Governors of the Royal Medical Foundation of Epsom College elect the Members of Council of the Royal Medical Foundation of Epsom College.

Dr JS Bolton, MA, MB, FRCPsych
Dr HH Bowen-Perkins, MRCS, LRCP, MB, BS, LMSSA,
PGD(card)
J Bowerman, MA (Oxon), MRICS (appointed 22nd June 2023)
R Bruce, LLB, LLM, FCI Arb
Lord Carlile, CBE, FRSA, KC (*President*)
Miss K Davidson, KC
Dr S Dhillon, MBE
Mrs B. Dolbear
JA Hay
D Mahoney, MA

AJ Pianca, FCA (Treasurer)
GB Pincus, MBE (Vice-President)
Mr Alex Russell MA, OBE
(appointed 1st September 2023)
Sir John Scarlett, KCMG, OBE, MA
(Oxon)
Mrs K Thomas, BM (Soton), FRCS
(Orth) (Vice-Chairman)
AJ Vallance-Owen, MBE, MBA, FRCSEd
C Watson, BA(Hons), MA,
Mst(Cantab.), ACA
Dr AJ Wells, MB, BS, DRCOG,
MRCGP (Chairman)

SECRETARY TO COUNCIL

Mrs EL Winfield, LLB

**ADDRESS
BANKERS
AUDITOR**

**INVESTMENT
ADVISERS**

Epsom College, College Road, Epsom, Surrey KT17 4JQ
Barclays Bank PLC, One Churchill Place, London E14 5HP
Crowe U.K. LLP, St James House, St James Square,
Cheltenham GL50 3PR
Quilter Cheviot Ltd, 85 Queen Victoria Street, London EC4V
4AB

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL
YEAR ENDED 30 JUNE 2023

TRUSTEES' REPORT

The Trustees of the Royal Medical Foundation of Epsom College (the "Charity"), who are also the Members of Council, present their annual report for the year ended 30 June 2023. The financial statements comply with the Charity's governing document and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) as it applies from 1 January 2015.

The present Trustees, any past Trustees who served during the year, the Patron and the external advisers of the Charity, are set out on page 1.

REFERENCE AND ADMINISTRATIVE DETAILS

The Royal Medical Foundation of Epsom College, also known as "RMF of EC", is a registered charity (number 312046) originally established by an Act of Parliament of 1855. The objects of the Charity, which were contained in the Royal Medical Benevolent College Acts of 1855 and 1894 (as amended), were the provision of a school and the provision of assistance to medical men and their dependants. Dr John Probert, together with medical colleagues, set out to collect funds by public subscription, creating the Charity in 1853.

On 2 July 2000 a Statutory Instrument, The Charities (Royal Medical Foundation of Epsom College) Order, dated 18 June 2000 (the "Order"), replaced the old statutory provisions with more appropriate modern rules. Under the Order, two new companies limited by guarantee were created as subsidiary charities of the overall Charity which is called the "Royal Medical Foundation of Epsom College". One subsidiary was formed to carry on the activities of the medical profession charity under the name "The Royal Medical Foundation" and the other to carry on the activities of the school under the name "Epsom College".

Following approval from the Charity Commission, the Council of the Royal Medical Foundation of Epsom College "The Council" passed a resolution on 14 March 2001, made under Section 74 of the Charities Act 1993, to divide the trust funds within the "Epsom College Investment Pool" between these two new limited companies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

On 31 August 2022 Mr Jay Piggot stepped down as Headmaster of Epsom College after ten years of outstanding, and transformative, service. We thank him for his many successes and his tireless efforts to expand the College and improve its standing. Mr Piggot was succeeded by Mrs Emma Pattison, who became the College's 14th Head on 1st September 2022. The Michaelmas Term was therefore taken up with Mrs Pattison working with the Board of Governors in planning a new strategy for the College. Tragically, Mrs Pattison died just four weeks into the Lent Term and the College was confronted with a completely unforeseen and potentially catastrophic scenario. The Governors and Senior Leadership Team immediately implemented the College's Crisis Management Policy but the remainder of the year has been primarily concerned with recovering from the tragedy. In March Governors appointed Sir Anthony Seldon as the 15th Head on a fixed term contract until September 2024, with a remit to reassure parents, staff and pupils.

The Governors are aware of the Charity Governance Code published in 2017 and updated in December 2020, which sets out the principles and recommended practice for good governance within the sector. The Board of Governors has reviewed its current governance arrangements against the principles within the code and these are detailed within this report. The Board will continue to review its operation against the Charity Governance Code over the coming year.

Governing Documents

The Charity is governed by its Statutory Instrument adopted on 2 July 2000 and is managed through its two subsidiary charities: The Royal Medical Foundation (charity number 312046-145) and Epsom College (charity number 312046-146).

Governing Body

The Charity is run by the Council, the members of which are the Trustees of the Charity. The Council consists of no more than 24 members, including the President and the Treasurer who are ex-officio members, all of whom are elected by the Governors in accordance with the relevant legislation. The Governors comprise the current Trustees together with both Vice-Presidents and Life Governors. Vice-Presidents are elected by the Council. Life Governors are persons who subscribed certain sums of money to the Charity prior to 1980 and were elected prior to 2000. Since 2000, new Governors have been elected either by the Governors in general meeting, or by the Council. The financial control of the Charity is the responsibility of the Treasurer.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustee roles, recruitment and training

To ensure that Trustees' roles and responsibilities are carried out effectively, the Council has prepared a portfolio of expertise that covers specific aspects of the Charity's work. The Council has an agreed process of induction and briefing for new Trustees. The process includes a detailed written and verbal brief by the Secretary, attendance at Council and Sub-Committee meetings before appointment where appropriate and the issuing of an information pack containing legal and trustee documents. Trustees also attend relevant briefings held by advisers.

Organisational Management

Council meetings include meetings where Trustees review strategy, operational and investment performance and the setting of operating plans and budgets. An Annual General Meeting is held in November or December. The Council appoints Sub-Committees when appropriate.

Effective partnership between Trustees and staff continues to contribute significantly to our success. The Council delegates the exercise of certain powers in connection with the management and administration of the Charity as set out below. This is controlled by the requirement of regular reporting to the Council, so that all decisions made under delegated powers can be ratified in due course.

Key Personnel

Secretary to Council: The Secretary is responsible for the day-to-day administration of the Charity's affairs as agreed by the Council.

Epsom College: The Head, Bursar and members of the Senior Leadership Team are responsible for delivery of the College's charitable vision and purpose and for implementing policies agreed by the Council. The remuneration of key management personnel is set by the College Governors, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the College's success. The appropriateness of the remuneration policy is reviewed annually; this includes comparisons with other independent schools to ensure that the College remains sensitive to the broader issues of pay and employment conditions elsewhere. The conduct of affairs is delegated to the executive team consisting of the Head, the Bursar and the other members of the Senior Leadership Team.

The Royal Medical Foundation: Together, the RMF Caseworker, the RMF Administrator and the Epsom College finance department are responsible for the day-to-day management of the Charity's affairs and for implementing policies agreed by the Council. Staff salaries are reviewed annually. In view of the nature of the charity, the Trustees benchmark against pay-levels for similar roles in other comparable charities.

Employment policy

The Charity actively supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards. The Charity is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the Charity. In order to promote an environment in which the Charity can call upon the widest possible range of knowledge, skill and experience, as well as ensuring compliance with the relevant legislation and codes of practice, the Charity is committed to achieving and maintaining a workforce which represents the population within its recruitment area in terms of race or colour, nationality or national or ethnic origins, religion or belief, sex, sexual orientation or marital status, age and disability. To this end the Charity regularly reviews the operation of its recruitment, promotion, training and development policies to ensure that no applicant for employment or member of staff is disadvantaged by conditions or requirements which cannot be shown to be justifiable. Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to appraise staff of current issues.

Investment Policy and Objectives

The Joint Investment Committee ("JIC"), a committee of Council, is responsible for the management of the funds on behalf of the Trustees. The JIC meets twice a year, and currently delegates management of the funds to Quilter Cheviot Limited ("QC").

In accordance with the Trustee Act 2000, the JIC have the power to invest in such stocks, shares and investments, as they consider appropriate. The JIC's primary objective is the preservation of the capital value of the trust funds, as adjusted for inflation (measured by the RPI). The secondary objective is to generate the income levels required and maximise capital growth. The JIC takes a long-term view on its investments and have instructed QC to give due consideration to social, environmental and ethical considerations when making investment decisions.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2023

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The Charity's registered objects are given in the Statutory Instrument, The Charities (Royal Medical Foundation of Epsom College) Order, dated 18 June 2000.

The Charity has two primary objects:

- (1) To support registered medical practitioners of the United Kingdom, or individuals who have been such practitioners, and/or their widows/widowers, who find themselves in reduced circumstances; and
- (2) To provide generally for the advancement of education and, without compromising this primary object, to do so by the provision of a school with a preference for the children of registered medical practitioners.

In addition, the Charity has a secondary object:

- (3) To provide annuities or occasional financial assistance to registered medical practitioners of the United Kingdom and/or their widows/widowers and children, but only if it can do so without detriment to the primary objects.

The Trustees confirm that they have complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the benefit requirement under that Act when reviewing the Charity's aims and objectives and in planning future activities and setting grant making policy for the year.

The work of the Charity is managed through its two subsidiary charities as follows:

The Royal Medical Foundation ("RMF")

The RMF carries out objects (1) and (3) by:

1. **Providing financial assistance** in the form of means-tested awards. There are four ways this help may be given to eligible beneficiaries who are facing financial hardship:

- regular payments to medical practitioners, their widows or widowers;
- one-off and short-term grants when urgent assistance is required;
- financial assistance with educational expenses at Epsom College; and
- financial assistance with other educational expenses.

2. **Providing information and advice** on organisations that may provide assistance within the public and charity sectors.

- The Caseworker is Citizens Advice Bureau trained and an affiliate of the Institute of Money Advisers and through the provision of information and advice on how to apply for current state welfare benefits, the Caseworker can empower potential applicants to help themselves.
- Where possible, the Caseworker also refers potential applicants to other relevant charities who may be able to help.

Public Benefit Aim and Intended Impact

In setting the Charity's aims the Trustees have given due consideration to the Charity Commission's guidance on public benefit. The Charity's public benefit aim is to give relief to those in need by reason of poverty or financial hardship. The Trustees have sought to ensure that the section of the public that the Charity supports can readily access the Charity's resources and that such access is not restricted by reason of geography within the United Kingdom or by the ability to pay.

Grant-making Policy

The RMF has established its grant making policy to achieve its objects for the public benefit to improve the lives of doctors who are living in poverty or financial hardship and/or their widows, widowers and children. All registered medical practitioners (*who are, or have been, on the Principal List of the General Medical Council of the United Kingdom*) and/or their widows, widowers and children are eligible to apply for assistance. The Caseworker acts as the initial point of contact for all requests for financial assistance. As a first step, the Caseworker researches the circumstances of each case in detail to determine if the request is eligible for RMF support and how best to proceed. For example, if it transpires the applicant is not in receipt of their eligible welfare benefits, information on how to apply will immediately be given. The RMF only gives financial assistance where a beneficiary is in receipt of their welfare benefit entitlement. Providing this information is sometimes enough to empower the person to help themselves and, in many cases, no further financial assistance is required.

Where an eligible applicant wishes to apply for financial assistance, a comprehensive application form is completed and reports from two referees are obtained. The needs of eligible applicants are assessed through telephone assessments, which are undertaken by the Caseworker, following which the Caseworker writes a Case Paper and Assessment Report. Cases are then

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2023

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

carefully assessed by the RMF Board, which meets four times per year. The RMF Board comprises nominated representatives with both medical and non-medical backgrounds and is responsible for considering and approving all grants decisions.

Grants are valid for a maximum of one year from the date of the award and are conditional on no change in financial or other circumstances. Full disclosure of information is requested at the time of each payment. All grants are subject to a comprehensive annual review and are only continued for a further period if the circumstances are appropriate and if the funds are available. The RMF Board assesses the impact the charity has on the lives of its beneficiaries. This is achieved through regular contact by the Caseworker and by the review of correspondence that is received by the Charity's office.

Epsom College (the "College")

The College carries out object (2) through the provision of day and boarding education on a co-educational basis at Epsom College. The College also has object (3) as a secondary object. The College has various endowed, restricted and unrestricted trust funds held for special purposes in connection with the development of its facilities and for scholarships, bursaries, prizes and other educational uses.

Statement of Aims and Intended Impact

The College's aim is to provide exceptional all-round opportunities - academic, social, sporting and cultural - in a safe and supportive community. The College is a school that aims for excellence, and values both achievement and endeavour. The College challenges pupils to develop their talents and broaden their interests; to become confident in themselves and to be tolerant and appreciative of others.

Primary Objectives

The primary objectives of the College to fulfil these aims are:

1. To provide a flourishing co-educational environment for boarding and day pupils;
2. To deliver a modern, challenging and stimulating academic curriculum;
3. To challenge and ultimately eradicate any form of discrimination within the College by promoting diversity, equality and inclusion throughout the community;
4. To prepare pupils for entry to university, including those who aim for places on the most competitive courses;
5. To preserve and strengthen the College's close traditional links to the medical profession;
6. To provide comprehensive pastoral care and guidance under the leadership of dedicated and caring staff;
7. To offer a wide range of co-curricular activities to foster the interest and maximise the individual potential of each pupil;
8. To foster moral and spiritual values, tolerance and understanding in every pupil and from within Epsom's Christian foundation;
9. To develop a strong sense of responsibility and commitment to the community;
10. To further genuine awareness, understanding and co-operation between College pupils and staff and its wider communities, both local and international;
11. To create a community where pupils will find some things that will matter to them for the rest of their lives.

The aims and objectives set for the College's subsidiaries are to facilitate the achievement of the College's aims and objectives as above.

Strategies to Achieve the Objectives

During the year under review, the Governing Body, who are also Trustees of Epsom College, have focussed on the following areas to assist the College in fulfilling its aim and objectives:

- Work closely with the new Head to develop a fresh strategy for the next few years;
- Support the Head in implementing management changes to meet the vision for the operational management of the College;
- Work closely with the Head and Senior Team to embed the values of the school – kindness, ambition & integrity;
- Work closely with the newly appointed Assistant Head: Designated Safeguarding Lead (DSL) and Academic Advancement with a particular focus on the continuing enhancement of our safeguarding provision and the transition to the use of CPOMS, a software solution for monitoring safeguarding;
- Ensure that the College remains 'future proof' and aligns effectively with market demand by exploring possibilities of establishing further income streams;
- Continue to meet the recommendations of the three-year Equality, Diversity & Inclusion (EDI) Development Plan and support the work and development of the Head of EDI;

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2023

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

- Increase funding and pastoral support for pupils under the aegis the Royal National Children's Springboard Foundation, Surrey County Council Looked After Children provision and Boarding Schools Partnerships and displaced pupils from Ukraine;
- Enable our Co-Curriculum to flourish and continue to promote our policy of 'no-one on the bench' and our pursuit of excellence in the form of national honours;
- Enable the completion of The Mermaid over the course of the academic year commencing September 2023 and facilitate a final push on supporting donations of the project.
- Following Mrs Pattison's death in February, Governors' focus changed to concentrating on "steadying the ship", appointing a new Head and reassuring parents, staff and pupils. No pupils left the College as a result of the tragedy.

Work on the above objectives has continued throughout, albeit mitigated by the need to undertake this in the context of recovering from the tragedy. Additionally, the Governing Body have focussed on the following areas with the College's Senior Leadership:

- Work on the appointments of key members of staff, namely, the 16th Head of the College and a new Bursar; the latter was appointed for August 2023.
- Work closely with the newly appointed Deputy Head: Pastoral and DSL with a particular focus on the continuing to support our pupils with their grief and trauma from the events of February. as well as supporting staff.

Principal Activities for the Year

The College provides an education to boys and girls aged 11 to 18 on its 72-acre site situated on the outskirts of Epsom, Surrey. At the end of the academic year Epsom College had 1,097 pupils (2022: 1,063), of which 28% were boarders (2022: 31%). 44% (2022: 44%) of the pupils were female.

Public Benefit Aims

The Governors recognise the College's broader responsibilities towards local communities, society and the environment, and staff and pupils are actively encouraged to expand their awareness, understanding and contribution to the wider society wherever possible.

Epsom College is committed to the aim of providing public benefit in accordance with its founding principles. In setting its aims the Governors have carefully considered and complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the benefit requirement under that Act.

The awarding of bursaries, scholarships and other awards is a measurable means of providing public benefit. The College is continuing its efforts to widen access to Epsom to talented youngsters with less financially fortunate families. 103 pupils in September 2023 (2022: 96) will now have the opportunity of an Epsom education, opened up through bursaries with help provided by the Education Trust, Epsom College Bursary Funds, The Old Epsomian Club and other generous benefactors. So far £2,418,000 (2022/23: £2,125,000) has been allocated to bursaries for the 2023/24 academic year.

All bursaries are awarded based on a proven financial need, and in 2023/24 the average bursary awarded to a pupil will be £23,477 per annum (2022/23: £22,138). Of the 103 pupils with a bursary 52% (2022: 57%) are in receipt of support covering at least 75% of the fees. All but seven of the recipients have been awarded 'access widening' bursaries, enabling children whose parents could not have otherwise afforded to enrol their child to start at Epsom College.

The College is an accredited member of the Royal National Children's SpringBoard Foundation, and will be fully supporting four pupils (2022/23: four pupils) from disadvantaged circumstances, increasing social mobility by widening access to boarding education and learning, adapting and sharing best practice with other SpringBoard schools. In addition, the College continues to work with Boarding Schools Partnerships, an organisation that works with local authorities to place vulnerable children in boarding schools. In September 2023, the College will again be fully funding five children under this scheme. Furthermore, the College is supporting two pupils who are attending school under the Ukrainian Placement Scheme.

Those pupils who attend the College and who receive financial support contribute to the school community in a variety of ways and so the benefit is not purely to these pupils but to the whole College and, in some cases, to the wider community.

In addition to financial assistance, the College has engaged in many other activities that provide benefits within the College's objectives. An area of continuing development is the building of closer links with schools within the Bourne Education Trust.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2023

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Public Benefit Aims (continued)

Also, facilities are regularly used by local clubs and local junior schools (Wallace Fields, Banstead Juniors, Danetree). The swimming pool is especially busy, occupied by many local learn-to-swim programmes and also training for local clubs Epsom and Leatherhead; the hockey Astroturfs are the venues for Epsom Hockey Club, Cheam Hockey Club and youth team sessions, and the cricket pitches for regional coaching and matches. We also provide facilities to Surrey Netball, Surrey Squash, Surrey Schools Badminton, Surrey Hockey and Surrey Cricket. Epsom pupils referee or lead groups of junior pupils and Epsom hosts the annual Surrey Schools' Squash tournament for state and independent school pupils.

Throughout the last year, a sum of over £10,000 was raised for causes including the Teenage Cancer Trust, Surrey Stands With Ukraine, Disasters Emergency Committee effort for humanitarian relief in Turkey and Syria, and Epsom & Ewell Food Bank. Additionally, the College continued its long-time support of Growbaby, distributing over 1,300 donated toys for needy families in the borough of Kingston each December.

The College's Service programme sends over 200 sixth form and lower school pupils into the local community to offer up to an hour of service per week to local community projects, local maintained schools, gardeners, foodbanks, hospitals, disabled groups and ad hoc seasonal projects, complemented by use of the College's facilities by local maintained infants, junior and special schools and IT assistance for various community groups.

The College hosted a landmark conference on Artificial Intelligence in Education in May 2023. Delegates from both state and independent schools enjoyed inspirational talks from leading industry experts and practitioners. A further conference on Wellbeing took place in the Summer Term, again attended by delegates from state and independent schools. This focused on bereavement and support for pupils and families post-tragedy.

The College remains at the forefront of innovation and has launched the Bourne-Epsom Protocol in conjunction with The Bourne Education Trust to ensure that AI will maximise the interests of all involved in education, students, teachers, support staff, parents, governors and the wider community. We will do so by ensuring that AI enhances human intelligence and experience, and does so in a way that above all is to the benefit of the most vulnerable – including those with the least means, additional learning needs and those from diverse backgrounds.

ACHIEVEMENTS AND PERFORMANCE

RMF

The RMF aims to help registered medical practitioners, and their widows/widowers and children, living in poverty or financial hardship within the United Kingdom. The section of the public that has the opportunity to benefit from the support of the RMF is quite considerable since, at 30 June 2023, there were over 363,000 medical practitioners registered with the General Medical Council (GMC). In addition, their widows/widowers and children are also eligible to apply. During the last financial year, the RMF's contact details were circulated to all registered medical practitioners by the GMC and are available to all Members of the GMC via their web site. Additionally, the RMF is part of both the Educational Trusts' Forum and the joint portal for Medical Charities.

The RMF supports its beneficiaries throughout the UK and our service is given free of charge. The direct cost of providing this service in 2023 was £52,220 (2022: £40,736) out of total administration expenses of £103,137 (2022: £91,120). In most cases, the RMF is contacted at a time of unforeseen crisis or tragedy and one of the greatest achievements of the RMF is to listen and help people when they are most vulnerable and do not know where else to turn. Examples of achievements during the year are given below.

Providing information and advice on organisations that may provide assistance

The Caseworker is Citizens Advice Bureau trained and an affiliate of the Institute of Money Advisers and can empower potential applicants to help themselves through the provision of information and advice on how to apply for current state welfare benefits. For example, a beneficiary with young children did not realise that they were eligible to receive government help with their nursery fees. On the Caseworker's advice the beneficiary applied for the government Tax-free childcare. They received 20% off their childcare costs which has enabled them to increase the hours of childcare required to ensure that they have the free time to complete their training.

The Caseworker also refers callers to other relevant charities who may be able to help. In the last year, many people including nurses, medical professionals and medical students were referred to other charities.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

The Caseworker offers comfort and support to beneficiaries. This is especially important for those who have no friends or family and are therefore extremely isolated. Usually, this involves a regular telephone call to vulnerable beneficiaries to check how things are going. For example, the Caseworker keeps in close contact with a vulnerable person who struggles immensely with their mental health. The person also struggles with completing forms and was initially very reluctant to apply for assistance. The caseworker guided the person with completion of the application form and the person was therefore able to make the much-needed application for assistance. The Caseworker continues to support the person by giving time to listen and give reassurance when the person calls in distraught moments.

This ongoing system of regular support is achieved through regular telephone calls and visits if required. The Caseworker is, therefore, able to monitor the wellbeing of the RMF's beneficiaries, and can refer a case back to the RMF Board should a financial need become apparent.

The provision of such information and support by the Caseworker is a fundamental part of the work of the Charity. It is not possible to distinguish between the amount of time spent purely on giving information, advice and support and that spent on assessing requests for financial assistance. The Trustees consider both equally important.

Providing financial assistance

The RMF provides means-tested financial assistance to alleviate the stress of poverty or financial hardship. Awards totalling £199,754 (2022: £157,226) were made during the year ended 30 June 2023, as shown below:

Number of beneficiaries	Type of Award	Amount Paid (£)
7	Regular payments to medical practitioners and their widows / widowers	12,600
34	Short-term payments or one-off grants where urgent assistance is required	107,541
5	Financial assistance with educational expenses	42,001
5	Financial assistance with educational expenses at Epsom College	37,612
48	TOTAL	199,754

Regular payments to medical practitioners and their widows / widowers. The RMF has continued to support a number of medical practitioners and their families who live in reduced circumstances. For example, the RMF has been assisting an elderly doctor, currently dealing with poor health. The doctor was becoming very stressed and worried about how they would manage the ever-increasing rise in utility bills. The regular monthly payment from the RMF has taken off some of the financial pressure from the doctor and they feel reassured that should further assistance be needed they are able to contact the caseworker at any time to discuss.

Short-term payments or one-off grants where urgent assistance is required. A relatively small amount of money paid can have a huge impact on our beneficiaries' lives. For example, assistance was given towards childcare for a family of a seriously ill baby who had to spend several months in hospital. This enabled the parents to travel daily to be with their baby, confident in the knowledge that their other children were being well-cared for.

Financial assistance with educational expenses. Family crisis can strike at any time and educational stability, especially during critical exam years, can be crucial. The RMF helps by providing assistance with educational costs where a change of circumstance puts the family into financial crisis and where they are unable to carry on with paying school fees or extras. For example, the RMF assisted a single-parent doctor towards the cost of school fees for her child, who has ADHD, who had to be moved to a private school after struggling to progress and remain in the state school they were attending. This provided the child the smaller class groups and the 1-2-1 support which has helped the child to finally settle in a school environment.

Section 172 (1) Statement

The RMF is not required to make a disclosure under section 172(1) of the U.K. Companies Act 2006, due to its status as a small company.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

Epsom College

Review of Achievements and Performance for the Year

The College enjoyed excellent A-level results in 2023 with 23% of grades A*s and 60% A*A. The grade distributions were returned to pre-pandemic levels this year and these results are among some of the best the College has ever achieved.

Overall, the A-level results were excellent and, of the 189 Leavers applying to University this year, over 90% have met the conditions for first and second choice institutions with 80% of students accepted at their first-choice university. Again, these entry levels are amongst the best the College has ever had.

At GCSE, the results were exceptional with 63% of all grades 9s and 8s and 83% 9s, 8s and 7s. These results are a College record for externally moderated examinations and demonstrates the progress the College has made over the past few years. Virtually all pupils achieved the grades they required to enter the Sixth Form.

Attaining academic achievement did not prejudice sporting and cultural activities this year. In sport there have been unprecedented successes at national level across a range of sports and both for teams and individually. The College prides itself on exceptional breadth of participation by boys and girls in an extensive fixture list against schools with a national reputation for sport. On average around 80% of the whole pupil roll play sport for the College across the year, with 95-100% in the younger groups.

The College's tri-service CCF remains one of the largest in the country and has produced several graduates and serving members of the armed forces across the years. The College also operates a high quality and vibrant Duke of Edinburgh programme, and has continued to see a significant increase in the number of pupils completing their silver and gold awards over the last few years. Similarly, participation and high levels of performance in Music and Drama is widespread, with excellence evident in the staging of plays and musicals such as 'Shrek', 'Tartuffe', 'Beauty and the Beast', 'The Comedy of Errors' and 'Matilda', as well as a wide range of high-quality weekly concerts and recitals by the broad range of musical groups and ensembles. All these are open to anyone to attend and are extremely popular. Individuals have also reached final stages of national competitions.

The Governors' commitment to maintaining the College's excellence has again been reinforced by the capital expenditure programme. Expenditure on capital work this year amounted to over £7.4m (2022: £6.7m).

Fundraising Performance

The fundraising activities of the College are coordinated and run through the Epsom College Development Department. Significant progress has been made this year in their ongoing work of raising voluntary funding for the College. Grants, donations and legacies donated through this department totalled £1,147,000 (2022: £1,151,000). The operating costs of the Development Department are paid for by the College. For this year, the performance of fundraising, on costs of £220,000 (including staff costs), was a ratio of 19.2% against the £1,147,000 voluntary income receivable by the Development Department. These figures exclude funds raised by pupils in support of other charities and the income given under gift aid by the trading subsidiary companies.

All fundraising activities for the College are carried out by the Development Office and College staff, with assistance from the alumni, parents and pupils for the running of specific fundraising events. The College does not use professional external fundraisers or have any commercial participators. All fundraising activities are managed by the Director of Development, with overall oversight by the members of the Fundraising Sub-Committee.

Under the Charities (Protection and Social Investment) Act 2016, the College is reporting that no complaints relating to fundraising activities have been received by the College during this financial year. However, the College has in place procedures that would be followed in the event of a complaint being received, with the initial response being the responsibility of the Director of Development under the Head and the Chair of the Sub-Committee. Any continuing issues would then be passed to the Chairman of the College Governing Body to determine what further action might be required. The College is a member of The Institute of Development Professionals in Education and the Council for Advancement and Support of Education and subscribes to the Fundraising Preference Service. It has voluntarily registered with the Fundraising Regulator and complies with the Code of Fundraising Practice. The College considers that it has set appropriate standards for the operation and management of its fundraising activities and these are outlined under its Code of Ethical Fundraising, which may be found on the College website. In particular, the College considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion on a person's privacy and that no fundraising activities would be unreasonably persistent or place undue pressure on a person to give money or other property.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

Section 172 (1) Statement

The Governors, as Directors, must act in accordance with a set of general duties. These duties are detailed in section 172(1) of the U.K. Companies Act 2006, which is summarised as follows: *'A Director of a Company must act in the way he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:*

- 1. The likely consequences of any decision in the long term*
- 2. The interests of the Company's employees*
- 3. The need to foster the Company's business relationships with suppliers, customers and others*
- 4. The impact of the Company's operations on the community and the environment*
- 5. The desirability of the Company maintaining a reputation for high standards of business conduct, and*
- 6. The need to act fairly as between members of the Company.'*

The Governors consider that they have fulfilled their duties in accordance with section 172(1) of the U.K. Companies Act 2006 and have acted in a way in which is most likely to promote the success of Epsom College for the benefit of its stakeholders as a whole in the following ways:

Pupils

Boarding and day pupils alike benefit from the College's award-winning pastoral provision with staff placing as much importance on pupils' personal development, lifelong friendships and camaraderie as they do on exam results. Pupils are actively encouraged to offer comments and suggestions on the operation of the school through committees, houses or tutor meetings, and this pupil voice is actively considered in decisions made by the Senior Leadership Team and Governors. The pupil centric focus continued during the year and specifically following the tragic death of Emma Pattison, recognising the challenges faced by pupils in coming to terms with this. Staff and external counsellors worked with individuals and groups of pupils to address any concerns. This has been supported by the creation of a pastoral action plan with short, medium and long-term actions and an external audit of co-educational provision.

The College's Personal and Social Development (PSD) programme has been significantly enhanced, particularly in Years 10 and 11 where more time has been given to the course. Modules have been refined and new modules introduced covering RSE, digital safety, spiritually & morality and physical wellbeing. These have been augmented to reflect emerging issues such as vaping, consent and Andrew Tait, and to help embed the College's values of kindness, ambition and integrity.

In October 2022 the College had its ISI progress monitoring visit and met all standards to make it fully compliant. While inspections can happen at any time we are now on the three-year cycle and anticipate the next ISI inspection to occur in during academic year 2025-2026.

In September 2022, Epsom College won two awards at the Independent School of the Year Awards: the Student Wellbeing award and the coveted overall prize of Independent School of the Year.

Employees

The College recognises that the qualities and skills of its employees and the commitment of its staff play a major role in the College's success. Weekly briefings keep staff informed of school wide developments, and there are opportunities for staff consultation with Governors, both formally and informally. Staff wellbeing has remained a key focus this year particularly following the tragic event in February. The College continues to offer support in the form of external counsellors as well as of trained teaching and support staff who had undertaken the mental health first aiders course and the appointment of new College Chaplain has added further care and energy to the College provision.

Parents

The College recognises the many benefits from engaging positively with parents; towards this end, the College publications highlight aspects of College life and provide an insight into the school, especially for parents of weekly and full boarders. The Thursday Post, sent out at 3pm each Thursday, consolidates all of the week's notices and announcements into a singular email and its focus remains with an internal audience concerning matters relating to the successful running of the College. In addition, The Brief continues to be sent on a Friday afternoon to approximately 3,300 subscribers and it is an important component of the College's marketing and PR. Parental attendance at events, co-curricular, Soirees, Founder's Day and Speech Day reached the highest levels on record; obviously, in part this reflects the growth of the school, however, it also indicates the strength and quality of the relationship that exists within the community.

Community

The College is proud of its place within the local community and endeavours to offer support and assistance where possible by sponsoring local sports clubs and offering opportunities for local schools and clubs to benefit from its excellent academic and

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

co-curricular facilities. This has included hosting a cricket day for pupils with a range of disabilities from specialist schools in the local area, assisted by 6th Form students, something we hope to expand each year towards an Olympics-style event. The mainly 6th Form Service Programme works with local charities and social organisations to identify ways in which the pupil body can best provide support and assistance. Although the 250-strong programme had to adapt during the COVID years to working in-school and producing services and goods for local schools and charities, it has returned as a hybrid operation, with over 150 pupils returning to work in the local community each week, with others continuing to contribute in-school to deliver services. The programme is an integral part of the College's partnership with local state schools and continues to grow in scale and scope, with Lower School pupils involved once again.

The College has endorsed the three-year Equality, Diversity and Inclusion Development Plan; progress has been pleasing and set targets have been met; the work undertaken has received wider recognition and the members of staff at the heart of the provision are regularly invited to speak at regional and national conferences.

Environmental Performance: Streamlined Energy and Carbon Reporting

In accordance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, the College presents its energy usage for the year under review.

	2023	2022
UK energy use <i>kWh</i>	8,648,099	8,665,890.56
Associated Greenhouse gas emissions <i>Tonnes CO2 equivalent (tCO2e)</i>	1,612	1,670
Intensity ratio <i>tCO2e per pupil</i>	1.5	1.6

During the year, the College continued to upgrade the lighting from florescent tubes to LEDs and install dimmer switches and PIR light controls; this is an ongoing rolling programme. A contractor has been engaged to survey and upgrade all remaining lighting systems to LED and advise on any further measures we can take to save energy.

Other measures adopted include installation of check meters of the main water supply to mitigate leaks and save on water consumption. For utility consumption, the plan to replace heating systems with more energy efficient alternatives is underway and an air-source heat pump has replaced a gas boiler in one of the boarding houses.

Additional electric vehicle (EV) charging points have been installed on site during the year. Also, enabling works were completed to increase the number of general EV points to fulfil demand for charging points and also in preparation for replacing some of the

minibus fleet with electric vehicles at the end of the current contract. The College vehicle fleet relies on 17-seater minibuses and, if and when, they become available in an electric version, we will look to exchange the fleet and utilise electric charging further.

In addition, electric vehicles are being used increasingly on site instead of petrol/diesel vehicles. The take up of electrical vehicles and the use of the EV has been minimal but the infrastructure is in place to expend when required.

The data includes electricity and gas used across the College campus and consumption of fuel used in College owned or leased vehicles or that used by staff in their own vehicles on College business. This data includes usage arising from the activities of Epsom College Enterprises Ltd. The electricity and gas data were gathered directly from supplier meter records and invoices, with fuel consumption data being gathered from vehicle mileage records. Domestic residences on the College site that are responsible for their own energy usage and bills are excluded from this report. The fuel consumption does not include daily staff or pupil commuting, however it does include College run transport to and from certain College activities and events, such as sports fixtures and community service activities.

Calculations were made in accordance with the GHC Protocol Corporate Accounting and Reporting Standard; further information on this protocol can be found here: <https://ghgprotocol.org/corporate-standard>. All the business activities included were converted into carbon emissions using the DEFRA 2021 published emissions factors. No mandatory emissions have been excluded from this report.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2023

FINANCIAL REVIEW

Results for the year

The Statement of Financial Activities reveals a surplus of £5,143,000 (2022: £3,419,000). The surplus for the financial year exceeded forecast expectations, primarily due to funding secured from individuals to support pupils during their time at the College, and a number of other factors including strong ancillary and tight control over costs.

Within the total surplus, gains of £826,000 arose in respect of Endowed Funds (2022: losses £1,145,000) and losses of £2,465,000 (2022: gains £605,000) arose in respect of Restricted activities after donations raised of £2,899,000 in respect of the newly-completed 6th Form Centre, the Mermaid, have been transferred to unrestricted reserves. Including this transfer, a surplus of £6,782,000 arose in respect of Unrestricted activities (2022: £3,959,000). The Balance Sheet of the Charity remains strong and in line with Council's expectations given the investment in fixed assets.

The principal funding source of the Charity continues to be school fees receivable. This income is used directly to support the primary objectives of the Charity disclosed on Pages 2 and 3 above.

Investment Performance

At the year-end, the Charity's long-term investments totalled £16.8m (2022: £16.6m). The investments generated investment income of £521,000 (2022: £500,000) during the year. The year-end valuation of invested funds resulted in net gains on investments of £340,000 (2022: losses of £1,699,000) being recognised in the Statement of Financial Activities.

In assessing performance, the JIC use various indices as a means of evaluating both the investment adviser in terms of performance against their competitors and the trust funds against returns achieved by other UK charities of the same size. In the past year, the Charity has been above the mean average and the JIC are satisfied with this performance.

Reserves policy

RMF

The Trustees make every effort to distribute the maximum amount that they are able, by awarding grants to any beneficiary who has a proven financial need and who falls within their criteria. In recent years, the RMF has been able to support all eligible applicants. Through the Trustees and Caseworker, the RMF liaises closely with other medical charities and the Educational

Trusts Forum to maximise the ability of the Charity to identify qualifying beneficiaries. The RMF details are also available on various web sites, through which many enquiries for assistance are generated. Awards are met from the resources of the Charity, which is supported by donations and bequests from Local Medical Committees, Medical Charities, Medical Organisations and individual Medical Practitioners.

Total reserves at 30 June 2023 are £8,936,431 (2022: £8,840,641) and unrestricted reserves held by the RMF are £2,553,476 (2022: £2,583,542). The Trustees have reviewed the reserves policy and recognise that there are substantial undistributed reserves. The planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on investment income and planned expenditure. The Trustees take the view that the level of reserves is appropriate to meet the RMF's annual obligations on a fund-by-fund basis and to ensure financial stability. Undistributed reserves are invested to increase income to enable more beneficiaries to be helped in the future and our cash deposits could easily be drawn down should working capital be required. The accounts have therefore been prepared on the basis that the charity is a going concern.

Epsom College

The College and its subsidiaries currently hold minimal free reserves. This is because the College continues to invest its unrestricted surpluses, over the years, into the College campus and educational facilities. This investment is vital to the long-term sustainability of the College. The College is able to operate using this model, due to the significant cash generated throughout the year via school fees, which, along with the banking facilities, provides the required working capital to operate during the year, and to manage any short-term income volatility. The Governors have reviewed this position and consider it remains appropriate.

The Epsom College Group's total reserves of £38.7m (2022: £33.6m) at the year-end is represented by £6.6m (2022: £5.8m) of endowed funds, £3.7m (2022: £6.2m) of restricted funds and £28.4m (2022: £21.6m) unrestricted funds. There are currently free reserves in the Group of £16,000 (2022: £16,000) and none in the College (2022: nil) as funds continue to be invested in tangible fixed assets.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2023

FINANCIAL REVIEW (continued)

Epsom College (continued)

In terms of demand and pupil numbers, the impact of the tragic events in February on the school appears to be minimal. At the time of approving these financial statements, the College has not seen any material reduction in prospective pupil numbers. The Governors continue to be satisfied that external financial facilities provide an additional and adequate safety net, if it should be required and, therefore, have no concerns regarding going concern of the College. The Going Concern policy, found in Note 1(q) to the Financial Statements expands on the reasons for this conclusion.

A pension liability of £28,000 (2022: £47,000) arising from the College's obligations as a member of The Pension Trust (historic defined benefit pension scheme) exists at the year-end date. A funding agreement is in place with The Pensions Trust and the College has sufficient resources to meet the future funding requirements.

PRINCIPAL RISKS AND UNCERTAINTIES

RMF

The RMF has a register of major potential risks for the charity and the RMF Board regularly examines the principal areas of the Charity's operations and considers what major risks may arise in each of these areas. In the opinion of the Trustees, the Charity has established procedures and review systems to manage these risks, the principal risk being a reduction in investment income which could jeopardise the amounts available for beneficiaries.

Epsom College

The College maintains a Risk Register which is reviewed annually by the Board of Governors with a view to ensuring that the charitable objectives of the College are achieved in the short, medium and longer term, and that the risks of the trading subsidiaries are understood and managed. The principal risks for the forthcoming academic year are as follows:

- **Political change:** a change of government at the next general election is looking increasingly likely, though not guaranteed. Whilst the Labour Party have stated they will not remove charitable status from independent schools, they have committed to implement VAT on school fees and to remove business rates relief;
- **Cost of living increases:** the cost-of-living crisis and increased inflation impacts the costs incurred by schools for goods and services, the wellbeing of staff and the ability of parents to pay school fees.
- **Pension and pay:** this continues to have financial implications and remains under constant review;
- **Health, Safety and Wellbeing:** the health, safety and wellbeing of our pupils, staff and community remains our utmost priority;
- **Pupil numbers:** could be at risk because of rising fees, the potential addition of VAT and increased financial pressure on parents.

The key controls used by the Governors to manage risk include:

- Formal agenda and minutes for the Committee and Board activities;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear authorisation and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable; and
- Consideration of the recent recommendations of any ISI inspections.

Through the risk management process established for the College and its subsidiaries, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute assurance that major risks have been adequately managed. The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for both the College and its subsidiaries

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

REPORT OF THE COUNCIL (CONTINUED)

YEAR ENDED 30 JUNE 2023

FUTURE PLANS

RMF

The RMF Trustees recognise that life in the charitable sector is tough, particularly for a small charity with such a focused operation. With a portfolio of investments where fund values are directly affected by market conditions, the Trustees are conscious of the continuing need to reduce overhead costs to the minimum, in particular those associated with administration, and the need to maximise income from its investments and other sources.

The Trustees believe that the Charity has a sound financial basis upon which to build for the future. We will continue to strengthen the RMF's profile and to develop existing services yet further to reach and help the medical community. The Board are sure that the charity's founder, Dr John Propert, would heartily approve of the efforts of the Foundation over the last year and would be content that the RMF is meeting the moral and legal obligations that it owes to its beneficiaries and to its benefactors.

Epsom College

Over the course of the coming academic year the following aspects of school development will receive particular attention:

- Establish a new Strategy for the College with an associated Development Masterplan;
- Appoint the 16th Head in succession to Sir Anthony Seldon;
- Assist the new Bursar to settle effectively and efficiently into their new position;
- After the tragedy in February 2023, continue to support staff and pupils and ensure confidence in Epsom College;
- Ensure that the College remains 'future proof' and aligns effectively with market demand by exploring possibilities of establishing further income streams;
- Continue to meet the recommendations of the three-year EDI Development Plan and support the work and development of the Head of EDI;
- Review and continue to improve the structure and effectiveness of data and information technology systems at the College;
- Increase funding and pastoral support for pupils under the aegis of the Royal National Children's Springboard Foundation, Surrey County Council Looked After Children provision and the Boarding Schools Partnerships and displaced pupils from the Ukraine;
- Continue to build upon the marked success of our Co-Curriculum programme both in terms of high participation levels and the success achieved by the College at County and National level;
- Continue to inform and identify best practice and to emphasise the importance of safeguarding and enhancing pupil wellbeing throughout the College community by engaging in externally sourced audits and reviews;
- Ensure all National Minimum Standards are met and the College remains at the forefront of pupil safeguarding and wellbeing;
- Continue to enhance the role of Epsom in the wider academic community with more conferences and guest speaker events.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under Charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principle in the Charities SORP;
- make judgements 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 Charity will continue in business.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2023

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES (continued)

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

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

DISCLOSURE OF INFORMATION TO AUDITOR

Insofar as each of the Trustees at the date of approval of this report is aware, there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each member of Council has taken all the steps that he or she ought to have taken as a member of Council in order to make himself or herself aware of the relevant audit information and to establish that the charity's auditor is aware of that information.

COUNCIL MEMBERSHIP

The following Members are standing down in rotation at the Annual General Meeting but are eligible and recommended for re-election for a term of three years:

Dr H H Bowen-Perkins, Mr G P Pincus and Mrs K Thomas.

AUDITOR

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor and a general resolution proposing reappointment will be submitted to the forthcoming Annual General Meeting.

Approved by Members of Council present at a meeting on 8th November 2023 and signed on its behalf by:

Mrs K Thomas
Chair



INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

Opinion

We have audited the financial statements of the Royal Medical Foundation of Epsom College ('the charity') and its subsidiaries ('the group') for the year ended 30 June 2023 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including 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 group's and the parent charity's affairs as at 30 June 2023 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE (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 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, set out on page 14, 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 group and the parent 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

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts 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 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were the General Data Protection Regulation, Health and Safety legislation, Employment and Education (Independent School Standards) Regulations 2014.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the assumptions and volatility of valuation data used to value the financial instruments and derivatives, the procurement processes for significant capital projects, grant expenditure and the override of controls by management for all entities. Our audit procedures to respond to these risks included enquiries of management, and The Council of the Royal Medical Foundation of

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE (CONTINUED)

Epsom College about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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

Crowe UK LLP

Date: 27 November 2023

Crowe U.K LLP
Statutory Auditor
Cheltenham

Crowe U.K LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Unrestricted £'000	Restricted £'000	Endowed £'000	Total 2023 £'000	Total 2022 £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities						
School fees receivable	2	30,816	-	-	30,816	29,218
Ancillary trading income	3	2,300	-	-	2,300	1,859
Other trading activities						
Non-ancillary trading income	4	636	-	-	636	378
Other activities	4	200	-	-	200	200
Investments						
Investment income		97	424	-	521	500
Bank interest		67	8	-	75	14
Voluntary sources						
Grants and donations	6	2	1,321	-	1,323	1,446
TOTAL BEFORE FINANCE INCOME		34,118	1,753	-	35,871	33,615
Change in fair value of derivatives	5	1,858	-	-	1,858	1,294
TOTAL INCOME		35,976	1,753	-	37,729	34,909
EXPENDITURE ON:						
Raising funds						
Non-ancillary trading	7	194	-	-	194	135
Financing costs	7,8	579	-	-	579	535
Investment management	7	12	15	48	75	80
Fundraising and development	7	220	-	-	220	166
TOTAL DEDUCTIBLE COSTS		1,005	15	48	1,068	916
CHARITABLE ACTIVITIES						
Education and grant making	7	31,140	718	-	31,858	29,000
TOTAL EXPENDITURE	7	32,145	733	48	32,926	29,916
NET INCOME/(EXPENDITURE) FROM OPERATIONS						
		3,831	1,020	(48)	4,803	4,993
Transfer between fund		2,899	(3,555)	656	-	-
(Losses)/gains on investments	11	51	70	218	339	(1,699)
NET INCOME FOR THE YEAR		6,781	(2,465)	826	5,142	3,294
Pension scheme actuarial losses	21	1	-	-	1	125
NET MOVEMENT IN FUNDS		6,782	(2,465)	826	5,143	3,419
Fund balances brought forward at 1 July	20	24,196	7,062	11,220	42,478	39,059
FUND BALANCES CARRIED FORWARD AT 30 JUNE	20	30,978	4,597	12,046	47,621	42,478

The notes on pages 23 to 42 form part of these financial statements

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
GROUP AND CHARITY BALANCE SHEETS
AT 30 JUNE 2023

	Notes	Group 2023 £'000	Group 2022	Charity 2023 £'000	Charity 2022 £'000
FIXED ASSETS					
Tangible assets	10	38,283	33,874	38,261	33,852
Investments	11	16,765	16,512	16,840	16,587
Derivatives	12	3,230	1,435	3,230	1,435
		58,278	51,821	58,331	51,874
CURRENT ASSETS					
Stock		48	51	45	47
Debtors	13	2,554	1,192	2,938	1,680
Cash and deposits		13,024	11,929	12,269	11,331
		15,626	13,172	15,252	13,058
CURRENT LIABILITIES					
Creditors payable within one year	14	(10,006)	(7,396)	(9,701)	(7,351)
		5,620	5,776	5,551	5,707
TOTAL ASSETS LESS CURRENT LIABILITIES					
		63,898	57,597	63,882	57,581
LONG TERM LIABILITIES					
Creditors payable after one year	15	(16,277)	(15,119)	(16,277)	(15,119)
		47,621	42,478	47,605	42,462
ENDOWED FUNDS					
	19,20	12,046	11,220	12,046	11,220
RESTRICTED FUNDS					
	19,20	4,597	7,062	4,597	7,062
UNRESTRICTED FUNDS					
	19,20	30,978	24,196	30,962	24,180
		47,621	42,478	47,605	42,462

The net result of the charity for the year, included within the financial statements, was a surplus of £5,143,000 (2022: £3,419,000).

Approved and authorised for issue by Members of Council present at a meeting on 8th November 2023 and signed on their behalf by:



A. J. Pianca
Treasurer

The notes on pages 23 to 42 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 £'000	2022 £'000
Cash flows from operating activities			
Net cash provided by operating activities	(i)	6,825	7,344
Cash flows from investing activities:			
Dividends and interest from investments		521	500
Payments for tangible fixed assets		(7,675)	(6,735)
Change in cash awaiting investment		86	78
Proceeds on sale of tangible fixed assets		7	9
Net cash used in investing activities		(7,061)	(6,148)
Cash flows from financing activities:			
Repayment of borrowing		(370)	-
Cash inflows from new borrowing		2,026	4,123
Movement in finance leases		(59)	(60)
Finance costs paid		(722)	(403)
New fees in advance money		1,933	1,239
Fees in advance money utilised		(1,477)	(1,321)
Net cash provided by financing activities		1,331	3,578
Change in cash and cash equivalents in the reporting period		1,095	4,774
Cash and cash equivalents at the beginning of the reporting period		11,929	7,155
Cash and cash equivalents at the end of the reporting period	(ii)	13,024	11,929

The notes on pages 23 to 42 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023

(i) Reconciliation of net income to net cash flow from operating activities

	2023 £'000		2022 £'000
Net income for the reporting period (as per the statement of financial activities)	4,803		4,993
Investment income	(521)	(500)	
Other finance income	(1,858)	(1,356)	
Finance costs	579	535	
Depreciation charges	3,266	3,135	
Loss on disposal of assets	(7)	5	
Decrease / (Increase) in stock	3	(18)	
(Increase) / decrease in debtors	(1,362)	(351)	
Increase in creditors (excluding fees in advance)	1,922	901	
	2,022		2,351
Net cash provided by operating activities	6,825		7,344

ii) Analysis of cash and cash equivalents

	2023 £'000		2022 £'000
Cash in bank	9,040		11,459
Cash in hand	14		14
Notice deposits (less than 3 months)	3,970		456
Total cash and cash equivalents	13,024		11,929

iii) Analysis of changes in net debt

	1 July 2022 £'000	Cash flows £'000	Non-cash changes	30 June 2023 £'000
Cash in bank	11,459	(2,419)	-	9,040
Cash in hand	14	-	-	14
Notice deposits	456	3,514	-	3,970
Cash and cash equivalents	11,929	1,095	-	13,024
Bank loans falling due within one year	(103)	-	(549)	(652)
Bank loans falling due after more than one year	(13,014)	(2,026)	1,062	(13,978)
Finance lease obligations due within one year	(59)	59	(61)	(61)
Finance lease obligations due after more than one year	(130)		61	(69)
Total borrowings and finance lease obligations	(13,306)	(1,967)	513	(14,760)
Net debt	(1,377)	(872)	513	(1,736)

The notes on pages 23 to 42 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

1. ACCOUNTING POLICIES

The principle accounting policies adopted and critical areas of judgement are as follows:

a) Basis of Preparation of the Financial Statements

The financial statements have been prepared on the historical cost basis of accounting, as modified by the revaluation of investment investments, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, the Charities SORP (FRS 102) and the accounting policies set out below.

The functional currency of the Charity is considered to be pounds sterling as that is the currency of the primary economic environment in which the Charity operates. The financial statements are also presented in pounds sterling.

The financial statements consolidate, on a line-by-line basis, all funds of the RMF and the College together with the financial statements of its wholly owned subsidiaries, Epsom College Enterprises Limited (company number 01066747), Epsom College Overseas Limited (company number 07562826) and Epsom College Transport Limited (company number 12437332) that are prepared for the same period. No separate Statement of Financial Activities has been prepared for the College alone, as permitted by Section 408 of the Companies Act 2006. The College has taken advantage of the exemption available to a qualifying entity in FRS 102 from requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

The Charity is a public benefit entity and is registered as a charity in England and Wales (charity number: 312046). It was established by an Act of Parliament of 1855. The Charity is domiciled in the UK and the address of the registered office is Epsom College, College Road, Epsom, KT17 4JQ.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods. Bank loans are amortised using the effective interest rate method.

In the view of the Trustees, with the exception of pension liabilities (see note 21), no assumptions concerning the future or estimation uncertainly affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

b) Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the College against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

c) Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

1. ACCOUNTING POLICIES (Continued)

d) Donations, legacies, grants and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Charity is considered probable.

Voluntary income for the Charity's general purpose is accounted for as "Unrestricted Funds". Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

Grant income is recognised when there is evidence of entitlement, the receipt is probable and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

e) Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for long-term liabilities. Expenditure attributable to more than one cost category in the SOFA is appropriated to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements as well as Trustee training.

f) Tangible fixed assets and depreciation

Expenditure of the acquisition, construction or enhancement of land and buildings, vehicles, furniture, machinery, ICT infrastructure and equipment and other equipment costing more than £500 are capitalised and carried in the balance sheet at historical cost. Other expenditure on equipment incurred in the normal day-to-day running of the Charity is charged to the Statement of Financial Activities as incurred.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal instalments over their expected useful economic lives. The current depreciation rates are as follows:

New buildings	2 – 4%
Freehold and leasehold improvements and renovations	2 – 20%
Furniture, machinery and equipment	10 – 25%
Motor Vehicles	25%

Buildings outside the grounds of Epsom College have been included at their 30 June 1995 valuation. Costs associated with buildings in the course of construction have not been depreciated pending completion of the work.

g) Investments

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated the appropriate fund according to the "ownership" of the underlying assets.

Investments in subsidiaries are valued at cost less provision for impairment.

h) Stock

Stock represents goods for resale and is valued at the lower of cost or estimated selling price.

i) Debtors

Short term debtors are measured at transaction price (e.g. value of school fees billed but not yet paid), less any impairment.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

ACCOUNTING POLICIES (continued)

j) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities including bank loans, are measured at fair value, net of transactions costs, and are measured subsequently at amortised cost using the effective interest method.

Pupil fee deposits held by the school: Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The school does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held are included within current liabilities.

k) School fees in advance

In addition to the school fees, which are payable one term in advance, the College accepts fees for longer periods. These longer-term fees paid in advance are credited to income when the fees are due. In consideration of the lump sum received the scheme provides for a discount to be applied towards the cost of education.

Amounts received under the College's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

l) Provisions for liabilities

Provisions are recognised when the Charity has a present obligation (legal or constructive) as a result of a past event, it is probable that the Charity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in the Statement of Financial Activities ("SOFA") in the period it arises.

The Charity recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

m) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Charity. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at fair value of the leased asset (or, if lower, the present value of the minimum lease payments) at inception of the lease. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

ACCOUNTING POLICIES (Continued)

n) Fund accounting

Charitable trust funds are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the Charity's corporate reserves, spendable at the discretion of the Trustees either to further the Charity's Objects or to benefit the Charity itself. Where the Trustees decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts and legacies where there is no capital retention obligation or power but only a trust law restriction to some specific propose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the Charity (e.g. freehold land) or for its financial benefit (i.e. by investment).

Expendable endowment funds can be converted into income for spending with at the Trustees own discretion or else upon the happening of some event contemplated by the donor.

o) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with exception of investments which are held at fair value.

Financial assets held at amortised cost comprise cash at bank and in hand, together with all debtors other than prepayments and tax recoverable. A specific provision is made for any debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and fees received in advance.

Derivatives are not basic financial instruments. These are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at the balance sheet date. Changes in fair value are recognised in the Statement of Financial Activities in finance costs or finance income as appropriate.

Derivatives classified as liabilities have been split between due with one year and after one year based on the future estimated cashflows.

p) Pension costs

Retirement benefits to employees of the Charity are provided through three pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme

This is a multi-employer pension scheme and it is not possible to identify the Charity's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, the College accounts for the scheme as if it were a defined contribution scheme. The Charity's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

Pensions Trust

Contributions are paid, in respect of non-teaching staff, to the Pensions Trust into a defined contribution scheme. Contributions for current employees are generally at a rate equivalent to 7% of annual basic pay for those in the existing scheme and 4% for those who were auto-enrolled from the Charity's staging date of 1 January 2014.

The Charity previously contributed to a Pension Trust defined benefit scheme. A liability exists in relation to the deficit funding for this historic scheme.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

ACCOUNTING POLICIES (Continued)

p) Pension costs (continued)

The historic defined benefit scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standard issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Retiring Pensions Fund

The Charity also pays post-employment benefits to certain former members of staff and their relatives. This was previously paid from a designated, separately invested fund, which was divested during the year. The College now pays these benefits from operating income. The Fund is invested separately from all other funds.

q) Going concern

The preparation of financial statements requires an assessment of the validity of the going concern assumption, this being dependent upon the availability of adequate financial resource to allow the Group and Charity to continue in operational existence for the foreseeable future.

The income expected to be available depends most importantly upon an estimate of pupil numbers and their boarding mix as well as investment income. At the time of approving these financial statements the College is experiencing increased pupil numbers compared with prior years. The College has considered the effects of a small reduction in pupil numbers on the financial forecasts, taking account of current cash reserves, banking facilities and the College's ability to rescale its operations accordingly. There are currently adequate cash balances and banking facilities in place to ensure that the College can meet its obligations through this period of uncertainty.

The Trustees have reviewed budgets and projected cash flows and are confident that with the continued support of existing bank funding levels the Group and Charity will have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of the financial statements. Consequently, the Trustees consider it appropriate to prepare the financial statements on the going concern basis.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

2.	CHARITABLE ACTIVITIES – FEES RECEIVABLE	2023	2022
		£'000	£'000
	Fees receivable consist of:		
	School fees	33,035	30,996
	Less: Scholarships, bursaries and other awards	(2,714)	(2,403)
		30,321	28,593
	Add back scholarships and grants paid out of restricted funds	495	625
		30,816	29,218

Scholarships and grants paid out of restricted funds is the total restricted expenditure on grants and awards made during the year. In previous years, only restricted expenditure on grants and awards that was funded by investment income was included here, and funding from other sources was netted against the cost of scholarships, bursaries and other awards in note 2. Comparative figures above have been restated.

3.	CHARITABLE ACTIVITIES – OTHER INCOME	2023	2022
		£'000	£'000
	Ancillary trading income		
	Entrance and registration fees	164	161
	Additional charges to pupils	2,093	1,598
	Insurance commission	-	4
	Other	43	96
		2,300	1,859

4.	OTHER TRADING ACTIVITIES	2023	2022
		£'000	£'000
	Non-ancillary trading income		
	Epsom College Enterprises Ltd	347	308
	Courses and lettings	142	70
	Insurance claim	147	-
		636	378
	Other activities		
	Epsom College Overseas Ltd - royalties	200	200

Trading subsidiaries

Epsom College Enterprises Ltd: the aggregate amount of its assets, liabilities and funds as the end of the reporting period were £91,491 (2022: £91,491). It had turnover of £346,577 (2022: £308,529), expenditure of £145,853 (2022: £114,342) and a profit of £200,724 (2022: £194,187) for the reporting period.

Epsom College Overseas Ltd: the aggregate amount of its assets, liabilities and funds as the end of the reporting period were £100 (2022: £100). It had turnover of £200,000 (2022: £200,000), expenditure of £14,123 (2022: £3,671) and a profit of £185,877 (2022: £196,329) for the reporting period.

Epsom College Transport Ltd: the aggregate amount of its assets, liabilities and funds at the end of the reporting period were £100 (2022: £100). It had turnover, derived from transport services provided to Epsom College, of £240,055 (2022: £184,873), expenditure of £206,002 (2022: £159,350) and a profit of £34,053 (2022: £25,523) for the reporting period.

5.	FINANCE INCOME	2023	2022
		£'000	£'000
	Change in fair value of derivatives	1,858	1,294
		1,858	1,294

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

6. GRANTS AND DONATIONS RECEIVABLE

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2023 £'000	Total 2022 £'000
Donations to Royal Medical Foundation	2	-	-	2	2
Donations to the College for other charities, bursaries, fixed asset purchases and other purposes	-	137	-	137	426
Donations to the Epsom College Education Trust for the development of educational facilities and activities of the College	-	1,148	-	1,148	916
Other Donations	-	36	-	36	-
Government Grants	-	-	-	-	102
	2	1,321	-	1,323	1,446

During the year ended 30 June 2023 two Governors made total donations of £12,321 to the College for the development of educational facilities (2022: six Governors donated £120,000 in total).

7. ANALYSIS OF TOTAL EXPENDITURE

(a) Total expenditure

	Staff Costs £'000	Other Costs £'000	Depreciation £'000	2023 Total £'000	2022 Total £'000
Raising funds					
Trading costs	-	184	10	194	135
Fundraising costs	146	74	-	220	166
Investment management	-	75	-	75	80
Financing costs (note 8)	-	579	-	579	535
Total raising funds	146	912	10	1,068	916
Charitable activities					
Teaching	12,105	2,949	37	15,091	13,332
Welfare	3,763	2,006	-	5,769	5,328
Premises	465	2,741	2,555	5,761	5,125
Support and governance costs	1,782	2,043	664	4,489	4,402
Grants, awards and prizes	-	748	-	748	813
Total charitable activities	18,115	10,487	3,256	31,858	29,000
Total expenditure	18,261	11,399	3,266	32,926	29,916

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

(b) Governance included in support costs

	2023	<i>2022</i>
	£'000	<i>£'000</i>
Remuneration paid to auditor for audit services	71	55
Remuneration paid to auditor for assurance services	3	3
	<u>74</u>	<u>58</u>

Remuneration paid to auditor for audit services and assurance services exclude irrecoverable VAT.

Remuneration paid to the auditor of the trading subsidiaries for audit services are included, net of VAT, within Trading costs and amount to £12,800 (2022: £10,885).

Remuneration paid to the auditor of the trading subsidiaries for tax services was £4,550 (2022: £7,100).

8. FINANCE COSTS

	2023	<i>2022</i>
	£'000	<i>£'000</i>
School fees in advance financing costs	148	43
Bank borrowings financing costs	589	416
Interest rate swap (income)/costs	(159)	75
Pension scheme financing costs	1	1
	<u>579</u>	<u>535</u>

9. STAFF COSTS

	2023	<i>2022</i>
	£'000	<i>£'000</i>
The aggregate payroll costs for the year were as follows:		
Wages and salaries	14,680	13,497
Social security costs	1,579	1,440
Pension contributions	2,001	1,866
	<u>18,260</u>	<u>16,803</u>
Aggregate employee benefits of key management personnel	<u>1,645</u>	<u>1,510</u>

The average number of employees during the year was:

	2023	<i>2022</i>
	No.	<i>No.</i>
Teaching (including teaching support staff)	127	122
Other	325	317
	<u>452</u>	<u>439</u>

None of the Trustees, or persons connected with them, received any remuneration during the year. Travel expenses of £1,613 were reimbursed to one governor during the year (2022: £74).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

9. STAFF COSTS (continued)

The number of employees who received remuneration of £60,000 or greater, in the following bands, was:

	2023	2022
£60,001 - £70,000	34	36
£70,001 - £80,000	19	14
£80,001 - £90,000	9	4
£90,001 - £100,000	1	-
£100,001 - £110,000	2	1
£120,001 - £130,000	-	2
£160,001 - £170,000	1	-
£260,001 - £270,000	-	1

The number with retirement benefits accruing in the Teachers' Defined Benefit and Non-Teachers' Defined Contribution Schemes was 55 and 9 respectively (2022: 50 and 8). The relevant amount of contributions in respect of the Non-Teachers' Scheme was £56,070 (2022: £48,866).

Redundancy payments of £4,996 were made during the year (2022: £2,163). There were no settlement payments made during the year (2022: £26,373). There were no outstanding payments at the year-end (2022: nil).

10. TANGIBLE FIXED ASSETS - CHARITY AND GROUP

	Charity				Charity Total	Subsidiary		Group Total
	Land & Buildings	Assets Under Construction	Plant, Machinery & Vehicles	Fixtures & Equipment		Fixtures & Equipment		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Cost or frozen valuation								
<i>At 1 July 2022</i>	64,223	6,136	1,858	5,749	77,966	63	78,029	
Additions at cost	2,562	4,271	141	691	7,665	10	7,675	
Transfers	10,407	(10,407)	-	-	-	-	-	
Disposals	-	-	-	(1,018)	(1,018)	-	(1,018)	
At 30 June 2023	77,192	-	1,999	5,422	84,613	73	84,686	
Depreciation								
<i>At 1 July 2022</i>	38,101	-	1,661	4,352	44,114	41	44,155	
Charge for the year	2,457	-	102	697	3,256	10	3,266	
Eliminated on disposals	-	-	-	(1,018)	(1,018)	-	(1,018)	
At 30 June 2023	40,558	-	1,763	4,031	46,352	51	46,403	
Net book value								
<i>At 1 July 2022</i>	26,122	6,136	197	1,397	33,852	22	33,874	
At 30 June 2023	36,634	-	236	1,391	38,261	22	38,283	

Included in additions is £1.25m in respect of a new property for staff accommodation. Contracts had been exchanged at the year end and the transaction completed in July 2023.

The amount of expenditure on buildings up to 31 December 1955 is unascertainable and is not considered to be material to these financial statements. Expenditure since that date has been capitalised in the balance sheet.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

10. TANGIBLE FIXED ASSETS - COLLEGE AND GROUP (Continued)

Included in Land & Buildings are properties outside the College grounds. These were first capitalised in the balance sheet as at 30 June 1995 at their market value of £2,060,771 at that date. Additions since then have been included at cost. Chartered Surveyors carried out an independent valuation of freehold properties outside the College grounds as at 30 June 1995 on the assumption that vacant possession was immediately available. Properties comprising sub-divided flats were valued on the assumption that the individual flats had the benefit of 99 year leases at peppercorn ground rent and that an acceptable management and service agreement was in place. No structural survey or legal searches were carried out.

The total net book value of fixtures & equipment of the College of £1,391,000 (2022: £1,397,000) includes £81,120 (2022: £156,000) held under finance lease. Depreciation charged on these assets amounted to £74,880 (2022: £74,880).

All tangible fixed assets are held for use in charitable activities.

11. INVESTMENTS

a) Group and Charity Investment movements	Total 2023 £'000	Total 2022 £'000
Group investments as at 1 July	16,512	17,789
New capital introduced	-	500
Change in cash awaiting investment	(86)	(78)
Realised gains/(losses)	165	(1,520)
Unrealised (losses)/ gains	174	(179)
Group investments at 30 June	16,765	16,512
Investment in subsidiaries	75	75
Charity investments at 30 June	16,840	16,587
b) Investment analysis	2023 £'000	2022 £'000
Fixed interest stocks and bonds	2,914	2,403
UK equities	4,471	5,508
Worldwide equities	8,608	7,356
Alternative investments	772	1,245
Group investments	16,765	16,512
Investment in subsidiaries	75	75
Charity investments	16,840	16,587

12. DERIVATIVES

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Financial instruments	3,230	1,435	3,230	1,435

The College has derivative arrangements to protect against interest rate volatility over the period of repayment of its loan facilities. Further information on the interest rate swap arrangements is found in Note 15.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

13. DEBTORS	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Fees and extras	275	335	275	335
Trade debtors	28	36	-	-
Sundry debtors	1,281	65	1,281	56
Prepayments and accrued income	970	756	965	751
Amounts due from subsidiary companies	-	-	417	538
	2,554	1,192	2,938	1,680

All debtors are due within one year.

14. CREDITORS PAYABLE WITHIN 1 YEAR	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Deposits from fee payers	2,701	2,133	2,701	2,133
Bank loans and overdrafts	652	103	652	103
Finance lease	61	59	61	59
Trade creditors	875	741	865	731
Taxation and social security	412	415	422	415
Other creditors, accruals and deferred income	3,537	2,144	3,232	2,110
School fees in advance scheme (see note 16)	1,255	1,137	1,255	1,136
Pension deficit funding (see note 21)	19	19	19	19
Holiday pay accrual	494	645	494	645
	10,006	7,396	9,701	7,351

Deposits from fee payers, under normal circumstances, are repaid over future years when the pupils complete their education at the school. However, as pupils can leave at earlier dates, the balance of the deposits held at the end of the financial year have been included within current liabilities. In the normal course of business, the expected repayment of these amounts will be £907,975 within one year (2022: £573,741) and £1,792,617 after more than one year (2022: £1,558,760).

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2023	2022
	£'000	£'000
Bank loans and overdrafts	13,978	13,015
School fees in advance scheme (see note 16)	2,220	1,883
Finance lease	69	130
Pension deficit funding (see note 21)	10	28
Derivative financial instruments	-	63
	16,277	15,119

The total bank loan at the year-end is £14,630,435 (2022: £13,117,581) and is comprised of two facilities. The £8m facility, with a 25-year amortisation period, is fully drawn and is for the purpose of funding the College's previous building and development programmes. The £7m facility was arranged to part fund the construction of the Mermaid building. During the year, £2,025,901 was drawn (2022: £4,122,663) and the facility is now fully drawn. Capital repayments are due on these loans as follows:

	2023	2022
	£'000	£'000
Due within 1 year	652	103
Due between 2 and 5 years	2,609	1,126
Due after more than 5 years	11,369	11,889
	14,630	13,118

Interest is charged at SONIA plus 1.90% on both loans.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (CONTINUED)

The College has entered into fixed interest rate swaps in relation to both loans. The strike rates are 1.25% and 2.8% for the £8m and £7m loans, respectively. The interest rate swap has a zero-floor mechanism with an embedded cap, the floor and cap elements are valued separately as assets for the purposes of these accounts.

The College has access to a £3.5m revolving credit facility to help fund its building and capital development programme. There was no utilisation of this facility during the year. Interest is charged on this facility at a rate of SONIA plus 1.35%. The College also has in place a £1.5m overdraft facility to help manage working capital requirements throughout the year. All facilities are secured by a fixed and floating charge over all assets of the College.

16. SCHOOL FEES IN ADVANCE SCHEME

Parents may enter into a contract to pay to the College up to the equivalent of seven years' fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. The scheme provides for discounts to be applied to the cost of education as the fees fall due. Assuming pupils remain at the College/ start at the college as anticipated, the liability for advance fees, accrued to date, will be applied as follows:

	2023	2022
	£'000	£'000
Beyond 5 years	319	252
Within 2-5 years	1,901	1,631
Within 1 year	1,255	1,137
	3,475	3,020

The movements during the year were as follows:

At 1 July	3,019	3,101
New contracts during the year	1,933	1,239
Amounts accrued to contracts	-	-
	4,952	4,340
Amounts returned to leavers	(56)	-
Amounts utilised in payment of fees	(1,421)	(1,321)
Balance at 30 June	3,475	3,019

17. FINANCIAL INSTRUMENTS

	2023	2022
	£'000	£'000
Financial assets measured at fair value	19,995	17,947
Financial liabilities measured at fair value	-	63

Financial assets held at fair value include assets held as investments and derivative financial instruments (swap, floor and cap (2022: investments and derivative asset (floor and cap)); financial liabilities include derivative financial instruments (interest rate swap)).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

18. FUNDS OF THE GROUP

UNRESTRICTED FUNDS

Epsom College

General fund – Representing accumulated income from the College’s activities and other sources that are available for the general purpose of the College.

Fixed assets fund – A designated fund that represents the College’s investment in property less the amount funded by bank borrowings.

Derivative reserve – Representing accumulated fair value gains and losses associated with the annual revaluations of derivative financial instruments.

Royal Medical Foundation

General fund – Representing accumulated income from the Charity’s activities and other sources that are available for the general purpose of the Charity.

Royal Medical Foundation of Epsom College

Surrey scholars’ fund – Representing funds received from the parents of Surrey Scholars and held for the general purpose of the charity.

RESTRICTED FUNDS

Epsom College

Scholarships, bursaries and the development of educational activities – Representing numerous individual gifts, legacies and grants given to the College over many years for a specific purpose but where there is no requirement to preserve capital. For the past three financial years, the College has been receiving donations to The Mermaid capital campaign to fund a new centre to transform the educational experience of its pupils, with particular focus on the Sixth Form. These donations are restricted for this purpose only.

Royal Medical Foundation

Grant funds for education and maintenance (restricted and endowed) – Representing funds held to provide pensions, annuities and grants and other pecuniary assistance for medical practitioners or their families in need.

Gift/annuity fund (restricted and endowed) – Representing the Funds held to provide renewable annual grants, annuities and other pecuniary assistance for medical practitioners or their families in need.

ENDOWED FUNDS

Epsom College

Scholarships and Bursaries - Representing numerous individual gifts, legacies and grants given to the College over many years for scholarships and bursaries. Endowed funds of £6,545,000 (2022: £5,801,000) included expendable endowments of £1,852,000 (2022: £1,178,000).

Royal Medical Foundation

Foundation scholars’ fund – Representing the funds held to provide for the education of children of medical practitioners in need at Epsom College.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

19. ALLOCATION OF THE NET ASSETS

The net assets are held for the various funds as follows:

	Fixed Assets	Investments	Net Current Assets/ (Liabilities)	Long Term Liabilities	2023 Total
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds					
General fund	1,649	1,755	(752)	(79)	2,573
Fixed assets fund	36,634	-	4,739	(16,198)	25,175
Derivative reserve	3,230	-	-	-	3,230
	<u>41,513</u>	<u>1,755</u>	<u>3,987</u>	<u>(16,277)</u>	<u>30,978</u>
Restricted funds	-	3,170	1,427	-	4,597
Endowed funds	-	11,840	206	-	12,046
Balances at 30 June 2023	41,513	16,765	5,620	(16,277)	47,621
2022					
	<i>Fixed Assets</i>	<i>Investments</i>	<i>Net Current Assets/ (Liabilities)</i>	<i>Long Term Liabilities</i>	<i>2022 Total</i>
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds					
General fund	1,616	1,714	(672)	(55)	2,603
Fixed assets fund	32,258	-	2,964	(15,001)	20,221
Derivative reserve	1,435	-	-	(63)	1,372
	<u>35,309</u>	<u>1,714</u>	<u>2,292</u>	<u>(15,119)</u>	<u>24,196</u>
Restricted funds	-	3,574	3,488	-	7,062
Endowed funds	-	11,224	(4)	-	11,220
Balances at 30 June 2022	35,309	16,512	5,776	(15,119)	42,478

20. MOVEMENT ON FUNDS

	1 July 2022	Income	Expenditure	Transfers	Gains /Losses	30 June 2023
	£'000	£'000	£'000	£'000	£'000	£'000
a. UNRESTRICTED						
Epsom College						
General fund	16	34,019	(32,005)	(2,055)	41	16
Designated fixed asset fund	20,221	-	-	4,954	-	25,175
Derivative reserve	1,372	1,858	-	-	-	3,230
Royal Medical Foundation						
General funds	2,587	99	(140)	-	11	2,557
	<u>24,196</u>	<u>35,976</u>	<u>(32,145)</u>	<u>2,899</u>	<u>52</u>	<u>30,978</u>

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

20. MOVEMENT ON FUNDS (Continued)

	<i>1 July 2022</i>	Income	Expenditure	Transfers	Gains /Losses	30 June 2023
b. RESTRICTED						
Epsom College						
Scholarships, bursaries and development of educational facilities	6,227	1,587	(595)	(3,555)	55	3,719
Royal Medical Foundation						
Grant funds – maintenance and education	220	74	(87)	-	4	211
Gift/annuity fund	615	92	(51)	-	11	667
	7,062	1,753	(733)	(3,555)	70	4,597
c. ENDOWED						
Epsom College						
Scholarships	5,801	-	(25)	656	113	6,545
Royal Medical Foundation						
Grant funds – maintenance and education	2,247	-	(10)	-	43	2,280
Relief of poverty fund	207	-	(1)	-	4	210
Gift/annuity fund	2,501	-	(11)	-	49	2,539
Foundation scholars	464	-	(2)	-	9	471
	11,220	-	(49)	656	218	12,046
TOTAL FUNDS	42,478	37,729	(32,926)	-	340	47,621
2022	<i>1 July 2021 £'000</i>	<i>Income £'000</i>	<i>Expenditure £'000</i>	<i>Transfers £'000</i>	<i>Gains / Losses £'000</i>	<i>30 June 2022 £'000</i>
a. UNRESTRICTED						
Epsom College						
General fund	16	31,769	(28,937)	(2,989)	157	16
Designated fixed asset fund	17,232	-	-	2,989	-	20,221
Derivative reserve	78	1,294	-	-	-	1,372
Royal Medical Foundation						
General funds	2,911	96	(134)	-	(286)	2,587
	20,237	33,159	(29,071)	-	(129)	24,196
b. RESTRICTED						
Epsom College						
Scholarships, bursaries and the development of educational facilities	5,611	1,585	(696)	-	(273)	6,227
Royal Medical Foundation						
Grant funds – maintenance and education	222	72	(54)	-	(20)	220
Gift/annuity fund	624	89	(43)	-	(55)	615
	6,457	1,746	(793)	-	(348)	7,062
c. ENDOWED						
Epsom College						
Scholarships	6,391	4	(27)	-	(567)	5,801
Royal Medical Foundation						
Grant funds – maintenance and education	2,476	-	(9)	-	(220)	2,247
Relief of poverty fund	228	-	(1)	-	(20)	207
Gift/annuity fund	2,758	-	(12)	-	(245)	2,501
Foundation scholars	512	-	(3)	-	(45)	464
	12,365	4	(52)	-	(1,097)	11,220
TOTAL FUNDS	39,059	34,909	(29,916)	-	(1,574)	42,478

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

21. PENSION COSTS

(a) Teachers' Pension Scheme

The College participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,687,339 (2022: £1,563,938) and at the year-end £203,291 (2022: £195,397) was accrued in respect of contributions to this scheme.

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

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

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

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

(b) Pensions Trust

Contributions are paid, in respect of non-teaching staff, to the Pensions Trust into a defined contribution scheme.

Contributions for current employees are generally at a rate equivalent to 7% of annual basic pay for those in the existing scheme and 4% for those who were auto-enrolled from the College's staging date of 1 January 2014. The pension charge for the year includes contributions payable to The Pensions Trust of £285,199 (2022: £281,279) excluding the defined benefit deficit funding. At the year-end £55,142 (2022: £51,324) was accrued in respect of contributions to this scheme.

The College previously contributed to a Pension Trust defined benefit scheme. A liability exists in relation to the deficit funding for this historic scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The historic defined benefit scheme is classified as a 'last-man standing arrangement'. Therefore, the College is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2023 to 31 January 2025: £3,312,000 per annum (payable monthly and increasing by 3% on 1st April each year)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

21. PENSION COSTS (Continued)

As the scheme is in deficit and the College has entered into a deficit funding arrangement a liability has been recognised for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement. The present value is calculated using a discount rate of 6.4% per annum. The discount rates are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions. The unwinding of the discount rate is recognised as a finance cost.

RECONCILIATION OF OPENING AND CLOSING PROVISIONS	2023	2022
	£'000	£'000
Provision at 1 July	47	221
Unwinding of the discount factor (interest expense recognised in SOFA)	1	1
Deficit contribution paid	(19)	(50)
Re-measurements – impact of change in actuarial assumptions (recognised in SOFA)	(1)	(2)
Re-measurement – amendment to the contribution schedule (recognised in SOFA)	-	(123)
Provision at 30 June	28	47

22. CAPITAL AND OTHER COMMITMENTS

Epsom College

Tangible fixed assets contracted for at 30 June 2023 totalled £1,617,809 (2022: £3,508,101).

In addition to the new property referred to in note 10, negotiations were underway at the year end to acquire a second property for staff accommodation. The new accommodation cost £1.45m and the transaction completed on 1st September 2023.

The College utilises bank borrowings in order to fund capital development. A bank overdraft is secured by a fixed charge against the freehold assets of the College and forms part of the facilities agreement that includes the loans referred to in Note 15.

In the forthcoming academic year, the College has committed to fund bursaries for 103 pupils totalling £2,418,000, and has awarded 308 scholarships (to 280 pupils) totalling £631,000. Bursaries and scholarships are funded principally from school fees receivable, supplemented by investment income.

Royal Medical Foundation

The Royal Medical Foundation and related Trust Funds have already made awards totalling £79,349 for the year to 30 June 2024 (to 30 June 2023 £41,293) in respect of tuition fees and other charitable assistance. The Trustees have authorised these awards, which have not been provided for within the accounts as the awards are subject to the recipients fulfilling certain conditions.

23. LEASE COMMITMENTS

The Charity's future minimum finance lease payments are as follows:

	2023	2022
	£'000	£'000
Within one year	61	59
Between one and five years	69	130
	130	189

Certain IT equipment is held under finance lease arrangements. Finance lease liabilities are secured by the related assets held under finance leases (see note 10).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

24. RELATED PARTY TRANSACTIONS

The Charity has entered into the following related party transactions during the year:

Epsom College

During the year, Jennifer Hay Ballet, operated by a daughter of Governor JA Hay, invoiced the College for educational services totalling £18,531 (2022: £19,667).

During the year, the College made an interest-free loan to Sir Anthony Seldon, Head of Epsom College of £1.18m. The loan was provided for the purpose of purchasing a property convenient to get to the College each day and is repayable within three months of the cessation of his employment at Epsom College.

Epsom College in Malaysia

Epsom College in Malaysia arranged a trip for their pupils to visit the Epsom College April 2023, for which the College charged £30,231. There were no other rechargeable costs incurred by the College which required invoicing to Epsom College in Malaysia (2022: NIL). A balance of £85 remained unpaid at the year-end (2022: £nil).

During the year, in addition to the £200,000 royalty payment (note 4) Epsom College in Malaysia remitted £264,835 to Epsom College Overseas Limited. These funds were unexpected and have therefore been included within deferred income in the financial statements.

The Treasurer of the College, A J Pianca, is a director on the Board of Epsom College in Malaysia and its parent company Educ8 Group Sdn Bhd.

The Royal Medical Foundation Limited (the “RMF”)

The Royal Medical Foundation is a sister company which falls under The Royal Medical Foundation of Epsom College umbrella.

During the year Epsom College charged the RMF £5,000 (2022: £5,000) to rent office space and paid salaries including pension contributions of £53,057 (2022: £57,936) on behalf of the RMF which were subsequently reimbursed by the RMF.

In addition, the RMF paid school fees to Epsom College for the Foundationer beneficiary totalling £35,296 (2022: £26,998).

At the year-end, Epsom College owed the Royal Medical Foundation £12,270 (2022: NIL).

Epsom College Enterprises Limited (“Enterprises”)

Epsom College Enterprises Limited is a wholly owned subsidiary company.

During the year Epsom College Enterprises donated £200,724 (2022: £194,187) of income to Epsom College. In addition, the College made payments for salaries and expenses on behalf of Enterprises, which totalled £135,172 (2022: £100,663). All expenses were reimbursed by Enterprises. No loans were made by Epsom College to Epsom College Enterprises during the year (2022: NIL).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

24. RELATED PARTY TRANSACTIONS (Continued)

At the year-end, Epsom College Enterprises owed the College £219,198 (2022: £330,301).

Epsom College Overseas Limited (“Overseas”)

Epsom College Overseas Limited is a wholly owned subsidiary company.

During the year Overseas donated £185,877 (2022: £196,329) of income to Epsom College. In addition, the College made payments for expenses on behalf of Overseas, which totalled £10,694 (2022: £13). All expenses were reimbursed by Overseas. No loans were made by between the two organisations during the year (2022: NIL).

At the year-end, Epsom College Overseas owed the College £184,047 (2022: £195,401).

Epsom College Transport Limited (“Transport”)

Epsom College Transport Limited is a wholly owned subsidiary company.

During the year Epsom College Transport donated £34,054 (2022: £25,523) of income to Epsom College. The organisation provided a minibus service to the College throughout the year. In addition, the College made payments for salaries and expenses on behalf of Transport, which totalled £141,004 (2022: £89,675). All expenses were reimbursed by Transport. No loans were made by between the two organisations during the year (2022: £10,000).

At the year-end, Epsom College Transport owed the College £13,252 (2022: £12,097).

The Royal Medical Foundation of Epsom College

The Royal Medical Foundation of Epsom College is the parent Charity to which Epsom College belongs.

The Royal Medical Foundation of Epsom College is responsible for the ‘Pool’ within which Epsom College invests. No additional funds were invested in the Pool during the year (2022: £500,000). The Pool has generated Epsom College an investment income of £258,135 (2022: £239,601).

At the year-end, the Royal Medical Foundation of Epsom College owed the College £86,328 (2022: £72,216).

At the year end, the Royal Medical Foundation owed the Royal Medical Foundation of Epsom College £32,387 (2022: £25,379).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

25. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 30 JUNE 2022

	Unrestricted	Restricted	Endowed	Total 2022 £'000
INCOME AND ENDOWMENTS FROM:	£'000	£'000	£'000	£'000
Charitable activities				
School fees receivable	29,218	-	-	29,218
Ancillary trading income	1,859	-	-	1,859
Other trading activities				
Non-ancillary trading income	378	-	-	378
Other activities	200	-	-	200
Investments				
Investment income	94	402	4	500
Bank interest	12	2	-	14
Voluntary sources				
Grants and donations	104	1,342	-	1,446
TOTAL BEFORE FINANCE INCOME	31,865	1,746	4	33,615
Change in fair value of derivatives	1,294	-	-	1,294
TOTAL INCOME	33,159	1,746	4	34,909
EXPENDITURE ON:				
Raising funds				
Non-ancillary trading	135	-	-	135
Financing costs	535	-	-	535
Investment management	12	16	52	80
Fundraising and development	166	-	-	166
TOTAL DEDUCTIBLE COSTS	848	16	52	916
CHARITABLE ACTIVITIES				
Education and grant making	28,223	777	-	29,000
TOTAL EXPENDITURE	29,071	793	52	29,916
NET INCOME/(EXPENDITURE) FROM OPERATIONS	4,008	953	(48)	4,993
(Losses)/gains on investments	(254)	(348)	(1,097)	(1,699)
NET INCOME FOR THE YEAR	3,834	605	(1,145)	3,294
Pension scheme actuarial losses	125	-	-	125
NET MOVEMENT IN FUNDS	3,959	605	(1,145)	3,419
Fund balances brought forward at 1 July	20,237	6,457	12,365	39,059
FUND BALANCES CARRIED FORWARD AT 30 JUNE	24,196	7,062	11,220	42,478

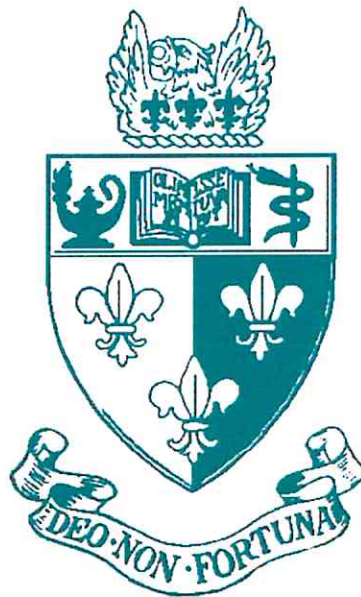
THE ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

England & Wales - Charity number 312046

Accounts

Royal Medical Foundation of Epsom College

**Annual Report and Financial Statements
for the year ended
30 June 2022**



*presented to the
Annual General Meeting of
The Governors on Wednesday 30th November 2022*

**ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
COUNCIL AND ADVISERS
YEAR ENDED 30 JUNE 2022



PATRON

HER MAJESTY THE QUEEN (Deceased 8th September 2022)

VISITOR

The Right Reverend The Lord Bishop of Guildford

PRESIDENT

Lord Carlile, CBE, FRSA, KC

VICE-PRESIDENTS

Mr PM Dodd, TD
Mr PG Hakim, FCA
Mr A Hagdrup, LLB

TREASURER

Mr AJ Pianca, FCA

MEMBERS OF COUNCIL

The Governors of the Royal Medical Foundation of Epsom College elect the Members of Council of the Royal Medical Foundation of Epsom College.

Dr JS Bolton, MA, MB, FRCPsych
Dr HH Bowen-Perkins, MRCS, LRCP, MB, BS, LMSSA,
PGD(card)
R Bruce, LLB, LLM, FCI Arb
Lord Carlile, CBE, FRSA, KC (*President*)
EJ Chandler, MA (resigned 1 July 2022)
Miss K Davidson, KC (appointed 1 December 2021)
Dr S Dhillon, MBE
Mrs B. Dolbear (appointed 22nd June 2022)
JA Hay
D Mahoney, MA

AJ Pianca, FCA (Treasurer)
GB Pincus, MBE
Sir John Scarlett, KCMG, OBE, MA
(Oxon)
Mrs K Thomas, BM (Soton), FRCS
(Orth) (Vice-Chairman)
AJ Vallance-Owen, MBE, MBA, FRCSEd
C Watson, BA(Hons), MA,
Mst(Cantab.), ACA
Dr AJ Wells, MB, BS, DRCOG,
MRCGP (Chairman)

SECRETARY TO COUNCIL

CJP Titman (resigned 31st December 2021)
Mrs EL Winfield, LLB (appointed 26th April 2022)

ADDRESS
BANKERS
AUDITOR
INVESTMENT ADVISERS

Epsom College, College Road, Epsom, Surrey KT17 4JQ
Barclays Bank PLC, One Churchill Place, London E14 5HP
Crowe U.K. LLP, St James House, St James Square, Cheltenham GL50 3PR
Quilter Cheviot Ltd, 85 Queen Victoria Street, London EC4V 4AB

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL
YEAR ENDED 30 JUNE 2022

TRUSTEES' REPORT

The Trustees of the Royal Medical Foundation of Epsom College (the "Charity"), who are also the Members of Council, present their annual report for the year ended 30 June 2022. The financial statements comply with the Charity's governing document and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) as it applies from 1 January 2015.

The present Trustees, any past Trustees who served during the year, the Patron and the external advisers of the Charity, are set out on page 1.

REFERENCE AND ADMINISTRATIVE DETAILS

The Royal Medical Foundation of Epsom College, also known as "RMF of EC", is a registered charity (number 312046) originally established by an Act of Parliament of 1855. The objects of the Charity, which were contained in the Royal Medical Benevolent College Acts of 1855 and 1894 (as amended), were the provision of a school and the provision of assistance to medical men and their dependants. Dr John Propert, together with medical colleagues, set out to collect funds by public subscription, creating the Charity in 1853.

On 2 July 2000 a Statutory Instrument, The Charities (Royal Medical Foundation of Epsom College) Order, dated 18 June 2000 (the "Order"), replaced the old statutory provisions with more appropriate modern rules. Under the Order, two new companies limited by guarantee were created as subsidiary charities of the overall Charity which is called the "Royal Medical Foundation of Epsom College". One subsidiary was formed to carry on the activities of the medical profession charity under the name "The Royal Medical Foundation" and the other to carry on the activities of the school under the name "Epsom College".

Following approval from the Charity Commission, the Council of the Royal Medical Foundation of Epsom College "The Council" passed a resolution on 14 March 2001, made under Section 74 of the Charities Act 1993, to divide the trust funds within the "Epsom College Investment Pool" between these two new limited companies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

On 31 August 2022 Mr Jay Piggot stepped down as Headmaster of Epsom College after ten years of outstanding, and transformative, service. We thank him for his many successes and his tireless efforts to expand the College and improve its standing. Mr Piggot was succeeded by Mrs Emma Pattison, who became the College's 14th Head on 1 September 2022.

The Governors are aware of the Charity Governance Code published in 2017 and updated in December 2020, which sets out the principles and recommended practice for good governance within the sector. The Board of Governors has reviewed its current governance arrangements against the principles within the code and these are detailed within this report. The Board will continue to review its operation against the Charity Governance Code over the coming year.

Governing Documents

The Charity is governed by its Statutory Instrument adopted on 2 July 2000 and is managed through its two subsidiary charities: The Royal Medical Foundation (charity number 312046-145) and Epsom College (charity number 312046-146).

Governing Body

The Charity is run by the Council, the members of which are the Trustees of the Charity. The Council consists of no more than 24 members, including the President and the Treasurer who are ex-officio members, all of whom are elected by the Governors in accordance with the relevant legislation. The Governors comprise the current Trustees together with both Vice-Presidents and Life Governors. Vice-Presidents are elected by the Council. Life Governors are persons who subscribed certain sums of money to the Charity prior to 1980 and were elected prior to 2000. Since 2000, new Governors have been elected either by the Governors in general meeting, or by the Council. The financial control of the Charity is the responsibility of the Treasurer.

Trustee roles, recruitment and training

To ensure that Trustees' roles and responsibilities are carried out effectively, the Council has prepared a portfolio of expertise that covers specific aspects of the Charity's work. The Council has an agreed process of induction and briefing for new Trustees. The process includes a detailed written and verbal brief by the Secretary, attendance at Council and Sub-Committee meetings before appointment where appropriate and the issuing of an information pack containing legal and trustee documents. Trustees also attend relevant briefings held by advisers.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational Management

Council meetings include meetings where Trustees review strategy, operational and investment performance and the setting of operating plans and budgets. An Annual General Meeting is held in November or December. The Council appoints Sub-Committees when appropriate.

Effective partnership between Trustees and staff continues to contribute significantly to our success. The Council delegates the exercise of certain powers in connection with the management and administration of the Charity as set out below. This is controlled by the requirement of regular reporting to the Council, so that all decisions made under delegated powers can be ratified in due course.

Key Personnel

Secretary to Council: The Secretary is responsible for the day-to-day administration of the Charity's affairs as agreed by the Council.

Epsom College: The Head, COO & Bursar and members of the Senior Leadership Team are responsible for delivery of the College's charitable vision and purpose and for implementing policies agreed by the Council. The remuneration of key management personnel is set by the College Governors, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the College's success. The appropriateness of the remuneration policy is reviewed annually; this includes comparisons with other independent schools to ensure that the College remains sensitive to the broader issues of pay and employment conditions elsewhere. The conduct of affairs is delegated to the executive team consisting of the Head, the COO & Bursar and the other members of the Senior Leadership Team.

The Royal Medical Foundation: Together, the RMF Caseworker, the RMF Administrator and the Epsom College finance department are responsible for the day-to-day management of the Charity's affairs and for implementing policies agreed by the Council. Staff salaries are reviewed annually. In view of the nature of the charity, the Trustees benchmark against pay-levels for similar roles in other comparable charities.

Employment policy

The Charity actively supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards. The Charity is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the Charity. In order to promote an environment in which the Charity can call upon the widest possible range of knowledge, skill and experience, as well as ensuring compliance with the relevant legislation and codes of practice, the Charity is committed to achieving and maintaining a workforce which represents the population within its recruitment area in terms of race or colour, nationality or national or ethnic origins, religion or belief, sex, sexual orientation or marital status, age and disability. To this end the Charity regularly reviews the operation of its recruitment, promotion, training and development policies to ensure that no applicant for employment or member of staff is disadvantaged by conditions or requirements which cannot be shown to be justifiable. Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to appraise staff of current issues.

Investment Policy and Objectives

The Joint Investment Committee ("JIC"), a committee of Council, is responsible for the management of the funds on behalf of the Trustees. The JIC meets twice a year, and currently delegates management of the funds to Quilter Cheviot Limited ("QC").

In accordance with the Trustee Act 2000, the JIC have the power to invest in such stocks, shares and investments, as they consider appropriate. The JIC's primary objective is the preservation of the capital value of the trust funds, as adjusted for inflation (measured by the RPI). The secondary objective is to generate the income levels required and maximise capital growth. The JIC takes a long-term view on its investments and have instructed QC to give due consideration to social, environmental and ethical considerations when making investment decisions.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2022

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The Charity's registered objects are given in the Statutory Instrument, The Charities (Royal Medical Foundation of Epsom College) Order, dated 18 June 2000.

The Charity has two primary objects:

- (1) To support registered medical practitioners of the United Kingdom, or individuals who have been such practitioners, and/or their widows/widowers, who find themselves in reduced circumstances; and
- (2) To provide generally for the advancement of education and, without compromising this primary object, to do so by the provision of a school with a preference for the children of registered medical practitioners.

In addition, the Charity has a secondary object:

- (3) To provide annuities or occasional financial assistance to registered medical practitioners of the United Kingdom and/or their widows/widowers and children, but only if it can do so without detriment to the primary objects.

The Trustees confirm that they have complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the benefit requirement under that Act when reviewing the Charity's aims and objectives and in planning future activities and setting grant making policy for the year.

The work of the Charity is managed through its two subsidiary charities as follows:

The Royal Medical Foundation ("RMF")

The RMF carries out objects (1) and (3) by:

1. **Providing financial assistance** in the form of means-tested awards. There are four ways this help may be given to eligible beneficiaries who are facing financial hardship:

- regular payments to medical practitioners, their widows or widowers;
- one-off and short-term grants when urgent assistance is required;
- financial assistance with educational expenses at Epsom College; and
- financial assistance with other educational expenses.

2. **Providing information and advice** on organisations that may provide assistance within the public and charity sectors.

- The Caseworker is Citizens Advice Bureau trained and an affiliate of the Institute of Money Advisers and through the provision of information and advice on how to apply for current state welfare benefits, the Caseworker can empower potential applicants to help themselves.
- Where possible, the Caseworker also refers potential applicants to other relevant charities who may be able to help.

Public Benefit Aim and Intended Impact

In setting the Charity's aims the Trustees have given due consideration to the Charity Commission's guidance on public benefit. The Charity's public benefit aim is to give relief to those in need by reason of poverty or financial hardship. The Trustees have sought to ensure that the section of the public that the Charity supports can readily access the Charity's resources and that such access is not restricted by reason of geography within the United Kingdom or by the ability to pay.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2022

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Grant-making Policy

The RMF has established its grant making policy to achieve its objects for the public benefit to improve the lives of doctors who are living in poverty or financial hardship and/or their widows, widowers and children. All registered medical practitioners (*who are, or have been, on the Principal List of the General Medical Council of the United Kingdom*) and/or their widows, widowers and children are eligible to apply for assistance. The Caseworker acts as the initial point of contact for all requests for financial assistance. As a first step, the Caseworker researches the circumstances of each case in detail to determine if the request is eligible for RMF support and how best to proceed. For example, if it transpires the applicant is not in receipt of their eligible welfare benefits, they will immediately be given information on how to apply. The RMF only gives financial assistance where a beneficiary is in receipt of their welfare benefit entitlement. The provision of such information is sometimes enough to empower the person to help themselves and in many cases, no further financial assistance is required.

Where an eligible applicant wishes to apply for financial assistance, a comprehensive application form is completed and reports from two referees are obtained. The needs of eligible applicants are assessed through telephone assessments, which are undertaken by the Caseworker, following which the Caseworker writes a Case Paper and Assessment Report. Cases are then carefully assessed by the RMF Board, which meets four times per year. The RMF Board comprises nominated representatives with both medical and non-medical backgrounds and is responsible for considering and approving all grants decisions.

Grants are valid for a maximum of one year from the date of the award and are conditional on no change in financial or other circumstances. Full disclosure of information is requested at the time of each payment. All grants are subject to a comprehensive annual review and are only continued for a further period if the circumstances are appropriate and if the funds are available. The RMF Board assesses the impact the charity has on the lives of its beneficiaries. This is achieved through regular contact by the Caseworker and by the review of correspondence that is received by the Charity's office.

Epsom College (the "College")

The College carries out object (2) through the provision of day and boarding education on a co-educational basis at Epsom College. The College also has object (3) as a secondary object. The College has various endowed, restricted and unrestricted trust funds held for special purposes in connection with the development of its facilities and for scholarships, bursaries, prizes and other educational uses.

Statement of Aims and Intended Impact

The College's aim is to provide exceptional all-round opportunities - academic, social, sporting and cultural - in a safe and supportive community. The College is a school that aims for excellence, and values both achievement and endeavour. The College challenges pupils to develop their talents and broaden their interests; to become confident in themselves and to be tolerant and appreciative of others.

Primary Objectives

The primary objectives of the College to fulfil these aims are:

1. To provide a flourishing co-educational environment for boarding and day pupils;
2. To deliver a modern, challenging and stimulating academic curriculum;
3. To challenge and ultimately eradicate any form of discrimination within the College by promoting diversity, equality and inclusion throughout the community;
4. To prepare pupils for entry to university, including those who aim for places on the most competitive courses;
5. To preserve and strengthen the College's close traditional links to the medical profession;
6. To provide comprehensive pastoral care and guidance under the leadership of dedicated and caring staff;
7. To offer a wide range of co-curricular activities to foster the interest and maximise the individual potential of each pupil;
8. To foster moral and spiritual values, tolerance and understanding in every pupil and from within Epsom's Christian foundation;
9. To develop a strong sense of responsibility and commitment to the community;
10. To further genuine awareness, understanding and co-operation between College pupils and staff and its wider communities, both local and international;
11. To create a community where pupils will find some things that will matter to them for the rest of their lives.

The aims and objectives set for the College's subsidiaries are to facilitate the achievement of the College's aims and objectives as above.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2022

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Strategies to Achieve the Objectives

During the year under review, the Governing Body, who are also Trustees of Epsom College, have focussed on the following areas to assist the College in fulfilling its aim and objectives:

- After the pandemic, continue to restore academic confidence and achievement in our pupils' learning and prepare them appropriately for the return to formal public examinations;
- Work on the appointments of key members of staff; namely, the new Head of the College and a new COO & Bursar;
- Working effectively within our pastoral support structures continue to respond to any lingering pupil welfare issues that attended the pandemic;
- Work closely with the newly appointed Assistant Head: Designated Safeguarding Lead (DSL) and Academic Advancement with a particular focus on the continuing enhancement of our safeguarding provision and the transition to the use of CPOMS, a software solution for monitoring safeguarding;
- Ensure that the College remains 'future proof' and aligns effectively with market demand by exploring possibilities of establishing a further income stream; in particular, explore the possibility of appointing an external Director of Overseas Development and a potential affiliation with a successful local Prep School that comprises both day and boarding pupils;
- Continue to meet the recommendations of the three-year Equality, Diversity & Inclusion (EDI) Development Plan and support the work and development of the Head of EDI;
- Review and enhance the provision of pastoral care across the College with a particular focus on the role of the Second Master. The role no longer encompasses responsibility as Lead DSL and a further appointment of a Director of Pastoral Innovation may enhance the College provision, particularly in light of the growth in the pupil enrolment;
- Increase funding and pastoral support for pupils under the aegis the Royal National Children's Springboard Foundation, Surrey County Council Looked After Children provision, Chelsea Football Academy and Boarding Schools Partnerships and displaced pupils from Afghanistan and the Ukraine;
- Enable our Co-Curriculum to flourish as we are released from Covid restrictions and continue to promote our policy of 'no-one on the bench' and our pursuit of excellence in the form of national honours;
- Enable the completion of the construction stage of The Mermaid over the course of the academic year commencing September 2022 and facilitate a final push on supporting donations of the project.

Principal Activities for the Year

The College provides an education to boys and girls aged 11 to 18 on its 72-acre site situated on the outskirts of Epsom, Surrey. At the end of the academic year Epsom College had 1,063 pupils (2021: 1,020), of which 31% were boarders (2021: 31%). 44% (2021: 44%) of the pupils were female.

Public Benefit Aims

The Governors recognise the College's broader responsibilities towards local communities, society and the environment, and staff and pupils are actively encouraged to expand their awareness, understanding and contribution to the wider society wherever possible.

Epsom College is committed to the aim of providing public benefit in accordance with its founding principles. In setting its aims the Governors have carefully considered and complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the benefit requirement under that Act.

The awarding of bursaries, scholarships and other awards is a measurable means of providing public benefit. The College is continuing its efforts to widen access to Epsom to talented youngsters with less financially fortunate families. 92 pupils in September 2022 (2021: 86) will now have the opportunity of an Epsom education, opened up through bursaries with help provided by the Education Trust, Epsom College Bursary Funds, The Old Epsomian Club and other generous benefactors. So far £2,023,000 (2021/22: £1,778,000) has been allocated to bursaries for the 2022/23 academic year.

All bursaries are awarded based on a proven financial need, and in 2022/23 the average bursary awarded to a pupil will be £22,989 per annum (2021/22: £20,675). Of the 96 pupils with a bursary 57% (2021: 56%) are in receipt of support covering at least 75% of the fees. All but seven of the recipients have been awarded 'access widening' bursaries, enabling children whose parents could not have otherwise afforded to enrol their child to start at Epsom College.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2022

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Public Benefit Aims (continued)

The College is an accredited member of the Royal National Children's SpringBoard Foundation, and will be fully supporting four pupils (2021/22: three pupils) from disadvantaged circumstances, increasing social mobility by widening access to boarding education and learning, adapting and sharing best practice with other SpringBoard schools. In addition, the College continues to work with Boarding Schools Partnerships, an organisation that works with local authorities to place vulnerable children in boarding schools. In September 2022, the College will again be fully funding two children under this scheme.

Those pupils who attend the College and who receive financial support contribute to the school community in a variety of ways and so the benefit is not purely to these pupils but to the whole College and, in some cases, to the wider community.

In addition to financial assistance, the College has engaged in many other activities that provide benefits within the College's objectives. An area of continuing development is the building of closer links with schools within the Bourne Education Trust. In particular, the College has been working with Teddington School and Ewell High School to share best practice regarding online learning, creating links between departments to support teaching and learning with a view to sharing seminars/extension sessions in specific subjects next academic year.

Facilities are regularly used by local clubs and maintained and other independent schools. The swimming pool is especially busy, occupied by many local young children's swimming groups; the Surrey regional squash training is held in the Sports Centre; the hockey AstroTurf is the venue for Epsom hockey club and youth team sessions and the cricket pitches for regional coaching and matches. Epsom pupils' referee or lead groups of junior pupils and Epsom usually hosts the annual Surrey Schools' Squash tournament for state and independent school pupils.

Throughout the last year, despite the challenge of putting on the usual charitable events in unusual circumstances, a sum of over £15,000 was raised for causes including the Shooting Stars Children's Hospices, the British Red Cross, Refuge UK and Epsom & Ewell Food Bank. Additionally, the College continued its long-time support of Growbaby, working with the Vineyard Church, distributing over 1,000 donated toys for needy families in the borough of Kingston each December.

The College's Service programme sends sixth form pupils into the local community to offer an hour of service per week to local community projects, local maintained schools, gardeners, foodbanks, hospitals, disabled groups and ad hoc seasonal projects, complemented by use of the College's facilities by local maintained infants, junior and special schools and IT assistance for various community groups.

ACHIEVEMENTS AND PERFORMANCE

RMF

The RMF aims to help registered medical practitioners, and their widows/widowers and children, living in poverty or financial hardship within the United Kingdom. The section of the public that has the opportunity to benefit from the support of the RMF is quite considerable since, at 30 June 2022, there were over 344,000 medical practitioners registered with the General Medical Council (GMC). In addition, their widows/widowers and children are also eligible to apply. During the last financial year, the RMF's contact details were circulated to all registered medical practitioners by the GMC and are available to all Members of the GMC via their web site. Additionally, the RMF is part of both the Educational Trusts' Forum and the joint portal for Medical Charities. The RMF supports its beneficiaries throughout the UK and our service is given free of charge. The direct cost of providing this service in 2022 was £40,736 (2021: £41,678) out of total administration expenses of £91,120 (2021: £99,209). In most cases, the RMF is contacted at a time of unforeseen crisis or tragedy and one of the greatest achievements of the RMF is to listen and help people when they are most vulnerable and do not know where else to turn. Examples of achievements during the year are given below.

Providing information and advice on organisations that may provide assistance

The Caseworker is Citizens Advice Bureau trained and an affiliate of the Institute of Money Advisers and can empower potential applicants to help themselves through the provision of information and advice on how to apply for current state welfare benefits. For example, a beneficiary received a large Council Tax arrears bill based on 2 adults living at the property, the beneficiary had not realised that they were entitled to a 25% single-persons discount. On the Caseworker's advice they contacted the Council Tax office and had their bill significantly reduced.

The Caseworker also refers callers to other relevant charities who may be able to help. In the last year, many people including nurses, medical professionals and medical students were referred to other charities.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
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ACHIEVEMENTS AND PERFORMANCE (continued)

The Caseworker offers comfort and support to beneficiaries. This is especially important for those who have no friends or family and are therefore extremely isolated. Usually, this involves a regular telephone call to vulnerable beneficiaries to check how things are going. Usually, this involves a regular telephone call to vulnerable beneficiaries to check how things are going. For example, the Caseworker keeps in close contact with a recently bereaved vulnerable person who has no communication with any family members or friends. The person finds the regular contact invaluable and feels reassured with the guidance and general support they receive from the caseworker and benefit greatly from the money advice provided. A beneficiary recently expressed their worries to the Caseworker about a utility bill they received for their late-mother's unoccupied property. The Caseworker encouraged them to call their provider and the problem was quickly resolved and the beneficiary was subsequently reimbursed £625.

This ongoing system of regular support is achieved through regular telephone calls and visits if required. The Caseworker is, therefore, able to monitor the wellbeing of the RMF's beneficiaries, and can refer a case back to the RMF Board should a financial need become apparent.

The provision of such information and support by the Caseworker is a fundamental part of the work of the Charity. It is not possible to distinguish between the amount of time spent purely on giving information, advice and support and that spent on assessing requests for financial assistance. The Trustees consider both equally important.

Providing financial assistance

The RMF provides means-tested financial assistance to alleviate the stress of poverty or financial hardship. Awards totalling £157,226 (2021: £128,871) were made during the year ended 30 June 2022, as shown below:

Number of beneficiaries	Type of Award	Amount Paid (£)
7	Regular payments to medical practitioners and their widows / widowers	9,200
27	Short-term payments or one-off grants where urgent assistance is required	70,316
3	Financial assistance with educational expenses	17,737
2	Financial assistance with educational expenses at Epsom College	59,973
39	TOTAL	157,226

Regular payments to medical practitioners and their widows / widowers. The RMF has continued to support a number of medical practitioners and their families who live in reduced circumstances. For example, the RMF has been assisting a doctor, suffering with long-term mental health issues, with regular monthly payments. The doctor said that the regular award they receive from the RMF has given them some relief from the financial pressure and the feeling of total inadequacy they have been experiencing since having to give up their work as a doctor. It has enabled them to spend more time concentrating on their recovery and the extra money has also helped them feel less isolated, as they are now able to afford occasional visits to family and friends.

Short-term payments or one-off grants where urgent assistance is required. A relatively small amount of money paid can have a huge impact on our beneficiaries' lives. For example, a recently widowed trainee doctor, a parent of young children, was assisted towards the cost of completing their medical training course, including exam fees and cost of necessary equipment. This will enable the doctor to financially provide for their family in the future.

Financial assistance with educational expenses. Family crisis can strike at any time and educational stability, especially during critical exam years, can be crucial. The RMF helps by providing assistance with educational costs where a change of circumstance puts the family into financial crisis and where they are unable to carry on with paying school fees or extras. For example, the RMF assisted towards the cost of school fees of a young child with Learning Developmental Disorder and Autism which enabled them to remain at their fee-paying school, when their estranged father decided to stop making any further contribution. This helped maintain some stability for the child whilst the family were going through very difficult times.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Section 172 (1) Statement

The RMF is not required to make a disclosure under section 172(1) of the U.K. Companies Act 2006, due to its status as a small company.

Epsom College

Review of Achievements and Performance for the Year

The College enjoyed strong A-level results in 2022 with 27% of grades A*s and 62% A*A. The grade distributions were weighted differently this year so comparisons with previous (and future) years is not informative or valid.

Overall, the A-level results were excellent and, of the 168 Leavers applying to University this year, over 80% have met the conditions for first and second choice institutions with 66% of students accepted at their first-choice university. At GCSE, the results were encouraging with 54% of all grades 9s and 8s (a school record for externally moderated examinations), and all pupils achieved the grades they required to enter the Sixth Form.

Attaining academic achievement did not prejudice sporting and cultural activities this year. In sport there have been notable successes at a variety of levels despite the closure of the school site at various points as a result of the Covid pandemic. The College prides itself on exceptional breadth of participation by boys and girls in an extensive fixture list against schools with a national reputation for sport. On average around 80% of the whole pupil roll play sport for the College across the year, with 95-100% in the younger groups.

The College's tri-service CCF is one of the largest in the country and has produced several graduates and serving members of the armed forces across the years. The College also operates a high quality and vibrant Duke of Edinburgh programme, and the College has continued to see a significant increase in the number of pupils completing their silver and gold awards over the last few years, despite the challenges of the pandemic in restricting expeditions. Similarly, participation in Music and Drama is widespread with excellence evident in the staging of plays and musicals such as 'Les Misérables' and 'The Sound of Music' during COVID, followed by 'Beauty and the Beast', 'The Comedy of Errors' and 'Matilda', as well as a wide range of concerts and recitals. These were all rehearsed and performed initially despite the challenges of Covid bubbles throughout the school year, and live streamed for parents and the wider College community, and more recent shows and concerts have returned to being in front of audiences.

The Governors' commitment to maintaining the College's excellence has again been reinforced by the capital expenditure programme. Expenditure on capital work this year amounted to over £6.7m (£2021: £2.4m).

In September 2022, Epsom College won two awards at the Independent School of the Year Awards: the Student Wellbeing award and the coveted overall prize of Independent School of the Year.

Fundraising Performance

The fundraising activities of the College are coordinated and run through the Epsom College Development Department. Significant progress has been made this year in their ongoing work of raising voluntary funding for the College. Grants, donations and legacies donated through this department totalled £1,151,000 (2021: £434,000). The operating costs of the Development Department are paid for by the College. For this year, the performance of fundraising, on costs of £166,000 (including staff costs), was a ratio of 14.4% against the £1,151,000 voluntary income receivable by the Development Department. These figures exclude funds raised by pupils in support of other charities and the income given under gift aid by the trading subsidiary companies.

All fundraising activities for the College are carried out by the Development Office and College staff, with assistance from the alumni, parents and pupils for the running of specific fundraising events. The College does not use professional external fundraisers or have any commercial participators. All fundraising activities are managed by the Director of Development, with overall oversight by the members of the Fundraising Sub-Committee.

Under the Charities (Protection and Social Investment) Act 2016, the College is reporting that no complaints relating to fundraising activities have been received by the College during this financial year. However, the College has in place procedures that would be followed in the event of a complaint being received, with the initial response being the responsibility of the Director of Development under the Head and the Chair of the Sub-Committee. Any continuing issues would then be passed to the Chairman of the College Governing Body to determine what further action might be required. The College is a member of The Institute of Development Professionals in Education and the Council for Advancement and Support of Education and subscribes to the Fundraising Preference Service. It has voluntarily registered with the Fundraising Regulator and complies with the Code

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
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ACHIEVEMENTS AND PERFORMANCE (continued)

of Fundraising Practice. The College considers that it has set appropriate standards for the operation and management of its fundraising activities and these are outlined under its Code of Ethical Fundraising, which may be found on the College website. In particular, the College considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion on a person's privacy and that no fundraising activities would be unreasonably persistent or place undue pressure on a person to give money or other property.

Section 172 (1) Statement

The Governors, as Directors, must act in accordance with a set of general duties. These duties are detailed in section 172(1) of the U.K. Companies Act 2006, which is summarised as follows: *'A Director of a Company must act in the way he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:*

1. *The likely consequences of any decision in the long term*
2. *The interests of the Company's employees*
3. *The need to foster the Company's business relationships with suppliers, customers and others*
4. *The impact of the Company's operations on the community and the environment*
5. *The desirability of the Company maintaining a reputation for high standards of business conduct, and*
6. *The need to act fairly as between members of the Company.'*

The Governors consider that they have fulfilled their duties in accordance with section 172(1) of the U.K. Companies Act 2006 and have acted in a way in which is most likely to promote the success of Epsom College for the benefit of its stakeholders as a whole in the following ways:

Pupils

Boarding and day pupils alike benefit from the College's award-winning pastoral provision with staff placing as much importance on pupils' personal development, lifelong friendships and camaraderie as they do on exam results. Pupils are actively encouraged to offer comments and suggestions on the operation of the school through committees, houses or tutor meetings, and this pupil voice is actively considered in decisions made by the Senior Leadership Team and Governors. The pupil centric focus continued during the year and the enforced closure of the school site and the subsequent move to remote learning, recognising the challenges faced by pupils during this lockdown. Staff worked with individuals and groups of pupils to address any concerns and organised online events designed to maintain social interaction and pupil motivation.

All of the College's policies in support of Safeguarding and Child Protection have come under the scrutiny of an independently commissioned Safeguarding Review conducted by two experienced and respected professionals, Jane Foster and Jan Pickles OBE. The review offered helpful minor suggestions and adjudged the provision to be fit for purpose. The College's Personal and Social Development (PSD) programme has been significantly enhanced, particularly in Years 10 and 11 where more time has been given to the course. Modules have been refined and new modules introduced covering RSE, digital safety, spiritually & morality and physical wellbeing.

In December 2021 the College received a Regulatory Compliance Inspection from the Independent Schools Inspectorate (ISI), the results of which were published in September 2022. The College was fully compliant with 20 of the 23 National Minimum Standards, but not compliant in three areas, relating specifically to safeguarding. However, at no time did inspectors suggest that any pupil was unsafe or not well cared for. Since the inspection, the College's leadership team has worked to address the areas of non-compliance, by executing a thorough action plan. We now await an ISI Progress Monitoring Inspection to evaluate the steps we have taken to ensure we are now fully compliant with these standards.

Employees

The College recognises that the qualities and skills of its employees and the commitment of its staff play a major role in the College's success. Weekly briefings keep staff informed of school wide developments, and there are opportunities for staff consultation with Governors, both formally and informally. Staff wellbeing has remained a key focus this year when staff returned from a further period of absence from the site. The College continues to offer support in the form of trained teaching and support staff who had undertaken the mental health first aiders course and the appointment of new College Chaplain has added further care and energy to the College provision.

Parents

The College recognises the many benefits from engaging positively with parents; towards this end, the College publications highlight aspects of College life and provide an insight into the school, especially for parents of weekly and full boarders. The Thursday Post, sent out at 3pm each Thursday, consolidates all of the week's notices and announcements into a singular email and its focus remains with an internal audience concerning matters relating to the successful running of the College. In

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

addition, The Brief continues to be sent on a Friday afternoon to approximately 3,300 subscribers and it is an important component of the College's marketing and PR. Parental attendance at events, co-curricular, Soirees, Founder's Day and Speech Day reached the highest levels on record; obviously, in part this reflects the growth of the school, however, it also indicates the strength and quality of the relationship that exists within the community.

Community

The College is proud of its place within the local community and endeavours to offer support and assistance where possible by sponsoring local sports clubs and offering opportunities for local schools and clubs to benefit from its excellent academic and co-curricular facilities. The pupil Service Programme works with local charities and social organisations to identify ways in which the pupil body can best provide support and assistance. Although the 250-strong programme had to adapt during the COVID years to working in-school and producing services and goods for local schools and charities, it has returned as a hybrid operation, with over 150 pupils returning to work in the local community each week, with others continuing to contribute in-school to deliver services. The programme was recognised by an award at the House of Lords in November 2021, for the College's partnership with local state schools.

The College has endorsed the three-year Equality, Diversity and Inclusion Development Plan; progress has been pleasing and set targets have been met; the work undertaken has received wider recognition and the members of staff at the heart of the provision are regularly invited to speak at regional and national conferences.

FINANCIAL REVIEW

Results for the year

The Statement of Financial Activities reveals a surplus of £3,419,000 (2021: surplus of £4,387,000). The surplus for the financial year exceeded forecast expectations, primarily due to funding secured from individuals to support pupils during their time at the College and the revaluation of the financial derivatives. A number of other factors including strong ancillary and grant income and controlled costs also assisted in arriving at the surplus.

The overall surplus has bolstered the Charity's reserves. Within the total surplus, losses of £1,145,000 arose in respect of Endowed Funds (2021: gains £1,668,000) and gains of £605,000 (2021: gains £936,000) on Restricted activities. A £3,959,000 surplus arose in respect of Unrestricted activities (2021: £1,783,000). The Balance Sheet of the Charity remains strong and in line with Council's expectations given the investment in fixed assets.

The principal funding source of the Charity continues to be school fees receivable. This income is used directly to support the primary objectives of the Charity disclosed on Pages 2 and 3 above.

Investment Performance

At the year-end, the Charity's long-term investments totalled £16.6m (2021: £17.9m). The investments generated investment income of £500,000 (2021: £460,000) during the year. The year-end valuation of invested funds resulted in net losses on investments of £1,699,000 (2021: gains of £2,588,000) being recognised in the Statement of Financial Activities.

In assessing performance, the JIC use various indices as a means of evaluating both the investment adviser in terms of performance against their competitors and the trust funds against returns achieved by other UK charities of the same size. In the past year, the Charity has been above the mean average and the JIC are satisfied with this performance.

Reserves policy

RMF

The Trustees make every effort to distribute the maximum amount that they are able, by awarding grants to any beneficiary who has a proven financial need and who falls within their criteria. In recent years, the RMF has been able to support all eligible applicants. Through the Trustees and Caseworker, the RMF liaises closely with other medical charities and the Educational Trusts Forum to maximise the ability of the Charity to identify qualifying beneficiaries. The RMF details are also available on various web sites, through which many enquiries for assistance are generated. Awards are met from the resources of the Charity, which is supported by donations and bequests from Local Medical Committees, Medical Charities, Medical Organisations and individual Medical Practitioners.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Total reserves at 30 June 2022 are £8,840,641 (2021: £9,730,923) and unrestricted reserves held by the RMF are £2,583,542 (2021: £2,907,345). The Trustees have reviewed the reserves policy and recognise that there are substantial undistributed reserves. The planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on investment income and planned expenditure. The Trustees take the view that the level of reserves is appropriate to meet the RMF's annual obligations on a fund-by-fund basis and to ensure financial stability. Undistributed reserves are invested to increase income to enable more beneficiaries to be helped in the future and our cash deposits could easily be drawn down should working capital be required. The accounts have therefore been prepared on the basis that the charity is a going concern.

Epsom College

The College and its subsidiaries currently hold minimal free reserves. This is because the College continues to invest its unrestricted surpluses, over the years, into the College campus and educational facilities. This investment is vital to the long-term sustainability of the College. The College is able to operate using this model, due to the significant cash generated throughout the year via school fees, which, along with the banking facilities, provides the required working capital to operate during the year, and to manage any short-term income volatility. The Governors have reviewed this position and consider it remains appropriate.

The Epsom College Group's total reserves of £33.6m (2021: £29.3m) at the year-end is represented by £5.8m (2021: £6.4m) of endowed funds, £6.2m (2021: £5.6m) of restricted funds and £21.6m (2021: £17.3m) unrestricted funds. There are currently free reserves in the Group of £16,000 (2021: £16,000) and none in the College (2021: nil) as funds continue to be invested in tangible fixed assets.

In terms of demand and pupil numbers, the long-term impact of COVID-19 on the school, appears to be minimal. At the time of approving these financial statements, the College has not seen any material reduction in prospective pupil numbers. The Governors continue to be satisfied that external financial facilities provide an additional and adequate safety net, if it should be required and, therefore, have no concerns regarding going concern of the College. The Going Concern policy, found in Note 1(q) to the Financial Statements expands on the reasons for this conclusion.

A pension liability of £47,000 (2021: £221,000) arising from the College's obligations as a member of The Pension Trust (historic defined benefit pension scheme) exists at the year-end date. A funding agreement is in place with The Pensions Trust and the College has sufficient resources to meet the future funding requirements.

PRINCIPAL RISKS AND UNCERTAINTIES

RMF

The RMF has a register of major potential risks for the charity and the RMF Board regularly examines the principal areas of the Charity's operations and considers what major risks may arise in each of these areas. In the opinion of the Trustees, the Charity has established procedures and review systems to manage these risks, the principal risk being a reduction in investment income which could jeopardise the amounts available for beneficiaries.

Epsom College

The College maintains a Risk Register which is reviewed annually by the Board of Governors with a view to ensuring that the charitable objectives of the College are achieved in the short, medium and longer term, and that the risks of the trading subsidiaries are understood and managed. The principal risks for the forthcoming academic year are as follows:

- **Cost of living increases:** the rise in the cost of living crisis is not sparing schools and a marked increase in inflation will inevitably impact on schools via increased staffing and supply costs;
- **Pension and pay:** several schools have recently been through a number of teacher strikes following the decision to withdraw from the TPS. The College currently intends to stay in the scheme but this will remain under constant review;
- **Political change:** a general election and a change of government in the coming 12 months is unlikely but not impossible. At the Labour Conference in September 2021, Sir Keir Starmer pledged to remove charitable status from independent schools, although he stopped short of promising the abolition of the sector;
- **Pupil numbers:** these could be at risk because of rising fees and increased inflation; and
- **Inspections:** a number of schools are reporting concerns with the manner and negative outcome of ISI inspections,

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2022

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Epsom College (continued)

- despite feeling the same inspection process 2 years ago would have led to successful outcomes.

The key controls used by the Governors to manage risk include:

- Formal agenda and minutes for the Committee and Board activities;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear authorisation and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable; and
- Consideration of the recent recommendations of any ISI inspections.

Through the risk management process established for the College and its subsidiaries, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute assurance that major risks have been adequately managed. The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for both the College and its subsidiaries

FUTURE PLANS

RMF

The RMF Trustees recognise that life in the charitable sector is tough, particularly for a small charity with such a focused operation. With a portfolio of investments where fund values are directly affected by market conditions, the Trustees are conscious of the continuing need to reduce overhead costs to the minimum, in particular those associated with administration, and the need to maximise income from its investments and other sources.

The Trustees believe that the Charity has a sound financial basis upon which to build for the future. We will continue to strengthen the RMF's profile and to develop existing services yet further to reach and help the medical community. The Board are sure that the charity's founder, Dr John Propert, would heartily approve of the efforts of the Foundation over the last year and would be content that the RMF is meeting the moral and legal obligations that it owes to its beneficiaries and to its benefactors.

Epsom College

Over the course of the coming academic year the following aspects of school development will receive particular attention:

- Assist the new Head and new COO & Bursar to settle effectively and efficiently into their new positions;
- After the pandemic, continue to restore academic confidence and achievement in our pupils' learning and continue to prepare them appropriately for the return to formal public examinations;
- Ensure that the College remains 'future proof' and aligns effectively with market demand by exploring possibilities of establishing a further income stream; in particular, explore any opportunities identified by the consultant who has been recently engaged to advise on Overseas Development and work towards a potential affiliation with a successful local Prep School that comprises both day and boarding pupils;
- Continue to meet the recommendations of the three-year EDI Development Plan and support the work and development of the Head of EDI;
- Review and continue to improve the structure and effectiveness of data and information technology systems at the College;
- Increase funding and pastoral support for pupils under the aegis of the Royal National Children's Springboard Foundation, Surrey County Council Looked After Children provision, Chelsea Football Academy and the Boarding Schools Partnerships and displaced pupils from Afghanistan and the Ukraine;
- Continue to build upon the marked success of our Co-Curriculum programme both in terms of high participation levels and the success achieved by the College at County and National level;
- Continue to inform and identify best practice and to emphasise the importance of safeguarding and enhancing pupil wellbeing throughout the College community by engaging in externally sourced audits and reviews;
- Enable the completion of the construction stage and open formally The Mermaid over the course of the academic year commencing September 2022 and facilitate a final push on supporting donations for the project.
- Work with the ISI to ensure all National Minimum Standards are met and the College remains at the forefront of pupil safeguarding and wellbeing.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2022

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under Charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principle in the Charities SORP;
- make judgements 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 Charity will continue in business.

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

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

DISCLOSURE OF INFORMATION TO AUDITOR

Insofar as each of the Trustees at the date of approval of this report is aware, there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each member of Council has taken all the steps that he or she ought to have taken as a member of Council in order to make himself or herself aware of the relevant audit information and to establish that the charity's auditor is aware of that information.

COUNCIL MEMBERSHIP

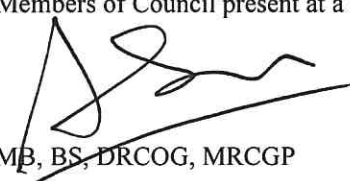
The following Members are standing down in rotation at the Annual General Meeting but are eligible and recommended for re-election for a term of three years:

MR D Mahoney, Sir John Scarlett, DR A.J. Vallance-Owen, Mr C Watson and Dr A.J. Wells

AUDITOR

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor and a general resolution proposing reappointment will be submitted to the forthcoming Annual General Meeting.

Approved by Members of Council present at a meeting on 9 November 2022 and signed on its behalf by:


Dr AJ Wells, MB, BS, DRCOG, MRCGP
Chairman

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

Opinion

We have audited the financial statements of the Royal Medical Foundation of Epsom College ('the charity') and its subsidiaries ('the group') for the year ended 30 June 2022 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including 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 group's and the parent charity's affairs as at 30 June 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE (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 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, set out on page 14, 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 group and the parent 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

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts 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 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were the General Data Protection Regulation, Health and Safety legislation, Employment and Education (Independent School Standards) Regulations 2014.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the assumptions and volatility of valuation data used to value the financial instruments and derivatives, the procurement processes for significant capital projects, grant expenditure and the override of controls by management for all entities. Our audit procedures to respond to these risks included enquiries of management, and The Council of the Royal Medical Foundation of

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE (CONTINUED)**

Epsom College about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Date 3 February 2023

Crowe U.K LLP
Statutory Auditor
Cheltenham

Crowe U.K LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Unrestricted £'000	Restricted £'000	Endowed £'000	Total 2022 £'000	Total 2021 £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities						
School fees receivable	2	29,218	-	-	29,218	24,956
Ancillary trading income	3	1,859	-	-	1,859	1,572
Other trading activities						
Non-ancillary trading income	4	378	-	-	378	141
Other activities	4	200	-	-	200	200
Investments						
Investment income		94	402	4	500	460
Bank interest		12	2	-	14	10
Voluntary sources						
Grants and donations	6	104	1,342	-	1,446	1,476
TOTAL BEFORE FINANCE INCOME		31,865	1,746	4	33,615	28,815
Change in fair value of derivatives	5	1,294	-	-	1,294	451
TOTAL INCOME		33,159	1,746	4	34,909	29,266
EXPENDITURE ON:						
Raising funds						
Non-ancillary trading	7	135	-	-	135	62
Financing costs	7,8	535	-	-	535	738
Investment management	7	12	16	52	80	74
Fundraising and development	7	166	-	-	166	166
TOTAL DEDUCTIBLE COSTS		848	16	52	916	1,040
CHARITABLE ACTIVITIES						
Education and grant making	7	28,223	777	-	29,000	26,426
TOTAL EXPENDITURE	7	29,071	793	52	29,916	27,466
NET INCOME/(EXPENDITURE) FROM OPERATIONS						
		4,088	953	(48)	4,993	1,800
(Losses)/gains on investments	11	(254)	(348)	(1,097)	(1,699)	2,588
NET INCOME FOR THE YEAR		3,834	605	(1,145)	3,294	4,388
Pension scheme actuarial losses	21	125	-	-	125	(1)
NET MOVEMENT IN FUNDS		3,959	605	(1,145)	3,419	4,387
Fund balances brought forward at 1 July	20	20,237	6,457	12,365	39,059	34,672
FUND BALANCES CARRIED FORWARD AT 30 JUNE	20	24,196	7,062	11,220	42,478	39,059

The notes on pages 22 to 41 form part of these financial statements

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
GROUP AND CHARITY BALANCE SHEETS
AT 30 JUNE 2022

	Notes	Group 2022 £'000	Group 2021	Charity 2022 £'000	Charity 2021 £'000
FIXED ASSETS					
Tangible assets	10	33,874	30,289	33,852	30,261
Investments	11	16,512	17,789	16,587	17,864
Derivatives	12	1,435	451	1,435	451
		51,821	48,529	51,874	48,576
CURRENT ASSETS					
Stock		51	33	47	30
Debtors	13	1,192	841	1,680	997
Cash and deposits		11,929	7,155	11,331	6,912
		13,172	8,029	13,058	7,939
CURRENT LIABILITIES					
Creditors payable within one year	14	(7,396)	(6,067)	(7,351)	(6,040)
		5,776	1,962	5,707	1,899
NET CURRENT ASSETS					
		57,597	50,491	57,581	50,475
TOTAL ASSETS LESS CURRENT LIABILITIES					
LONG TERM LIABILITIES					
Creditors payable after one year	15	(15,119)	(11,432)	(15,119)	(11,432)
		42,478	39,059	42,462	39,043
NET ASSETS					
ENDOWED FUNDS					
	19,20	11,220	12,365	11,220	12,365
RESTRICTED FUNDS					
	19,20	7,062	6,457	7,062	6,457
UNRESTRICTED FUNDS					
	19,20	24,196	20,237	24,180	20,221
		42,478	39,059	42,462	39,043
TOTAL FUNDS					

The net result of the charity for the year, included within the financial statements, was a surplus of £3,003,000 (2021: £4,145,000).

Approved and authorised for issue by Members of Council present at a meeting on 9 November 2022 and signed on their behalf by:



A. J. Pianca
Treasurer

The notes on pages 22 to 41 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities			
Net cash provided by operating activities	(i)	7,344	5,211
Cash flows from investing activities:			
Dividends and interest from investments		500	460
Payments for tangible fixed assets		(6,735)	(2,264)
Change in cash awaiting investment		78	(14)
Proceeds on sale of tangible fixed assets		9	1
Net cash used in investing activities		<u>(6,148)</u>	<u>(1,817)</u>
Cash flows from financing activities:			
Repayment of borrowing		-	(8,486)
Cash inflows from new borrowing		4,123	8,862
Movement in finance leases		(60)	238
Finance costs paid		(403)	(365)
New fees in advance money		1,239	1,699
Fees in advance money utilised		(1,321)	(1,229)
Net cash provided by financing activities		<u>3,578</u>	<u>719</u>
Change in cash and cash equivalents in the reporting period		<u>4,774</u>	<u>4,113</u>
Cash and cash equivalents at the beginning of the reporting period		<u>7,155</u>	<u>3,042</u>
Cash and cash equivalents at the end of the reporting period	(ii)	<u>11,929</u>	<u>7,155</u>

The notes on pages 22 to 41 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

(i) Reconciliation of net income to net cash flow from operating activities

	2022 £'000	2021 £'000
Net income for the reporting period (as per the statement of financial activities)	4,993	1,800
Investment income	(500)	(460)
Other finance income	(1,356)	(451)
Finance costs	535	365
Depreciation charges	3,135	3,162
Loss on disposal of assets	5	20
(Increase) / decrease in stock	(18)	9
(Increase) / decrease in debtors	(351)	327
Increase in creditors (excluding fees in advance)	901	439
	2,351	3,411
Net cash provided by operating activities	7,344	5,211

ii) Analysis of cash and cash equivalents

	2022 £'000	2021 £'000
Cash in bank	11,459	6,688
Cash in hand	14	13
Notice deposits (less than 3 months)	456	454
Total cash and cash equivalents	11,929	7,155

iii) Analysis of changes in net debt

	1 July 2021 £'000	Cash flows £'000	Non-cash changes	30 June 2022 £'000
Cash in bank	6,688	4,771	-	11,459
Cash in hand	13	1	-	14
Notice deposits	454	2	-	456
Cash and cash equivalents	7,155	4,774	-	11,929
Bank loans falling due within one year	(15)	-	(88)	(103)
Bank loans falling due after more than one year	(8,847)	(4,123)	(44)	(13,014)
Finance lease obligations due within one year	(59)	60	(60)	(59)
Finance lease obligations due after more than one year	(190)	-	60	(130)
Total borrowings + finance lease obligations	(9,111)	(4,063)	(132)	(13,306)
Net debt	(1,956)	711	(132)	(1,377)

The notes on pages 22 to 41 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. ACCOUNTING POLICIES

The principle accounting policies adopted and critical areas of judgement are as follows:

a) Basis of Preparation of the Financial Statements

The financial statements have been prepared on the historical cost basis of accounting, as modified by the revaluation of investment investments, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, the Charities SORP (FRS 102) and the accounting policies set out below.

The functional currency of the Charity is considered to be pounds sterling as that is the currency of the primary economic environment in which the Charity operates. The financial statements are also presented in pounds sterling.

The financial statements consolidate, on a line-by-line basis, all funds of the RMF and the College together with the financial statements of its wholly owned subsidiaries, Epsom College Enterprises Limited (company number 01066747), Epsom College Overseas Limited (company number 07562826) and Epsom College Transport Limited (company number 12437332) that are prepared for the same period. No separate Statement of Financial Activities has been prepared for the College alone, as permitted by Section 408 of the Companies Act 2006. The College has taken advantage of the exemption available to a qualifying entity in FRS 102 from requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

The Charity is a public benefit entity and is registered as a charity in England and Wales (charity number: 312046). It was established by an Act of Parliament of 1855. The Charity is domiciled in the UK and the address of the registered office is Epsom College, College Road, Epsom, KT17 4JQ.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods. Bank loans are amortised using the effective interest rate method.

In the view of the Trustees, with the exception of pension liabilities (see note 21), no assumptions concerning the future or estimation uncertainly affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

b) Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the College against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

c) Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

1. ACCOUNTING POLICIES (Continued)

d) Donations, legacies, grants and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Charity is considered probable.

Voluntary income for the Charity's general purpose is accounted for as "Unrestricted Funds". Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

Grant income is recognised when there is evidence of entitlement, the receipt is probable and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

e) Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for long-term liabilities. Expenditure attributable to more than one cost category in the SOFA is appropriated to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements as well as Trustee training.

f) Tangible fixed assets and depreciation

Expenditure of the acquisition, construction or enhancement of land and buildings, vehicles, furniture, machinery, ICT infrastructure and equipment costing more than £500 are capitalised and carried in the balance sheet at historical cost. Other expenditure on equipment incurred in the normal day-to-day running of the Charity is charged to the Statement of Financial Activities as incurred.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal instalments over their expected useful economic lives. The current depreciation rates are as follows:

New buildings	2 – 4%
Freehold and leasehold improvements and renovations	2 – 20%
Furniture, machinery and equipment	10 – 25%
Motor Vehicles	25%

Buildings outside the grounds of Epsom College have been included at their 30 June 1995 valuation. Costs associated with buildings in the course of construction have not been depreciated pending completion of the work.

g) Investments

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated the appropriate fund according to the "ownership" of the underlying assets.

Investments in subsidiaries are valued at cost less provision for impairment.

h) Stock

Stock represents goods for resale and is valued at the lower of cost or estimated selling price.

i) Debtors

Short term debtors are measured at transaction price (e.g. value of school fees billed but not yet paid), less any impairment.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

ACCOUNTING POLICIES (continued)

j) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities including bank loans, are measured at fair value, net of transactions costs, and are measured subsequently at amortised cost using the effective interest method.

Pupil fee deposits held by the school: Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The school does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held are included within current liabilities.

k) School fees in advance

In addition to the school fees, which are payable one term in advance, the College accepts fees for longer periods. These longer-term fees paid in advance are credited to income when the fees are due. In consideration of the lump sum received the scheme provides for a discount to be applied towards the cost of education.

Amounts received under the College's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

l) Provisions for liabilities

Provisions are recognised when the Charity has a present obligation (legal or constructive) as a result of a past event, it is probable that the Charity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in the Statement of Financial Activities ("SOFA") in the period it arises.

The Charity recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

m) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Charity. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at fair value of the leased asset (or, if lower, the present value of the minimum lease payments) at inception of the lease. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

ACCOUNTING POLICIES (Continued)

n) Fund accounting

Charitable trust funds are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the Charity's corporate reserves, spendable at the discretion of the Trustees either to further the Charity's Objects or to benefit the Charity itself. Where the Trustees decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts and legacies where there is no capital retention obligation or power but only a trust law restriction to some specific propose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the Charity (e.g. freehold land) or for its financial benefit (i.e. by investment).

Expendable endowment funds can be converted into income for spending with at the Trustees own discretion or else upon the happening of some event contemplated by the donor.

o) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with exception of investments which are held at fair value.

Financial assets held at amortised cost comprise cash at bank and in hand, together with all debtors other than prepayments and tax recoverable. A specific provision is made for any debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and fees received in advance.

Derivatives are not basic financial instruments. These are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at the balance sheet date. Changes in fair value are recognised in the Statement of Financial Activities in finance costs or finance income as appropriate.

Derivatives classified as liabilities have been split between due with one year and after one year based on the future estimated cashflows.

p) Pension costs

Retirement benefits to employees of the Charity are provided through three pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme

This is a multi-employer pension scheme and it is not possible to identify the Charity's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, the College accounts for the scheme as if it were a defined contribution scheme. The Charity's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

Pensions Trust

Contributions are paid, in respect of non-teaching staff, to the Pensions Trust into a defined contribution scheme. Contributions for current employees are generally at a rate equivalent to 7% of annual basic pay for those in the existing scheme and 4% for those who were auto-enrolled from the Charity's staging date of 1 January 2014.

The Charity previously contributed to a Pension Trust defined benefit scheme. A liability exists in relation to the deficit funding for this historic scheme.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

ACCOUNTING POLICIES (Continued)

p) Pension costs (continued)

The historic defined benefit scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standard issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Retiring Pensions Fund

The Charity also pays post-employment benefits to certain former members of staff and their relatives. This was previously paid from a designated, separately invested fund, which was divested during the year. The College now pays these benefits from operating income. The Fund is invested separately from all other funds.

q) Going concern

The preparation of financial statements requires an assessment of the validity of the going concern assumption, this being dependent upon the availability of adequate financial resource to allow the Group and Charity to continue in operational existence for the foreseeable future.

Throughout the COVID-19 pandemic, the College managed risk successfully and the long-term impact upon the College appears to minimal at this time. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff.

The income expected to be available depends most importantly upon an estimate of pupil numbers and their boarding mix as well as investment income. At the time of approving these financial statements the College is experiencing increased pupil numbers compared with prior years. The College has considered the effects of a small reduction in pupil numbers on the financial forecasts, taking account of current cash reserves, banking facilities and the College's ability to rescale its operations accordingly. There are currently adequate cash balances and banking facilities in place to ensure that the College can meet its obligations through this period of uncertainty.

The Trustees have reviewed budgets and projected cash flows and are confident that with the continued support of existing bank funding levels the Group and Charity will have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of the financial statements. Consequently, the Trustees consider it appropriate to prepare the financial statements on the going concern basis.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

2.	CHARITABLE ACTIVITIES – FEES RECEIVABLE	2022	2021
		£'000	£'000
	Fees receivable consist of:		
	School fees	30,996	26,450
	Less: Scholarships, bursaries and other awards	<u>(2,403)</u>	<u>(2,016)</u>
		28,593	24,434
	Add back scholarships and grants paid out of restricted funds	<u>625</u>	<u>522</u>
		<u>29,218</u>	<u>24,956</u>

Scholarships and grants paid out of restricted funds is the total restricted expenditure on grants and awards made during the year. In previous years, only restricted expenditure on grants and awards that was funded by investment income was included here, and funding from other sources was netted against the cost of scholarships, bursaries and other awards in note 2. Comparative figures above have been restated.

3.	CHARITABLE ACTIVITIES – OTHER INCOME	2022	2021
		£'000	£'000
	Ancillary trading income		
	Entrance and registration fees	161	193
	Additional charges to pupils	1,598	1,206
	Insurance commission	4	4
	Other	<u>96</u>	<u>169</u>
		1,859	1,572

4.	OTHER TRADING ACTIVITIES	2022	2021
		£'000	£'000
	Non-ancillary trading income		
	Epsom College Enterprises Ltd	308	108
	Courses and lettings	<u>70</u>	<u>33</u>
		378	141
	Other activities		
	Epsom College Overseas Ltd - royalties	<u>200</u>	<u>200</u>

Trading subsidiaries

Epsom College Enterprises Ltd: the aggregate amount of its assets, liabilities and funds as the end of the reporting period were £91,491 (2021: £94,491). It had turnover of £308,529 (2021: £107,653), expenditure of £114,342 (2021: £59,718) and a profit of £194,187 (2021: £47,935) for the reporting period.

Epsom College Overseas Ltd: the aggregate amount of its assets, liabilities and funds as the end of the reporting period were £100 (2021: £100). It had turnover of £200,000 (2021: £200,000), expenditure of £3,671 (2021: £5,600) and a profit of £196,329 (2021: £194,400) for the reporting period.

Epsom College Transport Ltd: the company started trading on 1 March 2021; the aggregate amount of its assets, liabilities and funds as the end of the reporting period were £100 (28 February 2021: £100). It had turnover, derived from transport services provided to Epsom College, of £184,873 (2021: NIL), expenditure of £159,350 (2021: NIL) and a profit of £25,523 (2021: NIL) for the reporting period.

5.	FINANCE INCOME	2022	2021
		£'000	£'000
	Change in fair value of derivatives	<u>1,294</u>	<u>451</u>

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

6. GRANTS AND DONATIONS RECEIVABLE

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2022 £'000	Total 2021 £'000
Donations to Royal Medical Foundation	2	-	-	2	6
Donations to the College for other charities, bursaries, fixed asset purchases and other purposes	-	426	-	426	368
Donations to the Epsom College Education Trust for the development of educational facilities and activities of the College	-	916	-	916	434
Government Grants	102	-	-	102	668
	104	1,342	-	1,446	1,476

During the year ended 30 June 2022 six Governors made total donations of £120,000 to the College for the development of educational facilities and activities of the College (2021: five Governors donated £5,000 in total).

The Government Grant was received under the Coronavirus Job Retention Scheme for 3 months during the year (2021: ten months).

7. ANALYSIS OF TOTAL EXPENDITURE

(a) Total expenditure

	Staff Costs £'000	Other Costs £'000	Depreciation £'000	2022 Total £'000	2021 Total £'000
Raising funds					
Trading costs	-	123	12	135	62
Fundraising costs	143	23	-	166	166
Investment management	-	80	-	80	74
Financing costs (note 8)	-	535	-	535	738
Total raising funds	143	761	12	916	1,040
Charitable activities					
Teaching	11,009	2,297	26	13,332	12,380
Welfare	3,419	1,909	-	5,328	4,579
Premises	448	2,239	2,438	5,125	4,942
Support and governance costs	1,784	1,959	659	4,402	3,858
Grants, awards and prizes	-	813	-	813	667
Total charitable activities	16,660	9,217	3,123	29,000	26,426
Total expenditure	16,803	9,978	3,135	29,916	27,466

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

(b) Governance included in support costs

	2022	2021
	£'000	£'000
Remuneration paid to auditor for audit services	55	40
Remuneration paid to auditor for assurance services	3	3
	58	43

Remuneration paid to auditor for audit services and assurance services exclude irrecoverable VAT.

Remuneration paid to the auditor of Epsom College Enterprises Ltd, Epsom College Overseas Ltd and Epsom College Transport Ltd for audit services are included, net of VAT, within Trading costs and amount to £4,325 (2021: £4,140), £2,130 (2021: £2,040) and £4,430 (2021: NIL) respectively.

Remuneration paid to the auditor of Epsom College Enterprises Ltd for tax services was £2,550 (2021: £ 2,500), remuneration paid to the auditor of Epsom College Overseas Ltd for tax services was £2,000 (2021: £3,500) and remuneration paid to the auditor of Epsom College Transport Ltd for tax services was £2,550 (2021: NIL).

8. FINANCE COSTS

	2022	2021
	£'000	£'000
School fees in advance financing costs	43	37
Bank borrowings financing costs	491	326
Change in fair value of derivatives	-	373
Pension scheme financing costs	1	2
	535	738

9. STAFF COSTS

	2022	2021
	£'000	£'000
The aggregate payroll costs for the year were as follows:		
Wages and salaries	13,497	12,570
Social security costs	1,440	1,303
Pension contributions	1,866	1,769
	16,803	15,642
Aggregate employee benefits of key management personnel	1,510	1,310

The average number of employees during the year was:

	2022	2021
	No.	No.
Teaching (including teaching support staff)	140	136
Other	299	293
	439	429

None of the Trustees, or persons connected with them, received any remuneration during the year. There were no expense reimbursements made to Governors during the year (2020: 2 Governors reimbursed a total of £1,224).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

9. STAFF COSTS (continued)

The number of employees who received remuneration of £60,000 or greater, in the following bands, was:

	2022	2021
£60,001 - £70,000	36	37
£70,001 - £80,000	14	13
£80,001 - £90,000	4	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£110,001 - £120,000	-	1
£120,001 - £130,000	2	-
£130,001 - £140,000	-	1
£240,001 - £250,000	-	1
£260,001 - £250,000	1	-

The number with retirement benefits accruing in the Teachers' Defined Benefit and Non-Teachers' Defined Contribution Schemes was 50 and 8 respectively (2021: 46 and 9). The relevant amount of contributions in respect of the Non-Teachers' Scheme was £48,866 (2021: £52,250).

Redundancy and settlements payments of £2,163 and £26,373, respectively, were made during the year (2021: redundancy payments £15,836). There were no outstanding payments at the year-end (2021: nil).

10. TANGIBLE FIXED ASSETS- CHARITY AND GROUP

	Land & Buildings	Charity Assets Under Construction	Plant, Machinery & Vehicles	Fixtures & Equipment	Charity Total	Subsidiary Fixtures & Equipment	Group Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or frozen valuation							
<i>At 1 July 2021</i>	63,264	1,342	1,759	4,993	71,358	57	71,415
Additions at cost	927	4,839	99	864	6,729	6	6,735
Transfers	32	(32)	-	-	-	-	-
Disposals	-	(13)	-	(108)	(121)	-	(121)
At 30 June 2022	64,223	6,136	1,858	5,749	77,966	63	78,029
Depreciation							
<i>At 1 July 2021</i>	35,762	-	1,549	3,787	41,098	29	41,127
Charge for the year	2,339	-	112	672	3,123	12	3,135
Eliminated on disposals	-	-	-	(107)	(107)	-	(107)
At 30 June 2022	38,101	-	1,661	4,352	44,114	41	44,155
Net book value							
<i>At 1 July 2021</i>	27,502	1,342	210	1,206	30,261	28	30,289
At 30 June 2022	26,122	6,136	197	1,397	33,852	22	33,874

The amount of expenditure on buildings up to 31 December 1955 is unascertainable and is not considered to be material to these financial statements. Expenditure since that date has been capitalised in the balance sheet.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

Included in Land & Buildings are properties outside the College grounds. These were first capitalised in the balance sheet as at 30 June 1995 at their market value of £2,060,771 at that date. Additions since then have been included at cost. Chartered Surveyors carried out an independent valuation of freehold properties outside the College grounds as at 30 June 1995 on the assumption that vacant possession was immediately available. Properties comprising sub-divided flats were valued on the assumption that the individual flats had the benefit of 99 year leases at peppercorn ground rent and that an acceptable management and service agreement was in place. No structural survey or legal searches were carried out.

The total net book value of fixtures & equipment of the College of £1,397,000 (2021: £1,206,000) includes £156,000 (2021: £230,881) held under finance lease. Depreciation charged on these assets amounted to £74,880 (2021: £68,640).

All tangible fixed assets are held for use in charitable activities.

11. INVESTMENTS

a) Group and Charity Investment movements	Total 2022 £'000	Total 2021 £'000
Group investments as at 1 July	17,789	15,186
New capital introduced	500	-
Change in cash awaiting investment	(78)	15
Realised gains/(losses)	(1,520)	2,385
Unrealised (losses)/ gains	(179)	203
Group investments at 30 June	<u>16,512</u>	<u>17,789</u>
Investment in subsidiaries	75	75
Charity investments at 30 June	<u>16,587</u>	<u>17,864</u>
b) Investment analysis	2022 £'000	2021 £'000
Fixed interest stocks and bonds	2,403	2,280
UK equities	5,508	4,317
Worldwide equities	7,356	8,580
Alternative investments	1,245	2,612
Group investments	<u>16,512</u>	<u>17,789</u>
Investment in subsidiaries	75	75
Charity investments	<u>16,587</u>	<u>17,864</u>

12. DERIVATIVES

	Group 2022 £'000	<i>Group 2021 £'000</i>	Charity 2022 £'000	<i>Charity 2021 £'000</i>
Financial instruments	<u>1,435</u>	<i>451</i>	<u>1,435</u>	<i>451</i>

During the year the College entered into a second derivative arrangement on the £7m loan facility, taking out a zero-floor interest rate swap, with an embedded cap. This is a similar arrangement to the one in place at June 2021 on the £8m loan facility.

The College uses these arrangements to protect against interest rate volatility over the period of repayment. Further information on the interest rate swap arrangements is found in Note 15.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

13. DEBTORS	Group	Group	Charity	Charity
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Fees and extras	335	393	335	393
Trade debtors	36	86	-	-
Sundry debtors	65	43	56	43
Prepayments and accrued income	756	319	751	314
Amounts due from subsidiary companies	-	-	538	247
	1,192	841	1,680	997

All debtors are due within one year.

14. CREDITORS PAYABLE WITHIN 1 YEAR	Group	Group	Charity	Charity
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Deposits from fee payers	2,133	2,635	2,133	2,635
Bank loans and overdrafts	103	15	103	15
Finance lease	59	59	59	59
Trade creditors	741	380	731	380
Taxation and social security	415	344	415	344
Other creditors, accruals and deferred income	2,144	858	2,110	831
School fees in advance scheme (see note 16)	1,137	1,145	1,136	1,145
Pension deficit funding (see note 21)	19	60	19	60
Holiday pay accrual	645	476	645	476
Derivative financial instruments	-	95	-	95
	7,396	6,067	7,351	6,040

Deposits from fee payers, under normal circumstances, are repaid over future years when the pupils complete their education at the school. However, as pupils can leave at earlier dates, the balance of the deposits held at the end of the financial year have been included within current liabilities. In the normal course of business, the expected repayment of these amounts will be £573,741 within one year (2021: £1,038,000) and £1,558,760 after more than one year (2021: £1,597,000).

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2022	2021
	£'000	£'000
Bank loans and overdrafts	13,015	8,847
School fees in advance scheme (see note 16)	1,883	1,956
Finance lease	130	190
Pension deficit funding (see note 21)	28	161
Derivative financial instruments	63	278
	15,119	11,432

The total bank loan at the year-end is £13,117,581 (2021: £8,862,564) and is comprised of two facilities. The £8m facility, with a 25-year amortisation period, is fully drawn and is for the purpose of funding the College's previous building and development programmes. The £7m facility is also in place to part fund the construction of the Mermaid building and will be drawn upon as the project progresses.

During the year, £4,122,663 was drawn on this facility (2021: £851,000). Capital repayments are due as follows:

	2022	2021
	£'000	£'000
Due within 1 year	103	15
Due between 2 and 5 years	1,126	2,228
Due after more than 5 years	11,889	6,619
	13,118	8,862

Interest is charged at SONIA plus 1.90% on both loans.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (CONTINUED)

The College has entered into fixed interest rate swaps in relation to both loans. The strike rates are 1.25% and 2.8% for the £8m and £7m loans, respectively. The interest rate swap has a zero-floor mechanism with an embedded cap, the floor and cap elements are valued separately as assets for the purposes of these accounts.

The College has access to a £3.5m revolving credit facility to help fund its building and capital development programme. There was no utilisation of this facility during the year. Interest is charged on this facility at a rate of SONIA plus 1.35%. The College also has in place a £1.5m overdraft facility to help manage working capital requirements throughout the year. All facilities are secured by a fixed and floating charge over all assets of the College.

16. SCHOOL FEES IN ADVANCE SCHEME

Parents may enter into a contract to pay to the College up to the equivalent of seven years' fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. The scheme provides for discounts to be applied to the cost of education as the fees fall due. Assuming pupils remain at the College/ start at the college as anticipated, the liability for advance fees, accrued to date, will be applied as follows:

	2022	2021
	£'000	£'000
Beyond 5 years	252	269
Within 2-5 years	1,631	1,687
Within 1 year	1,137	1,145
	3,020	3,101
 The movements during the year were as follows:		
At 1 July	3,101	2,631
New contracts during the year	1,239	1,699
Amounts accrued to contracts	-	-
	4,340	4,330
Amounts returned to leavers	-	(30)
Amounts utilised in payment of fees	(1,320)	(1,199)
Balance at 30 June	3,020	3,101

17. FINANCIAL INSTRUMENTS

	2022	2021
	£'000	£'000
Financial assets measured at fair value	17,947	18,240
Financial liabilities measured at fair value	63	373

Financial assets held at fair value include assets held as investments and derivative financial instruments (floor and cap).
 Financial liabilities held at fair value includes derivative financial instruments (interest rate swap).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

18. FUNDS OF THE GROUP

UNRESTRICTED FUNDS

Epsom College

General fund – Representing accumulated income from the College’s activities and other sources that are available for the general purpose of the College.

Fixed assets fund – A designated fund that represents the College’s investment in property less the amount funded by bank borrowings.

Derivative reserve – Representing accumulated fair value gains and losses associated with the annual revaluations of derivative financial instruments.

Royal Medical Foundation

General fund – Representing accumulated income from the Charity’s activities and other sources that are available for the general purpose of the Charity.

Royal Medical Foundation of Epsom College

Surrey scholars’ fund – Representing funds received from the parents of Surrey Scholars and held for the general purpose of the charity.

RESTRICTED FUNDS

Epsom College

Scholarships, bursaries and the development of educational activities – Representing numerous individual gifts, legacies and grants given to the College over many years for a specific purpose but where there is no requirement to preserve capital. For several years, The College has been receiving donations to The Mermaid capital campaign to fund a new centre to transform the educational experience of its pupils, with particular focus on the Sixth Form. These donations are restricted for this purpose only.

Royal Medical Foundation

Grant funds for education and maintenance (restricted and endowed) – Representing funds held to provide pensions, annuities and grants and other pecuniary assistance for medical practitioners or their families in need.

Gift/annuity fund (restricted and endowed) – Representing the Funds held to provide renewable annual grants, annuities and other pecuniary assistance for medical practitioners or their families in need.

ENDOWED FUNDS

Epsom College

Scholarships - Representing numerous individual gifts, legacies and grants given to the College over many years for scholarships and bursaries.

School endowment trust – Representing an expendable endowment with the purpose of assisting in the provision, maintenance, improvement or extension of the premises of the school. In May 2016 the Governors gave approval that funds then held in the School Endowment Trust should be used for the purpose of funding capital projects. As such, investments held for School Endowment Trust funds were liquidated, transferred to the College and designated to the Fixed assets fund in year ending 30th June 2017.

Royal Medical Foundation

Foundation scholars’ fund – Representing the funds held to provide for the education of children of medical practitioners in need at Epsom College.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

19. ALLOCATION OF THE NET ASSETS

The net assets are held for the various funds as follows:

	Fixed Assets £'000	Investments £'000	Net Current Assets/ (Liabilities) £'000	Long Term Liabilities £'000	2022 Total £'000
Unrestricted funds					
General fund	1,616	1,714	(672)	(55)	2,603
Fixed assets fund	32,258	-	1,081	(13,118)	20,221
Advance fees	-	-	1,883	(1,883)	-
Derivative reserve	1,435	-	-	(63)	1,372
	<u>35,309</u>	<u>1,714</u>	<u>2,292</u>	<u>(15,119)</u>	<u>24,196</u>
Restricted funds	-	3,574	3,488	-	7,062
Endowed funds	-	11,224	(4)	-	11,220
Balances at 30 June 2022	35,309	16,512	5,776	(15,119)	42,478
<i>2021</i>	<i>Fixed Assets £'000</i>	<i>Investments £'000</i>	<i>Net Current Assets/ (Liabilities) £'000</i>	<i>Long Term Liabilities £'000</i>	<i>2021 Total £'000</i>
Unrestricted funds					
General fund	1,445	2,861	(1,028)	(351)	2,927
Fixed assets fund	28,844	-	(2,765)	(8,847)	17,232
Advance fees	-	-	1,956	(1,956)	-
Derivative reserve	451	-	(95)	(278)	78
	<u>30,740</u>	<u>2,861</u>	<u>(1,932)</u>	<u>(11,432)</u>	<u>20,237</u>
Restricted funds	-	2,563	3,894	-	6,457
Endowed funds	-	12,365	-	-	12,365
Balances at 30 June 2021	30,740	17,789	1,962	(11,432)	39,059

20. MOVEMENT ON FUNDS

	1 July 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains /Losses £'000	30 June 2022 £'000
a. UNRESTRICTED						
Epsom College						
General fund	16	31,769	(28,937)	(2,989)	157	16
Designated fixed asset fund	17,232	-	-	2,989	-	20,221
Derivative reserve	78	1,294	-	-	-	1,372
Royal Medical Foundation						
General funds	2,911	96	(134)	-	(286)	2,587
	<u>20,237</u>	<u>33,159</u>	<u>(29,071)</u>	<u>-</u>	<u>(129)</u>	<u>24,196</u>

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

20. MOVEMENT ON FUNDS (Continued)	<i>1 July 2021</i>	Income	Expenditure	Transfers	Gains /Losses	30 June 2022
b. RESTRICTED						
Epsom College						
Scholarships, bursaries and development of educational facilities	5,611	1,585	(696)	-	(273)	6,227
Royal Medical Foundation						
Grant funds – maintenance and education	222	72	(54)	-	(20)	220
Gift/annuity fund	624	89	(43)	-	(55)	615
	6,457	1,746	(793)	-	(348)	7,062
c. ENDOWED						
Epsom College						
Scholarships	6,391	4	(27)	-	(567)	5,801
Royal Medical Foundation						
Grant funds – maintenance and education	2,476	-	(9)	-	(220)	2,247
Relief of poverty fund	228	-	(1)	-	(20)	207
Gift/annuity fund	2,758	-	(12)	-	(245)	2,501
Foundation scholars	512	-	(3)	-	(45)	464
	12,365	4	(52)	-	(1,097)	11,220
TOTAL FUNDS	39,059	34,909	(29,916)	-	(1,574)	42,478
2021	<i>1 July 2020 £'000</i>	<i>Income £'000</i>	<i>Expenditure £'000</i>	<i>Transfers £'000</i>	<i>Gains / Losses £'000</i>	<i>30 June 2021 £'000</i>
a. UNRESTRICTED						
Epsom College						
General fund	16	27,547	(26,253)	(1,293)	(1)	16
Designated fixed asset fund	15,886	-	-	1,346	-	17,232
Derivative reserve	-	451	(373)	-	-	78
Royal Medical Foundation						
General funds	2,552	95	(85)	(53)	402	2,911
	18,454	28,093	(26,711)	-	401	20,237
b. RESTRICTED						
Epsom College						
Scholarships, bursaries and the development of educational facilities	4,831	1,024	(602)	-	358	5,611
Royal Medical Foundation						
Grant funds – maintenance and education	173	66	(45)	-	28	222
Gift/annuity fund	517	83	(59)	-	83	624
	5,521	1,173	(706)	-	469	6,457
c. ENDOWED						
Epsom College						
Scholarships	5,529	-	(25)	-	887	6,391
Royal Medical Foundation						
Grant funds – maintenance and education	2,142	-	(10)	-	344	2,476
Relief of poverty fund	197	-	(1)	-	32	228
Gift/annuity fund	2,386	-	(11)	-	383	2,758
Foundation scholars	443	-	(2)	-	71	512
	10,697	-	(49)	-	1,717	12,365

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

21. PENSION COSTS

(a) Teachers' Pension Scheme

The College participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,563,938 (2021: £1,497,970) and at the year-end £195,397 (2021: £186,453) was accrued in respect of contributions to this scheme.

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

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

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

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

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

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

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

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

(b) Pensions Trust

Contributions are paid, in respect of non-teaching staff, to the Pensions Trust into a defined contribution scheme.

Contributions for current employees are generally at a rate equivalent to 7% of annual basic pay for those in the existing scheme and 4% for those who were auto-enrolled from the College's staging date of 1 January 2014. The pension charge for the year includes contributions payable to The Pensions Trust of £281,279 (2021: £299,019) excluding the defined benefit deficit funding. At the year-end £51,324 (2021: £58,756) was accrued in respect of contributions to this scheme.

The College previously contributed to a Pension Trust defined benefit scheme. A liability exists in relation to the deficit funding for this historic scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The historic defined benefit scheme is classified as a 'last-man standing arrangement'. Therefore, the College is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 January 2025: £3,312,000 per annum (payable monthly and increasing by 3% on 1st April each year)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

As the scheme is in deficit and the College has entered into a deficit funding arrangement a liability has been recognised for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement. The present value is calculated using a discount rate of 3.45% per annum. The discount rates are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions. The unwinding of the discount rate is recognised as a finance cost.

RECONCILIATION OF OPENING AND CLOSING PROVISIONS	2022	2021
	£'000	£'000
Provision at 1 July	221	276
Unwinding of the discount factor (interest expense recognised in SOFA)	1	2
Deficit contribution paid	(50)	(58)
Re-measurements – impact of change in actuarial assumptions (recognised in SOFA)	(2)	1
Re-measurement – amendment to the contribution schedule (recognised in SOFA)	(123)	-
Provision at 30 June	47	221

22. CAPITAL AND OTHER COMMITMENTS

Epsom College

Tangible fixed assets contracted for at 30 June 2022 totalled £3,508,101 (2021: £7,190,121). This includes the commitment to pay retentions following the satisfactory completion of the Mermaid building project, estimated at £175,131 (2021: £281,673), and non-recoverable VAT.

The College utilises bank borrowings in order to fund capital development. A bank overdraft is secured by a fixed charge against the freehold assets of the College and forms part of the facilities agreement that includes the loans referred to in Note 15.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

22. CAPITAL AND OTHER COMMITMENTS (Continued)

In the forthcoming academic year, the College has committed to fund bursaries for 92 pupils totalling £2,023,000, and has awarded scholarships totalling £604,000 to 305 pupils. Bursaries and scholarships are funded principally from school fees receivable, supplemented by investment income.

Royal Medical Foundation

The Royal Medical Foundation and related Trust Funds have already made awards totalling £41,293 for the year to 30 June 2023 (to 30 June 2022: £39,850) in respect of tuition fees and other charitable assistance. The Trustees have authorised these awards, which have not been provided for within the accounts as the awards are subject to the recipients fulfilling certain conditions.

23. LEASE COMMITMENTS

The Charity's future minimum finance lease payments are as follows:

	2022	2021
	£'000	£'000
Within one year	59	59
Between one and five years	130	190
	189	249

Certain IT equipment is held under finance lease arrangements. Finance lease liabilities are secured by the related assets held under finance leases (see note 10).

24. RELATED PARTY TRANSACTIONS

The Charity has entered into the following related party transactions during the year:

Epsom College

During the year, Jennifer Hay Ballet, operated by a daughter of Governor JA Hay, invoiced the College for educational services totalling £19,667 (2021: £15,695).

Epsom College in Malaysia

During the year to 30 June 2022, there were no rechargeable costs incurred by the College which required invoicing to Epsom College in Malaysia (2021: NIL). A balance of £nil remained unpaid at the year-end (2021: £nil).

The Royal Medical Foundation Limited (the "RMF")

The Royal Medical Foundation is a sister company which falls under The Royal Medical Foundation of Epsom College umbrella.

During the year Epsom College charged the RMF £5,000 (2021: £5,000) to rent office space and paid salaries including pension contributions of £57,936 (2021: £75,274) on behalf of the RMF which were subsequently reimbursed by the RMF.

In addition, the RMF paid school fees to Epsom College for the Foundationer beneficiary totalling £26,998 (2021: £56,439).

Epsom College Enterprises Limited ("Enterprises")

Epsom College Enterprises Limited is a wholly owned subsidiary company.

During the year Epsom College Enterprises donated £194,187 (2021: £47,935) of income to Epsom College. In addition, the College made payments for salaries and expenses on behalf of Enterprises, which totalled £100,663 (2021: £91,302). All expenses were reimbursed by Enterprises. No loans were made by Epsom College to Epsom College Enterprises during the year (2021: £165,000 during the year and repaid in full at year end).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

24. RELATED PARTY TRANSACTIONS (Continued)

At the year-end, Epsom College Enterprises owed the College £330,301 (2021: £53,126).

Epsom College Overseas Limited (“Overseas”)

Epsom College Overseas Limited is a wholly owned subsidiary company.

During the year Overseas donated £196,329 (2021: £194,400) of income to Epsom College. In addition, the College made payments for expenses on behalf of Overseas, which totalled £13 (2021: £4,351). All expenses were reimbursed by Overseas. No loans were made by between the two organisations during the year (2021: Epsom College was loaned £95,000 from Epsom College Overseas which was repaid in full within the year).

At the year-end, Epsom College Overseas owed the College £195,401 (2021: Epsom College Overseas owed the College £194,400).

Epsom College Transport Limited (“Transport”)

Epsom College Transport Limited is a wholly owned subsidiary company.

During the year Epsom College Transport donated £25,523 (2021: NIL) of income to Epsom College. The organisation provided a minibus service to the College throughout the year. In addition, the College made payments for salaries and expenses on behalf of Transport, which totalled £89,675 (2021: NIL). All expenses were reimbursed by Transport. During the year, Transport was loaned £10,000 by Epsom College, which remains outstanding at the year end (2021: NIL). At the year-end, Epsom College Transport owed the College £12,097 (2021: NIL).

The Royal Medical Foundation of Epsom College

The Royal Medical Foundation of Epsom College is the parent Charity to which Epsom College belongs.

The Royal Medical Foundation of Epsom College is responsible for the ‘Pool’ within which Epsom College and the Royal Medical Foundation invest. Additional funds of £500,000 were invested in the Pool during the year (2021: NIL). The Pool has generated Epsom College and the Royal Medical Foundation investment income of £239,601 and £249,454, respectively (2021: £221,366 and £238,687 respectively).

At the year-end, the Royal Medical Foundation of Epsom College owed the College £72,216 (2021: £218,120).

At the year-end, the Royal Medical Foundation owed the Royal Medical Foundation of Epsom College £25,379 (2021: £54,632).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

25. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 30 JUNE 2021

	Unrestricted	Restricted	Endowed	Total
	£'000	£'000	£'000	2021 £'000
Charitable activities				
School fees receivable	24,956	-	-	24,956
Ancillary trading income	1,572	-	-	1,572
Other trading activities				
Non-ancillary trading income	141	-	-	141
Other activities	200	-	-	200
Investments				
Investment income	90	370	-	460
Finance income	460	1	-	461
Voluntary sources				
Grants and donations	674	802	-	1,476
TOTAL INCOME	28,093	1,173	-	29,266
EXPENDITURE ON:				
Raising funds				
Non-ancillary trading	62	-	-	62
Financing costs	738	-	-	738
Investment management	11	14	49	74
Fundraising and development	166	-	-	166
TOTAL DEDUCTIBLE COSTS	977	14	49	1,040
CHARITABLE ACTIVITIES				
Education and grant making	25,734	692	-	26,426
TOTAL EXPENDITURE	26,711	706	49	27,466
NET INCOME/(EXPENDITURE) FROM OPERATIONS	1,382	467	(49)	1,800
Gains on investments	402	469	1,717	2,588
NET INCOME FOR THE YEAR	1,784	936	1,668	4,388
Pension scheme actuarial losses	(1)	-	-	(1)
NET MOVEMENT IN FUNDS	1,783	936	1,668	4,387
Fund balances brought forward at 1 July	18,454	5,521	10,697	34,672
FUND BALANCES CARRIED FORWARD AT 30 JUNE	20,237	6,457	12,365	39,059

THE ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

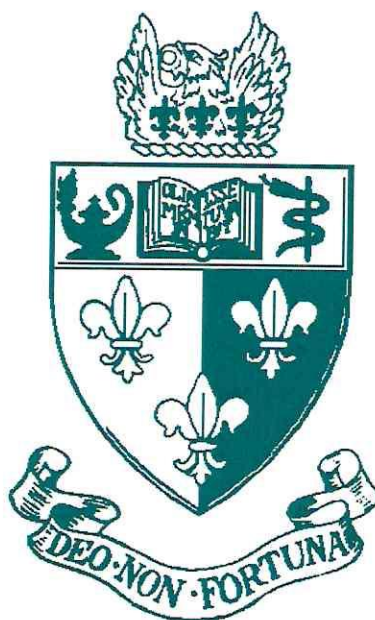
England & Wales - Charity number 312046

Accounts

Registered Charity Number 312046

Royal Medical Foundation of Epsom College

**Annual Report and Financial Statements
for the year ended
30 June 2021**



*presented to the
Annual General Meeting of
The Governors on Wednesday 1st December 2021*

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

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**ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
COUNCIL AND ADVISERS
YEAR ENDED 30 JUNE 2021**

PATRON
HER MAJESTY THE QUEEN

VISITOR
The Right Reverend The Lord Bishop of Guildford

PRESIDENT
Lord Carlile, CBE, FRSA, QC

VICE-PRESIDENTS
Mr PM Dodd, TD
Mr PG Hakim, FCA
Mr A Hagdrup, LLB

TREASURER
Mr AJ Pianca, FCA

MEMBERS OF COUNCIL

The Governors of the Royal Medical Foundation of Epsom College elect the Members of Council of the Royal Medical Foundation of Epsom College.

Dr JS Bolton, MA, MB, FRCPsych
Dr HH Bowen-Perkins, MRCS, LRCP,
MB, BS, LMSSA, PGD(card)
R Bruce, LLB, LLM, FCI Arb
Lord Carlile, CBE, FRSA, QC (*President*)
EJ Chandler, MA
Dr S Dhillon, MBE
JA Hay
D Mahoney, MA

AJ Pianca, FCA (Treasurer)
GB Pincus, MBE
Sir John Scarlett, KCMG, OBE, MA
(Oxon)
Mrs K Thomas, BM (Soton), FRCS
(Orth) (Vice-Chairman)
AJ Vallance-Owen, MBE, MBA, FRCSEd
C Watson, BA(Hons), MA,
Mst(Cantab.), ACA
Dr AJ Wells, MB, BS, DRCOG,
MRCGP (Chairman)

SECRETARY OF THE COUNCIL
CJP Titman

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Epsom College,
College Road,
Epsom,
Surrey, KT17 4JQ

AUDITOR
Crowe U.K. LLP,
St James House
St James Square
Cheltenham
GL50 3PR

BANKERS
Barclays Bank PLC.,
One Churchill Place,
London, E14 5HP

INVESTMENT ADVISERS
Quilter Cheviot Ltd.
85 Queen Victoria Street
London
EC4V 4AB

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL
YEAR ENDED 30 JUNE 2021

TRUSTEES' REPORT

The Trustees of the Royal Medical Foundation of Epsom College (the "Charity"), who are also the Members of Council, present their annual report for the year ended 30 June 2021. The financial statements comply with the Charity's governing document and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) as it applies from 1 January 2015.

The present Trustees, any past Trustees who served during the year, the Patron and the external advisers of the Charity, are set out on page 1.

REFERENCE AND ADMINISTRATIVE DETAILS

The Royal Medical Foundation of Epsom College, also known as "RMF of EC", is a registered charity (number 312046) originally established by an Act of Parliament of 1855. The objects of the Charity, which were contained in the Royal Medical Benevolent College Acts of 1855 and 1894 (as amended), were the provision of a school and the provision of assistance to medical men and their dependants. Dr John Propert, together with medical colleagues, set out to collect funds by public subscription, creating the Charity in 1853.

On 2 July 2000 a Statutory Instrument, The Charities (Royal Medical Foundation of Epsom College) Order, dated 18 June 2000 (the "Order"), replaced the old statutory provisions with more appropriate modern rules. Under the Order, two new companies limited by guarantee were created as subsidiary charities of the overall Charity which is called the "Royal Medical Foundation of Epsom College". One subsidiary was formed to carry on the activities of the medical profession charity under the name "The Royal Medical Foundation" and the other to carry on the activities of the school under the name "Epsom College".

Following approval from the Charity Commission, the Council of the Royal Medical Foundation of Epsom College "The Council" passed a resolution on 14 March 2001, made under Section 74 of the Charities Act 1993, to divide the trust funds within the "Epsom College Investment Pool" between these two new limited companies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees are aware of the Charity Governance Code published in 2017 and updated in December 2020, which sets out the principles and recommended practice for good governance within the sector. The Trustees have reviewed its current governance arrangements against the principles within the code and these are detailed within this report. The Trustees will continue to review its operation against the Charity Governance Code over the coming year.

Governing Documents

The Charity is governed by its Statutory Instrument adopted on 2 July 2000 and is managed through its two subsidiary charities: The Royal Medical Foundation (charity number 312046-145) and Epsom College (charity number 312046-146).

Governing Body

The Charity is run by the Council, the members of which are the Trustees of the Charity. The Council consists of no more than 24 members, including the President and the Treasurer who are ex-officio members, all of whom are elected by the Governors in accordance with the relevant legislation. The Governors comprise the current Trustees together with both Vice-Presidents and Life Governors. Vice-Presidents are elected by the Council. Life Governors are persons who subscribed certain sums of money to the Charity prior to 1980 and were elected prior to 2000. Since 2000, new Governors have been elected either by the Governors in general meeting, or by the Council. The financial control of the Charity is the responsibility of the Treasurer.

Trustee roles, recruitment and training

To ensure that Trustees' roles and responsibilities are carried out effectively, the Council has prepared a portfolio of expertise that covers specific aspects of the Charity's work. The Council has an agreed process of induction and briefing for new Trustees. The process includes a detailed written and verbal brief by the Secretary, attendance at Council and Sub-Committee meetings before appointment where appropriate and the issuing of an information pack containing legal and trustee documents. Trustees also attend relevant briefings held by advisers.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational Management

Council meetings include meetings where Trustees review strategy, operational and investment performance and the setting of operating plans and budgets. An Annual General Meeting is held in November or December. The Council appoints Sub-Committees when appropriate.

Effective partnership between Trustees and staff continues to contribute significantly to our success. The Council delegates the exercise of certain powers in connection with the management and administration of the Charity as set out below. This is controlled by the requirement of regular reporting to the Council, so that all decisions made under delegated powers can be ratified in due course.

Key Personnel

Secretary of the Council: The Secretary is responsible for the day-to-day administration of the Charity's affairs as agreed by the Council.

Epsom College: The Headmaster, Bursar and members of the Senior Leadership Team are responsible for delivery of the College's charitable vision and purpose and for implementing policies agreed by the Council. The remuneration of key management personnel is set by the College Governors, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the College's success. The appropriateness of the remuneration policy is reviewed annually; this includes comparisons with other independent schools to ensure that the College remains sensitive to the broader issues of pay and employment conditions elsewhere. The conduct of affairs is delegated to the executive team consisting of the Headmaster, the Bursar and the other members of the Senior Leadership Team.

The Royal Medical Foundation: The Administrator of The Royal Medical Foundation is responsible for the day-to-day management of The Royal Medical Foundation and for implementing policies agreed by the Council ably assisted by the Caseworker. The remuneration of these two key management personnel is set by The Royal Medical Foundation Trustees, reviewed annually and normally increased in line with average earnings. In view of the nature of the charity, the Trustees benchmark against pay-levels for similar roles in other comparable charities.

Employment policy

The Charity actively supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards. The Charity is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the Charity. In order to promote an environment in which the Charity can call upon the widest possible range of knowledge, skill and experience, as well as ensuring compliance with the relevant legislation and codes of practice, the Charity is committed to achieving and maintaining a workforce which represents the population within its recruitment area in terms of race or colour, nationality or national or ethnic origins, religion or belief, sex, sexual orientation or marital status, age and disability. To this end the Charity regularly reviews the operation of its recruitment, promotion, training and development policies to ensure that no applicant for employment or member of staff is disadvantaged by conditions or requirements which cannot be shown to be justifiable. Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to appraise staff of current issues.

Investment Policy and Objectives

The Joint Investment Committee ("JIC"), a committee of Council, is responsible for the management of the funds on behalf of the Trustees. The JIC meets twice a year, and currently delegates management of the funds to Quilter Cheviot Limited ("QC").

In accordance with the Trustee Act 2000, the JIC have the power to invest in such stocks, shares and investments, as they consider appropriate. The JIC's primary objective is the preservation of the capital value of the trust funds, as adjusted for inflation (measured by the RPI). The secondary objective is to generate the income levels required and maximise capital growth. The JIC takes a long-term view on its investments and have instructed QC to give due consideration to social, environmental and ethical considerations when making investment decisions.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2021

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The Charity's registered objects are given in the Statutory Instrument, The Charities (Royal Medical Foundation of Epsom College) Order, dated 18 June 2000.

The Charity has two primary objects:

- (1) To support registered medical practitioners of the United Kingdom, or individuals who have been such practitioners, and/or their widows/widowers, who find themselves in financial hardship; and
- (2) To provide generally for the advancement of education and, without compromising this primary object, to do so by the provision of a school with a preference for the children of registered medical practitioners.

In addition, the Charity has a secondary object:

- (3) To provide annuities or occasional financial assistance to registered medical practitioners and/or their widows/widowers and children, but only if it can do so without detriment to the primary objects.

The Trustees confirm that they have complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the benefit requirement under that Act when reviewing the Charity's aims and objectives and in planning future activities and setting grant making policy for the year.

The work of the Charity is managed through its two subsidiary charities as follows:

The Royal Medical Foundation ("RMF")

The RMF carries out objects (1) and (3) by:

1. **Providing financial assistance** in the form of means-tested awards. There are four ways this help may be given to eligible beneficiaries who are facing financial hardship:

- regular payments to medical practitioners, their widows or widowers;
- one-off and short-term grants when urgent assistance is required;
- financial assistance with educational expenses at Epsom College; and
- financial assistance with other educational expenses.

2. **Providing information and advice** on organisations that may provide assistance within the public and charity sectors.

- The Caseworker is Citizens Advice Bureau trained and an affiliate of the Institute of Money Advisers and through the provision of information and advice on how to apply for current state welfare benefits, the Caseworker can empower potential applicants to help themselves.
- Where possible, the Caseworker also refers potential applicants to other relevant charities who may be able to help.

Public Benefit Aim and Intended Impact

In setting the Charity's aims the Trustees have given due consideration to the Charity Commission's guidance on public benefit. The Charity's public benefit aim is to give **relief to those in need by reason of poverty or financial hardship**. The Trustees have sought to ensure that the section of the public that the Charity supports can readily access the Charity's resources and that such access is not restricted by reason of geography within the United Kingdom or by the ability to pay.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2021

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Grant-making Policy

The RMF has established its grant making policy to achieve its objects for the public benefit to improve the lives of doctors who are living in poverty or financial hardship and/or their widows, widowers and children. All registered medical practitioners (*who are, or have been on the Principal List of the General Medical Council of the United Kingdom*) and/or their widows, widowers and children are eligible to apply for assistance. The Caseworker acts as the initial point of contact for all requests for financial assistance. As a first step, the Caseworker researches the circumstances of each case in detail to determine if the request is eligible for RMF support and how best to proceed. For example, if it transpires the applicant is not in receipt of their eligible welfare benefits, they will immediately be given information on how to apply. The RMF only gives financial assistance where a beneficiary is in receipt of their welfare benefit entitlement. The provision of such information is sometimes enough to empower the person to help themselves and in many cases, no further financial assistance is required.

Where an eligible applicant wishes to apply for financial assistance, a comprehensive application form is completed and reports from two referees are obtained. The needs of eligible applicants are assessed through home visits or telephone assessments, which are undertaken by the Caseworker, following which, the Caseworker writes a Case Report and assessment Report. Cases are then carefully assessed by the RMF Board, which meets four times per year. The RMF Board comprises nominated representatives with both medical and non-medical backgrounds and is responsible for considering and approving all grants decisions.

Grants are valid for a maximum of one year from the date of the award and are conditional on no change in financial or other circumstances. Full disclosure of information is requested at the time of each payment. All grants are subject to a comprehensive annual review and are only continued for a further period if the circumstances are appropriate and if the funds are available. The RMF Board assesses the impact the charity has on the lives of its beneficiaries. This is achieved through regular contact by the Caseworker and by the review of correspondence that is received by the Charity's office.

Epsom College (the "College")

The College carries out object (2) through the **provision of day and boarding education on a co-educational basis at Epsom College**. The College also has various endowed, restricted and unrestricted trust funds held for special purposes in connection with the development of its facilities and for scholarships, bursaries, prizes and other educational uses.

Statement of Aims and Intended Impact

The College's aim is to provide exceptional all-round opportunities - academic, social, sporting and cultural - in a safe and supportive community. The College is a school that aims for excellence, and values both achievement and endeavour. The College challenges pupils to develop their talents and broaden their interests; to become confident in themselves and to be tolerant and appreciative of others.

Primary Objectives

The primary objectives of the College to fulfil these aims are:

1. To provide a flourishing co-educational environment for boarding and day pupils;
2. To deliver a modern, challenging and stimulating academic curriculum;
3. To challenge and ultimately eradicate any form of discrimination within the College by promoting diversity, equality and inclusion throughout the community.
4. To prepare pupils for entry to university, including those who aim for places on the most competitive courses;
5. To preserve and strengthen the College's close traditional links to the medical profession;
6. To provide comprehensive pastoral care and guidance under the leadership of dedicated and caring staff;
7. To offer a wide range of co-curricular activities to foster the interest and maximise the individual potential of each pupil;
8. To foster moral and spiritual values, tolerance and understanding in every pupil and from within Epsom's Christian foundation;
9. To develop a strong sense of responsibility and commitment to the community;
10. To further genuine awareness, understanding and co-operation between College pupils and staff and its wider communities, both local and international;
11. To create a community where pupils will find some things that will matter to them for the rest of their lives.

The aims and objectives set for the College's subsidiaries are to facilitate the achievement of the College's aims and objectives as above.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2021

Strategies to Achieve the Objectives

During the year under review, the Governing Body, who are also Trustees of Epsom College, have focussed on the following areas to assist the College in fulfilling its aim and objectives:

- Continue to address any shortfall in pupils' learning and academic progress following the prolonged period of Remote Learning, and respond to any lingering pupil welfare issues that attended the pandemic;
- Restore face-to-face high-quality teaching and learning as the College's modus operandi; in particular, present a renewed focus on staff professional development and the sharing of good practice;
- Ensuring that the College remains 'future proof' and aligns effectively with market demand by exploring possibilities of establishing a further income stream;
- Consolidate the College's response to Ofsted's 'Review of Sexual Abuse in Schools and Colleges';
- Consolidate the work and recommendations of the Diversity, Equality & Inclusion Committee further to the appointment of a Head of DEI. The work includes tackling racism and promoting diversity, equality and inclusion by addressing six key areas: curriculum review, staff recruitment, refine support structures, review method of handling allegations of racism, extend training for staff and pupils, conduct annual survey of staff and pupils on racism;
- Review and enhance the provision of pastoral care across the College with a particular emphasis on re-starting 'House Evaluations' and supporting the 4 newly appointed HMMs and 2 new Deputy HMMs. Similarly, support and monitor the revised approach to 'pupil voice' that falls within the compass of Heads of Years' responsibilities.
- Increase funding and pastoral support for pupils under the aegis the Royal National Children's Springboard Foundation, Surrey County Council Looked After Children provision, Chelsea Football Academy and Boarding Schools Partnerships;
- Enable the timely completion of the construction stage of The Mermaid by September 2022 and facilitate a final push on supporting donations of the project.

Principal Activities for the Year

The College provides an education to boys and girls aged 11 to 18 on its 80-acre site situated on the outskirts of Epsom, Surrey. At the end of the year the College had 1,020 pupils (2020: 955), of which 31% were boarders (2020: 37%). 44% (2020: 42%) of the pupils were female.

Public Benefit Aims

The Governors recognise the College's broader responsibilities towards local communities, society and the environment, and staff and pupils are actively encouraged to expand their awareness, understanding and contribution to the wider society wherever possible.

Epsom College is committed to the aim of providing public benefit in accordance with its founding principles. In setting its aims the Governors have carefully considered and complied with the duty in s.17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the benefit requirement under that Act.

The awarding of bursaries, scholarships and other awards is a measurable means of providing public benefit. The College is continuing its efforts to widen access to Epsom to talented youngsters with less financially fortunate families. 86 pupils in September 2021 (2020: 83) will now have the opportunity of an Epsom education, opened up through bursaries with help provided by the Education Trust, Epsom College Bursary Funds, The Old Epsomian Club and other generous benefactors. So far £1,778,000 (2020/21: £1,676,000) has been allocated to bursaries for the 2021/22 academic year.

All bursaries are awarded based on a proven financial need, and in 2021/22 the average bursary awarded to a pupil will be £20,675 per annum (2020/21: £20,332). Of the 86 pupils with a bursary 56% (2020: 58%) are in receipt of support covering at least 75% of the fees. All but seven of the recipients have been awarded 'access widening' bursaries, enabling children whose parents could not have otherwise afforded to enrol their child to start at Epsom College.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2021

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Public Benefit Aims (continued)

The College is an accredited member of the Royal National Children's SpringBoard Foundation, and will be fully supporting a further two pupils (2020/21: 3 pupils) from disadvantaged circumstances, increasing social mobility by widening access to boarding education and learning, adapting and sharing best practice with other SpringBoard schools. In addition, the College continues to work with Boarding Schools Partnerships, an organisation that works with local authorities to place vulnerable children in boarding schools. In September 2021, the College will again be fully funding two children under this scheme.

Those pupils who attend the College and who receive financial support contribute to the school community in a variety of ways and so the benefit is not purely to these pupils but to the whole College and, in some cases, to the wider community.

In addition to financial assistance, the College has engaged in many other activities that provide benefits within the College's objectives. An area of continuing development is the building of closer links with schools within the Bourne Education Trust. In particular, the College has been working with Teddington School and Ewell High School to share best practice regarding online learning, creating links between departments to support teaching and learning with a view to sharing seminars/extension sessions in specific subjects next academic year.

This year the need to supply PPE and key carer accommodation abated; however, the College adapted its response to support those in need during the pandemic. In essence, the College became a donation and distribution centre for local charities as College pupils and parents provided food and provisions for local food banks, donating new toys to children and providing laptops and tablets to those pupils who had fallen through the cracks opened by the digital divide. Similarly, the College acted as a recruitment centre for local volunteers (60 of whom came from the College community) in support of the Vaccination Centre at Epsom Racecourse. In addition, the College offered emotional support to frontline workers by delivering regular gifts to demonstrate how much their work and efforts were valued. The College Coronavirus Hardship Fund continued to operate throughout this year in support of those parents who found themselves in financial difficulty.

Outside the restrictions imposed as a result of the Covid-19 pandemic, College facilities are regularly used by local clubs and maintained and other independent schools. The swimming pool is especially busy, occupied by many local young children's swimming groups; the Surrey regional squash training is held in the Sports Centre; the hockey AstroTurf pitches are the venues for Epsom Hockey Club and youth team sessions and the cricket pitches for regional coaching and matches. Epsom pupils referee or lead groups of junior pupils and Epsom usually hosts the annual Surrey Schools' Squash tournament for state and independent school pupils.

Throughout the last year, despite the challenge of putting on the usual charitable events in unusual circumstances, a sum of over £8,000 was raised for causes including the Shooting Stars Children's Hospices, the Stephen Lawrence Foundation, Refuge UK and the Kent, Surrey and Sussex Air Ambulance as part of the TerraCycle scheme. Additionally, the College continued its long-time support of Growbaby, working with the Vineyard Church, distributing over 1000 donated toys for needy families in the borough of Kingston each December. The College further made an impressive Harvest Festival effort for the Epsom and Ewell Food Bank in Michaelmas 2020, collecting food and other items to help families in need over the pandemic. During lockdown, many members of the College community helped their local communities in various ways.

The College's Service programme sends sixth form pupils into the local community to offer an hour of service per week to local community projects, local maintained schools, gardeners, foodbanks, hospitals, disabled groups and ad hoc seasonal projects, complemented by use of the College's facilities by local maintained infants, junior and special schools and IT assistance for various community groups.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2021

RMF

The RMF aims to help registered medical practitioners, and their widows/widowers and children, living in poverty or financial hardship within the United Kingdom. The section of the public that has the opportunity to benefit from the support of the RMF is quite considerable since, at 30 June 2021, there were over 338,000 medical practitioners registered with the General Medical Council (GMC). In addition, their widows/widowers and children are also eligible to apply. During the last financial year, the RMF's contact details were circulated to all registered medical practitioners by the GMC and are available to all Members of the GMC via their web site. Additionally, the RMF is part of both the Educational Trusts' Forum and the joint portal for Medical Charities. The RMF supports its beneficiaries throughout the UK and our service is given free of charge. The direct cost of providing this service in 2021 was £41,678 (2020 £43,086) out of total administration expenses of £99,209 (2020 £97,192). In most cases, the RMF is contacted at a time of unforeseen crisis or tragedy and one of the greatest achievements of the RMF is to listen and help people when they are most vulnerable and do not know where else to turn. Examples of achievements during the year are given below.

Providing information and advice on organisations that may provide assistance

The Caseworker is Citizens Advice Bureau trained and an affiliate of the Institute of Money Advisers and can empower potential applicants to help themselves through the provision of information and advice on how to apply for current state welfare benefits. For example, in April 2021, with the beneficiary's permission, the Caseworker was able to help a doctor who was unaware that she was able to claim Child Benefit for her third child and also unaware of her entitlement to Child Tax and Working Tax credits, hence boosting the family income.

The Caseworker also refers callers to other relevant charities who may be able to help. In the last year, many people including nurses, medical professionals and medical students were referred to other charities.

The Caseworker offers comfort and support to beneficiaries. This is especially important for those who have no friends or family and are therefore extremely isolated. Usually, this involves a regular telephone call to vulnerable beneficiaries to check how things are going. For example, in September 2020, during a regular telephone call to a vulnerable beneficiary, she became aware that the beneficiary was without hot water or heating. She had been informed that she needed a new boiler but was embarrassed to ask for more help. The Caseworker was able to assist with finding a plumber and the RMF were able to pay for repairs to her boiler, rather than installation of a new boiler. Having been alerted to this at an early stage, the RMF were able to act expediently to help this vulnerable individual. Actions such as this reassure beneficiaries that there are people who care about them.

This ongoing system of regular support is achieved through regular telephone calls and visits, although visiting beneficiaries has not been possible during the current Covid-19 pandemic. The Caseworker is therefore able to monitor the wellbeing of the RMF's beneficiaries, and can refer a case back to the RMF Board should a financial need become apparent.

The provision of such information and support by the Caseworker is a fundamental part of the work of the Charity. It is not possible to distinguish between the amount of time spent purely on giving information, advice and support and that spent on assessing requests for financial assistance. The Trustees consider both equally important.

Providing financial assistance

The RMF provides means-tested financial assistance to alleviate the stress of poverty or financial hardship. Awards totalling £128,871 (2020 - £196,369) were made during the year ended 30 June 2021, as shown below:

Number of beneficiaries	Type of Award	Amount Paid (£)
8	Regular payments to medical practitioners and their widows / widowers	23,000
30	Short-term payments or one-off grants where urgent assistance is required	42,028
4	Financial assistance with educational expenses	13,520
2	Financial assistance with educational expenses at Epsom College	49,673
2	Other grants	650
46		128,871

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Regular payments to medical practitioners and their widows / widowers. The RMF has continued to support a number of medical practitioners and their families who live in reduced circumstances. For example, for many years, the RMF has sent a small regular monthly payment to a doctor who has been severely ill and bed-ridden. With the family unable to survive on benefits, this regular payment helped them to put food on the table and live in a warm house, giving them reassurance and enabling them to have a better quality of life.

Short-term payments or one-off grants where urgent assistance is required. A relatively small amount of money paid can have a huge impact on our beneficiaries' lives. For example, in early 2021, we were able to support a doctor with the provision of specialist equipment to improve his quality of life. He was extremely grateful and his letter of thanks to the Trustees was very moving. Beneficiaries often send letters thanking for the help the RMF provides, which is hugely appreciated by Trustees.

Financial assistance with educational expenses. Family crisis can strike at any time and educational stability, especially during critical exam years, can be crucial. The RMF helps by aiding with educational costs where a change of circumstance puts the family into financial crisis and where they are unable to carry on with paying school fees or extras. For example, in May 2021, the RMF were able to pay for additional school activities for two siblings, to enable them to continue to feel part of their school community and not feel excluded, when they were experiencing huge trauma during their parent's separation. In another case, the RMF were able to provide financial assistance for one term only to help with the continued uninterrupted education of a child on the death of a parent. These are examples of how the RMF can assist with small education costs, or if larger costs are involved, by liaising with other charities to enable school fees to be shared by a number of charities.

Section 172 (1) Statement

The RMF is not required to make a disclosure under section 172(1) of the U.K. Companies Act 2006, due to its status as a small company.

Epsom College

Review of Achievements and Performance for the Year

A-Level and GCSE Results

The 2021 public examinations were awarded following a rigorous internal assessment process which led to teachers awarding holistic A-level and GCSE grades based on evidence from these, and previous, assessments. The grades were subject to an external quality assurance process and all grades were accepted by the examination boards. As this mechanism of generating this year's results is so different to any that has preceded it, comparisons with previous (and future) years is not informative or valid. Overall, the A-level results were excellent and, of the 154 Leavers applying to University this year, 96% have met the conditions for first and second choice institutions with 88% of students accepted at their first choice university. At GCSE the results were equally excellent, and all pupils achieved the grades they required to enter the Sixth Form.

Attaining academic achievement did not prejudice sporting and cultural activities this year. In sport there have been notable successes at a variety of levels despite the closure of the school site at various points as a result of the Covid pandemic. The College prides itself on exceptional breadth of participation by boys and girls in an extensive fixture list against schools with a national reputation for sport. Following the government guidelines, the College led the way in persuading other schools into restarting fixtures in all sports, live streaming rugby, hockey, netball and football for parents unable to attend due to the restrictions. The College's CCF is one of the largest in the country and has produced several Sandhurst graduates and serving members of the armed forces. The College also operates a high quality and vibrant Duke of Edinburgh programme, and the College has continued to see a significant increase in the number of pupils completing their silver and gold awards over the last two years, despite the challenges of the pandemic in restricting expeditions. Similarly, participation in Music and Drama is widespread with excellence evident in the staging of plays and musicals such as 'Les Miserables' and 'The Sound of Music', as well as a wide range of concerts and recitals. These were all rehearsed and performed despite the challenges of operating in Covid bubbles throughout the school year, and all were live streamed for parents and the wider College community, as audiences were not permitted.

The Governors' commitment to maintaining the College's excellence has again been reinforced by the capital expenditure programme. Expenditure on capital work this year amounted to over £2.4m.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Fundraising Performance

The fundraising activities of the College are coordinated and run through its fundraising department, known as the Epsom College Education Trust. Significant progress has been made this year in their ongoing work of raising voluntary funding for the College. Grants, donations and legacies donated through the department totalled £434,000 (2020: £1,025,000).

The operating costs of the Education Trust department are paid for by the College. For this year, the performance of fundraising, on costs of £166,000 (including staff costs), was a ratio of 38.3% against the £434,000 voluntary income receivable by the Education Trust. These figures exclude funds raised by pupils in support of other charities and the income given under gift aid by the trading subsidiary company.

All fundraising activities for the College are carried out by the Education Trust and College staff with assistance from the alumni, parents and pupils for the running of specific fundraising events. The College does not use external professional fundraisers or have any commercial participators. All fundraising activities are managed by the Education Trust Director, with overall oversight by the members of the Fundraising Sub-Committee.

Under the Charities (Protection and Social Investment) Act 2016, the College is reporting that no complaints relating to fundraising activities have been received by the College during this financial year. However, the College has in place procedures that would be followed in the event of a complaint being received, with the initial response being the responsibility of the Trust Director under the Headmaster and the Chairman of the Sub-Committee. Any continuing issues would then be passed to the Chairman of the College Governing Body to determine what further action might be required.

The College is a member of The Institute of Development Professionals in Education and the Council for Advancement and Support of Education and subscribes to the Fundraising Preference Service. It has voluntarily registered with the Fundraising Regulator and complies with the Code of Fundraising Practice. The College considers that it has set appropriate standards for the operation and management of its fundraising activities and these are outlined under its Code of Ethical Fundraising, which may be found on the College website. In particular, the College considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion on a person's privacy and that no fundraising activities would be unreasonably persistent or place undue pressure on a person to give money or other property.

Section 172 (1) Statement

The Governors, as Directors, must act in accordance with a set of general duties. These duties are detailed in section 172(1) of the U.K. Companies Act 2006, which is summarised as follows: *'A Director of a Company must act in the way he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:*

- 1. The likely consequences of any decision in the long term*
- 2. The interests of the Company's employees*
- 3. The need to foster the Company's business relationships with suppliers, customers and others*
- 4. The impact of the Company's operations on the community and the environment*
- 5. The desirability of the Company maintaining a reputation for high standards of business conduct, and*
- 6. The need to act fairly as between members of the Company.'*

The Governors consider that they have fulfilled their duties in accordance with section 172(1) of the U.K. Companies Act 2006 and have acted in a way in which is most likely to promote the success of Epsom College for the benefit of its stakeholders as a whole in the following ways:

Pupils

Boarding and day pupils alike benefit from the College's award-winning pastoral provision with staff placing as much importance on pupils' personal development, lifelong friendships and camaraderie as they do on exam results. Pupils are actively encouraged to offer comments and suggestions on the operation of the school through committees, houses or tutor meetings, and this pupil voice is actively considered in decisions made by the Senior Leadership Team and Governors.

The pupil centric focus continued during the enforced closure of the school site and the subsequent move to remote learning, recognising the challenges faced by pupils during this lockdown. Staff worked with individuals and groups of pupils to address any concerns and organised online events designed to maintain social interaction and pupil motivation.

The College's Relationship and Sex Education Policy had recently been updated following consultation with pupils, parents and staff, and recognising the importance of working with families to embed a culture of trust and confidence, the College had prepared a stand-alone Peer-on-Peer Abuse Policy which will be published in September 2021.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Employees

The College recognises that the qualities and skills of its employees and the commitment of its staff plays a major role in the College's success. Weekly briefings keep staff informed of school wide developments, and there are opportunities for staff consultation with Governors, both formally and informally.

Staff wellbeing has again been a key focus this year when staff returned from a further period of absence from the site. The College was able to offer support in the form of trained teaching and support staff who had undertaken the mental health first aiders course in 2019/20.

Parents

The College recognises the many benefits from engaging positively with parents; towards this end, the College publications highlight aspects of College life and provide an insight into the school, especially for parents of weekly and full boarders. The method and effectiveness of our communication is constantly under review; for example, in the Summer Term, the marketing department introduced a new weekly bulletin for parents at the College. The Thursday Post, sent at 3pm each Thursday, consolidates all of the week's notices and announcements into a singular email. Previously, these would have been sent by members of staff on an ad hoc basis, at any point in the week. The benefit of the Thursday Post is to:

- make things simpler for parents - they know when and where to expect the information
- ensure notices from staff and departments is read by parents (cutting down the need to issue reminders or handle calls or emails from parents who may have missed the information)

While The Thursday Post is for an internal audience and is concerned with matters relating to the successful running of the College, The Brief continues to be sent on a Friday afternoon, to approximately 3,300 subscribers and is an important component of the College's marketing and PR. This email announces the College's successes to prospective parents, OEs and our own parents.

Following the offer acceptance deadline of a place at the College to prospective pupils and their parents in March 2021, we surveyed all offer holders to learn more about our place in the market, how we measure up against the competition, what influences our audience, and discover any potential problems or opportunities in marketing the College. This survey has been run every two years, but will operate annually from 2022.

In this cycle, some of the key findings are that we saw a rise in offer holders from the state sector, and that Epsom's 'perceived strengths' align directly with the criteria valued most highly by prospective parents. These are:

- 1) quality of teaching staff
- 2) pastoral care
- 3) grounds and facilities
- 4) academic results

This is in marked contrast to the situation uncovered by the RSAcademics research of 2013, which highlighted 'quality of teaching' and 'exam results' as areas of concern.

Community

The College is proud of its place within the local community and endeavours to offer support and assistance where possible by sponsoring local sports clubs and offering opportunities for local schools and clubs to benefit from its excellent academic and co-curricular facilities. The pupil Service Programme works with local charities and social organisations to identify ways in which the pupil body can best provide support and assistance, although this programme has not run this year because of the Covid-19 restrictions in place.

In light of events surrounding the Black Lives Matter campaign, the College listened to the views of pupils, past pupils and staff, and set up the Diversity, Equality and Inclusion Committee. The committee considered six specific areas and made a number of recommendations, all of which were fully endorsed by the Board of Governors. A head of Diversity, Equality and Inclusion has been created to help oversee the implementation of these recommendations.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2021

FINANCIAL REVIEW

Results for the year

The Statement of Financial Activities reveals a surplus of £4,387,000 (2020: surplus of £1,551,000). The surplus for the financial year exceeded forecast expectations, primarily due to substantial investment gains. Strong income, controlled costs and the revaluation of the derivatives also assisted in arriving at the surplus.

The overall surplus has bolstered the Charity's reserves. Within the total surplus, £1,668,000 arose in respect of Endowed Funds (2020: £97,000) and £936,000 (2020: £1,037,000) on Restricted activities. A £1,783,000 surplus arose in respect of Unrestricted activities (2020: £417,000). The Balance Sheet of the Charity remains strong and in line with Council's expectations given the investment in fixed assets.

The principal funding source of the Charity continues to be school fees receivable. This income is used directly to support the primary objectives of the Charity disclosed on Pages 4 and 5 above.

Investment Performance

At the year-end, the Charity's long-term investments totalled £17.9m (2020: £15.2m). The investments generated investment income of £460,000 (2020: £429,000) during the year. The year-end valuation of invested funds resulted in net gains on investments of £2,588,000 (2020: gains of £217,000) being recognised in the Statement of Financial Activities.

In assessing performance, the JIC use various indices as a means of evaluating both the investment adviser in terms of performance against their competitors and the trust funds against returns achieved by other UK charities of the same size. In the past year, the Charity has been above the mean average and the JIC are satisfied with this performance. The investment portfolio benefitted from continued good management despite continued economic uncertainty due to the Covid-19 pandemic.

Reserves policy

RMF

The Trustees make every effort to distribute the maximum amount that they are able, by awarding grants to any beneficiary who has a proven financial need and who falls within their criteria. In recent years, the RMF has been able to support all eligible applicants. Through the Caseworker and Administrator, the RMF liaises closely with other medical charities and the Educational Trusts Forum to maximise the ability of the Charity to identify qualifying beneficiaries. The RMF details are also available on various web sites, through which many enquiries for assistance are generated. Awards are met from the resources of the Charity, which is supported by donations and bequests from Local Medical Committees, Medical Charities, Medical Organisations and individual Medical Practitioners.

Total reserves at 30 June 2021 are £9,730,923 (2020 £8,409,981) and unrestricted reserves held by the RMF are £2,907,345 (2020 £2,549,007). The Trustees have reviewed the reserves policy and recognise that there are substantial undistributed reserves. Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on investment income and planned expenditure. The Trustees take the view that the level of reserves is appropriate to meet the RMF's annual obligations on a fund-by-fund basis and to ensure financial stability. Undistributed reserves are invested to increase income to enable more beneficiaries to be helped in the future and our cash deposits could easily be drawn down should working capital be required. The accounts have therefore been prepared on the basis that the charity is a going concern.

Epsom College

The College and its subsidiaries currently hold minimal free reserves. This is because the College continues to invest its unrestricted surpluses, over the years, into the College campus and educational facilities. This investment is vital to the long-term sustainability of the College. The College is able to operate using this model, due to the significant cash generated throughout the year via school fees, which, along with the banking facilities, provides the required working capital to operate during the year, and to manage any short-term income volatility. The Governors have reviewed this position and consider it remains appropriate.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2021

The Epsom College Group's total reserves of £29.5m (2020: £26.3m) at the year-end was represented by £6.4m (2020: £5.5m) of endowed funds, £5.6m (2020: £4.8m) of restricted funds and £17.5m (2020: £15.9m) unrestricted funds. There are currently minimal free reserves in the Group of £16,000 (2020: £16,000) and none in the College (2020: nil) as funds are invested in tangible fixed asset properties.

At the time of approval of the Annual Report, the COVID-19 pandemic still continues, however the long-term impact on the school, appears to be low. At the time of approving these financial statements, the College has not seen any material reduction in prospective pupil numbers. The Governors continue to be satisfied that external financial facilities provide an additional and adequate safety net, if it should be required, and therefore have no concerns regarding going concern of the College. The Going concern policy, found in Note 1(r) to the Financial Statements expands on the reasons for this conclusion.

A pension liability of £276,000 (2020: £276,000) arising from the College's obligations as a member of The Pension Trust (historic defined benefit pension scheme) exists at the year-end date. A funding agreement is in place with The Pensions Trust and the College has sufficient resources to meet the future funding requirements.

PRINCIPAL RISKS AND UNCERTAINTIES

RMF

The RMF has a register of major potential risks for the charity and the RMF Board regularly examines the principal areas of the Charity's operations and considers what major risks may arise in each of these areas, including the effects of Covid-19. In the opinion of the Trustees, the Charity has established procedures and review systems to manage these risks, the principal risk being a reduction in investment income which could jeopardise the amounts available for beneficiaries.

The RMF takes safeguarding very seriously and has measures in place to protect its employees and beneficiaries, together with families of beneficiaries.

Epsom College

The College maintains a Risk Register which is reviewed annually by the Board of Governors with a view to ensuring that the charitable objectives of the College are achieved in the short, medium and longer term, and that the risks of the trading subsidiaries are understood and managed.

The Board of Governors considers that the most significant risk that continues to face the College is its ability to attract high calibre pupils, especially girls, for entry at 13+. As the school is located in the South East of England, where 10% of the school age children attend an independent school, competition to secure the more able pupils is fierce. Local feeder prep schools are struggling to retain sufficient numbers of pupils in Years 7 and 8 as more parents are opting to move their sons and daughter onto senior school at the end of Year 6 (11+). The Governors' decision to reduce the entrance age into the school to 11+ was in response to this risk. In September 2020 47% of the Lower School (Years 7 and 8) are girls.

Safeguarding and Health and Safety are both significant areas for risk management for both Epsom College and Epsom College Enterprises Ltd. Safeguarding risks are managed through recruitment procedures and regular training for all staff. The risks range from fire and infrastructure to personal risks (most notably when away from the College on trips and expeditions). The level and breadth of activity at the College is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment, and by using external advisors to support staff.

The impact of the global coronavirus pandemic has been considered in detail on the Risk Register, looking at the impact on staffing and pupil numbers as well as the financial impact on both the College and Epsom College Overseas.

Detailed consideration of risk is delegated to the Finance and Infrastructure Committee, which reports formally to the Governing Body each autumn. The risk management process and the resulting report identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2021

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Epsom College

The key controls used by the Governors to manage risk include:

- Formal agenda and minutes for the Committee and Board activities;
- Comprehensive strategic planning, budgeting and management accounting;

- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear authorisation and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable; and
- Consideration of the recent recommendations of any ISI inspections.

Through the risk management process established for the College and its subsidiaries, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute assurance that major risks have been adequately managed. The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for both the College and its subsidiaries.

FUTURE PLANS

RMF

The RMF Trustees recognise that life in the charitable sector is tough, particularly for a small charity with such a niche operation. Despite the increase in funds during the year, the Trustees are conscious of the continuing need to reduce overhead costs to the minimum, in particular those associated with administration, and the need to maximise income from its investments and other sources. The Trustees believe that the Charity has a sound financial basis upon which to build for the future and will continue to strengthen the RMF's profile and develop existing services yet further to reach and help the medical community.

The RMF Board are sure that Dr John Propert, our founder, would heartily approve of the efforts of the Foundation over the last year and would be content that the RMF is meeting the moral and legal obligations that it owes to its beneficiaries and to its benefactors.

Epsom College

Over the course of the coming academic year the following aspects of school development will receive particular attention:

- Address any shortfall in pupils' learning and academic progress following the prolonged period of Remote Learning, and respond to any lingering welfare issues that attended the pandemic;
- Restore face-to-face high-quality teaching and learning as the College's modus operandi; in particular, present a renewed focus on staff professional development and the sharing of good practice;
- Ensure the College remains 'future proof' and aligns effectively with market demand by exploring possibilities of establishing a further income stream;
- Consolidate the College's response to Ofsted's 'Review of Sexual Abuse in Schools and Colleges';
- Consolidate the work and recommendations of the Diversity, Equality & Inclusion Committee further to the appointment of a Head of DEI. The work entails includes tackling racism and promote diversity, equality and inclusion by addressing six key areas: curriculum review, staff recruitment, refine support structures, review method of handling allegations of racism, extend training for staff and pupils, conduct annual survey of staff and pupils on racism;
- Review and enhance the provision of pastoral care across the College with a particular emphasis on re-starting 'House Evaluations' and supporting the 4 newly appointed HMMs and 2 new Deputy HMMs. Similarly, support and monitor the revised approach to 'pupil voice' that falls within the compass of Heads of Years' responsibilities.
- Increase funding and pastoral support for pupils under the aegis the Royal National Children's Springboard Foundation, Surrey County Council Looked After Children provision, Chelsea Football Academy and Boarding Schools Partnerships;
- Enable the timely completion of the construction stage of The Mermaid by September 2022 and facilitate a final push on supporting donations of the project.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 30 JUNE 2021

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under Charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principle in the Charities SORP;
- make judgements 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 Charity will continue in business.

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

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

DISCLOSURE OF INFORMATION TO AUDITOR

Insofar as each of the Trustees at the date of approval of this report is aware, there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each member of Council has taken all the steps that he or she ought to have taken as a member of Council in order to make himself or herself aware of the relevant audit information and to establish that the charity's auditor is aware of that information.

COUNCIL MEMBERSHIP

The following Members are standing down in rotation at the Annual General Meeting but are eligible and recommended for re-election:

Dr JS Bolton
Mr RH Bruce

Mr EJ Chandler
Dr S Dhillon

Mr JA Hay


Trustees thank Lord Carlile and Mr Pianca, for having served their first five year terms as President and Treasurer respectively. Both have offered themselves to be re-elected for a further five-year term.

AUDITOR

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor and a general resolution proposing reappointment will be submitted to the forthcoming Annual General Meeting.

Approved by Members of Council present at a meeting on 10 November 2021 and signed on its behalf by:

Dr AJ Wells, MB, BS, DRCOG, MRCGP
Chairman



10/11/21

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE

Opinion

We have audited the financial statements of the Royal Medical Foundation of Epsom College ('the charity') and its subsidiaries ('the group') for the year ended 30 June 2021 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including 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 group's and the parent charity's affairs as at 30 June 2021 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee's 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 or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE *(CONTINUED)*

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, set out on page 15, 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 group and the parent 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

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts 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 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within grant expenditure, procurement processes for significant capital projects and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and The Council of the Royal Medical Foundation of Epsom College about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and the Independent Schools Inspectorate and reading minutes of meetings of those charged with governance.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE (CONTINUED)**

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Guy Biggin

**Crowe U.K LLP
Statutory Auditor
Cheltenham**

Date 19 November 2021

Crowe U.K LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Unrestricted	Restricted	Endowed	Total	Total
		£'000	£'000	£'000	2021	2020
					£'000	£'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities						
School fees receivable	2	24,956	-	-	24,956	22,585
Ancillary trading income	3	1,572	-	-	1,572	1,849
Other trading activities						
Non-ancillary trading income	4	141	-	-	141	468
Other activities	4	200	-	-	200	232
Investments						
Investment income		90	370	-	460	429
Finance income	5	460	1	-	461	8
Voluntary sources						
Grants and donations	6	674	802	-	1,476	1,929
TOTAL INCOME		28,093	1,173	-	29,266	27,500
EXPENDITURE ON:						
Raising funds						
Non-ancillary trading	7	62	-	-	62	141
Financing costs	7,8	738	-	-	738	365
Investment management	7	11	14	49	74	70
Fundraising and development	7	166	-	-	166	190
TOTAL DEDUCTIBLE COSTS		977	14	49	1,040	766
CHARITABLE ACTIVITIES						
Education and grant making	7	25,734	692	-	26,426	25,395
TOTAL EXPENDITURE	7	26,711	706	49	27,466	26,163
NET INCOME/(EXPENDITURE) FROM OPERATIONS						
		1,382	467	(49)	1,800	1,337
Gains on investments	11	402	469	1,717	2,588	217
NET INCOME FOR THE YEAR		1,784	936	1,668	4,388	1,554
Pension scheme actuarial losses	21	(1)	-	-	(1)	(3)
NET MOVEMENT IN FUNDS		1,783	936	1,668	4,387	1,551
Fund balances brought forward at 1 July	20	18,454	5,521	10,697	34,672	33,121
FUND BALANCES CARRIED FORWARD AT 30 JUNE	20	20,237	6,457	12,365	39,059	34,672

The notes on pages 23 to 42 form part of these financial statements

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
GROUP AND CHARITY BALANCE SHEETS
AT 30 JUNE 2021

	Notes	Group 2021 £'000	Group 2020	Charity 2021 £'000	Charity 2020 £'000
FIXED ASSETS					
Tangible assets	10	30,289	31,212	30,261	31,180
Investments	11	17,789	15,186	17,864	15,261
Derivatives	12	451		451	
		48,529	46,398	48,576	46,441
CURRENT ASSETS					
Stock		33	42	30	40
Debtors	13	841	1,168	997	1,212
Cash and deposits		7,155	3,042	6,912	2,923
		8,029	4,252	7,939	4,175
CURRENT LIABILITIES					
Creditors payable within one year	14	(6,067)	(6,971)	(6,040)	(6,953)
		1,962	(2,719)	1,899	(2,778)
TOTAL ASSETS LESS CURRENT LIABILITIES					
		50,491	43,679	50,475	43,663
LONG TERM LIABILITIES					
Creditors payable after one year	15	(11,432)	(9,007)	(11,432)	(9,007)
		39,059	34,672	39,043	34,656
NET ASSETS					
ENDOWED FUNDS					
	19,20	12,365	10,697	12,365	10,697
RESTRICTED FUNDS					
	19,20	6,457	5,521	6,457	5,521
UNRESTRICTED FUNDS					
	19,20	20,237	18,454	20,221	18,438
		39,059	34,672	39,043	34,656

The net result of the charity for the year, included within the financial statements, was a surplus of £4,145,000 (2020: £1,248,000).

Approved and authorised for issue by Members of Council present at a meeting on 10 November 2021 and signed on their behalf by:



A. J. Pianca
Treasurer

The notes on pages 23 to 42 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 £'000	2020 £'000
Cash flows from operating activities			
Net cash provided by operating activities	(i)	5,211	3,912
Cash flows from investing activities:			
Dividends and interest from investments		460	437
Payments for tangible fixed assets		(2,264)	(2,873)
Change in cash awaiting investment		(14)	95
Proceeds on sale of tangible fixed assets		1	56
Net cash used in investing activities		(1,817)	(2,285)
Cash flows from financing activities:			
Repayment of borrowing		(8,486)	(3,353)
Cash inflows from new borrowing		8,862	2,928
Movement in finance leases		238	-
Finance costs paid		(365)	(365)
New fees in advance money		1,699	1,056
Fees in advance money utilised		(1,229)	(1,330)
Net cash provided by/ (used in) financing activities		719	(1,064)
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		4,113	563
		3,042	2,479
Cash and cash equivalents at the end of the reporting period	(ii)	7,155	3,042

The notes on pages 23 to 42 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

(i) Reconciliation of net income to net cash flow from operating activities

	2021 £'000		2020 £'000
Net income for the reporting period (as per the statement of financial activities)	1,800		1,339
Investment income	(460)	(437)	
Other finance income	(451)	-	
Finance costs	365	365	
Depreciation charges	3,162	3,279	
Loss/ (profit) on disposal of assets	20	(31)	
Decrease/ (Increase) in stock	9	7	
Decrease/ (increase) in debtors	327	(28)	
Increase/ (decrease) in creditors (excluding fees in advance)	439	(582)	
	3,411		2,573
Net cash provided by operating activities	5,211		3,912

ii) Analysis of cash and cash equivalents

	2021 £'000		2020 £'000
Cash in bank	6,688		2,572
Cash in hand	13		16
Notice deposits (less than 3 months)	454		454
Total cash and cash equivalents	7,155		3,042

iii) Analysis of changes in net debt

	1 July 2020 £'000	Cash flows £'000	Non-cash changes	30 June 2021 £'000
Cash in bank	2,572	4,116		6,688
Cash in hand	16	(3)		13
Notice deposits	454	-		454
Cash and cash equivalents	3,042	4,113	-	7,155
Bank loans falling due within one year	(1,203)	(7,659)	8,847	(15)
Bank loans falling due after more than one year	(7,283)	7,283	(8,847)	(8,847)
Finance lease obligations due within one year	(11)	(238)	190	(59)
Finance lease obligations due after more than one year	-	-	(190)	(190)
Total borrowings + finance lease obligations	(8,497)	(614)	-	(9,111)
Net debt	(5,455)	3,499	-	(1,956)

The notes on pages 23 to 42 form part of these financial statements.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. ACCOUNTING POLICIES

The principle accounting policies adopted and critical areas of judgement are as follows:

a) Basis of Preparation of the Financial Statements

The financial statements have been prepared on the historical cost basis of accounting, as modified by the revaluation of investment investments, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, the Charities SORP (FRS 102) and the accounting policies set out below.

The functional currency of the Charity is considered to be pounds sterling as that is the currency of the primary economic environment in which the Charity operates. The financial statements are also presented in pounds sterling.

The financial statements consolidate, on a line-by-line basis, all funds of the RMF and the College together with the financial statements of its wholly owned subsidiaries, Epsom College Enterprises Limited (company no: 01066747) and Epsom College Overseas Limited (company no: 07562826) that are prepared for the same period. A further wholly owned subsidiary; Epsom College Transport Limited (company no: 12437332), incorporated on 3rd February 2020, has been dormant since this date and is therefore not included in these results. No separate Statement of Financial Activities has been prepared for the College alone, as permitted by Section 408 of the Companies Act 2006. The College has taken advantage of the exemption available to a qualifying entity in FRS 102 from requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

The Charity is a public benefit entity and is registered as a charity in England and Wales (charity number: 312046). It was established by an Act of Parliament of 1855. The Charity is domiciled in the UK and the address of the registered office is Epsom College, College Road, Epsom, KT17 4JQ.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, with the exception of pension liabilities (see note 22), no assumptions concerning the future or estimation uncertainly affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

b) Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the College against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

c) Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. ACCOUNTING POLICIES (Continued)

d) Donations, legacies, grants and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Charity is considered probable.

Voluntary income for the Charity's general purpose is accounted for as "Unrestricted Funds". Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

Grant income is recognised when there is evidence of entitlement, the receipt is probable and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

e) Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for long-term liabilities. Expenditure attributable to more than one cost category in the SOFA is appropriated to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the costs of complying with constitutional and statutory requirements as well as Trustee training.

f) Tangible fixed assets and depreciation

Expenditure of the acquisition, construction or enhancement of land and buildings, vehicles, furniture, machinery, ICT infrastructure and equipment and other equipment costing more than £500 are capitalised and carried in the balance sheet at historical cost. Other expenditure on equipment incurred in the normal day-to-day running of the Charity is charged to the Statement of Financial Activities as incurred.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal instalments over their expected useful economic lives. The current depreciation rates are as follows:

New buildings	2 – 4%
Freehold and leasehold improvements and renovations	2 – 20%
Furniture, machinery and equipment	10 – 25%
Motor Vehicles	25%

Buildings outside the grounds of Epsom College have been included at their 30 June 1995 valuation. Costs associated with buildings in the course of construction have not been depreciated pending completion of the work.

g) Investments

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated the appropriate fund according to the "ownership" of the underlying assets.

Investments in subsidiaries are valued at cost less provision for impairment.

h) Stock

Stock represents goods for resale and is valued at the lower of cost or estimated selling price.

i) Debtors

Short term debtors are measured at transaction price (e.g. value of school fees billed but not yet paid), less any impairment.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

ACCOUNTING POLICIES (continued)

j) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities including bank loans, are measured at fair value, net of transactions costs, and are measured subsequently at amortised cost using the effective interest method.

Pupil fee deposits held by the school: Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The school does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held are included within current liabilities.

k) School fees in advance

In addition to the school fees, which are payable one term in advance, the College accepts fees for longer periods. These longer-term fees paid in advance are credited to income when the fees are due. In consideration of the lump sum received the scheme provides for a discount to be applied towards the cost of education.

Amounts received under the College's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

l) Provisions for liabilities

Provisions are recognised when the Charity has a present obligation (legal or constructive) as a result of a past event, it is probable that the Charity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in the Statement of Financial Activities ("SOFA") in the period it arises.

The Charity recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

m) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Charity. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at fair value of the leased asset (or, if lower, the present value of the minimum lease payments) at inception of the lease. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

ACCOUNTING POLICIES (Continued)

n) Fund accounting

Charitable trust funds are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the Charity's corporate reserves, spendable at the discretion of the Trustees either to further the Charity's Objects or to benefit the Charity itself. Where the Trustees decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts and legacies where there is no capital retention obligation or power but only a trust law restriction to some specific propose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the Charity (e.g. freehold land) or for its financial benefit (i.e. by investment).

Expendable endowment funds can be converted into income for spending with at the Trustees own discretion or else upon the happening of some event contemplated by the donor.

o) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with exception of investments which are held at fair value.

Financial assets held at amortised cost comprise cash at bank and in hand, together with all debtors other than prepayments and tax recoverable. A specific provision is made for any debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and fees received in advance.

Derivatives are not basic financial instruments. These are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at the balance sheet date. Changes in fair value are recognised in the Statement of Financial Activities in finance costs or finance income as appropriate.

Derivatives classified as liabilities have been split between due with one year and after one year based on the future estimated cashflows.

p) Pension costs

Retirement benefits to employees of the Charity are provided through three pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

The Teachers' Pension Scheme

This is a multi-employer pension scheme and it is not possible to identify the Charity's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, the College accounts for the scheme as if it were a defined contribution scheme. The Charity's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

Pensions Trust

Contributions are paid, in respect of non-teaching staff, to the Pensions Trust into a defined contribution scheme. Contributions for current employees are generally at a rate equivalent to 7% of annual basic pay for those in the existing scheme and 2% for those who were auto-enrolled from the Charity's staging date of 1 January 2014.

The Charity previously contributed to a Pension Trust defined benefit scheme. A liability exists in relation to the deficit funding for this historic scheme.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

ACCOUNTING POLICIES (Continued)

p) Pension costs (continued)

The historic defined benefit scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standard issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Retiring Pensions Fund

The Charity also pays post-employment benefits to certain former members of staff and their relatives. This was previously paid from a designated, separately invested fund, which was divested during the year. The College now pays these benefits from operating income. The Fund is invested separately from all other funds.

q) Going concern

The preparation of financial statements requires an assessment of the validity of the going concern assumption, this being dependent upon the availability of adequate financial resource to allow the Group and Charity to continue in operational existence for the foreseeable future.

At the time of approving the financial statements, the COVID-19 pandemic continues to evolve. The Group has managed the risk successfully thus far and the long-term impact appears to be minimal at this time. The Trustees have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff.

The income expected to be available depends most importantly upon an estimate of pupil numbers and their boarding mix as well as investment income. At the time of approving these financial statements the College is experiencing increased pupil numbers compared with prior years. The College has considered the effects of a small reduction in pupil numbers on the financial forecasts, taking account of current cash reserves, banking facilities and the College's ability to rescale its operations accordingly. There are currently adequate cash balances and banking facilities in place to ensure that the College can meet its obligations through this period of uncertainty.

The Trustees have reviewed budgets and projected cash flows and are confident that with the continued support of existing bank funding levels the Group and Charity will have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of the financial statements. Consequently, the Trustees consider it appropriate to prepare the financial statements on the going concern basis.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE	2021	2020
	£'000	£'000
Fees receivable consist of:		
School fees	26,450	24,049
Less: Scholarships, bursaries and other awards	(1,715)	(1,670)
	24,735	22,379
Add back scholarships and grants paid out of restricted funds	221	206
	24,956	22,585
3. CHARITABLE ACTIVITIES – OTHER INCOME	2021	2020
	£'000	£'000
Ancillary trading income		
Entrance and registration fees	193	136
Additional charges to pupils	1,206	1,483
Insurance commission	4	10
Other	169	220
	1,572	1,849
4. OTHER TRADING ACTIVITIES	2021	2020
	£'000	£'000
Non ancillary trading income		
Epsom College Enterprises Ltd	108	247
Courses and lettings	33	221
	141	468
Other activities		
Epsom College Overseas Ltd - royalties	200	200
Profit on sale of fixed assets	-	32
	200	232

Trading subsidiaries

Epsom College Enterprises Ltd: the aggregate amount of its assets, liabilities and funds as the end of the reporting period were £91,491. It had turnover of £107,653, expenditure of £59,719 and a profit of £47,934 for the reporting period.

Epsom College Overseas Ltd: the aggregate amount of its assets, liabilities and funds as the end of the reporting period were £100. It had turnover of £200,000, expenditure of £5,600 and a profit of £194,400 for the reporting period.

5. FINANCE INCOME	2021	2020
	£'000	£'000
Bank and other interest receivable	10	8
Change in fair value of derivatives	451	-
	461	8

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

6. GRANTS AND DONATIONS RECEIVABLE

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2021 £'000	Total 2020 £'000
Donations to Royal Medical Foundation	6	-	-	6	4
Donations to the College for other charities, bursaries, fixed asset purchases and other purposes	-	368	-	368	136
Donations to the Epsom College Education Trust Fund for the development of educational facilities and activities for the College	-	434	-	434	1,025
Government Grants	668	-	-	668	764
	674	802	-	1,476	1,929

During the year ended 30 June 2021 five Governors made total donations of £5,000 to the College for the development of educational facilities (2020: five Governors donated a total of £85,600).

The Government Grant was received under the Coronavirus Job Retention Scheme for 10 months during the year (2020: four months).

7. ANALYSIS OF TOTAL EXPENDITURE

(a) Total expenditure

	Staff Costs £'000	Other Costs £'000	Depreciation £'000	2021 Total £'000	2020 Total £'000
Raising funds					
Trading costs	32	19	11	62	141
Fundraising costs	142	24	-	166	190
Investment management	-	73	-	74	70
Financing costs (note 8)	-	738	-	738	365
Total raising funds	174	855	11	1,040	766
Charitable activities					
Teaching	10,340	1,999	41	12,380	12,246
Welfare	3,114	1,465	-	4,579	4,382
Premises	453	1,981	2,508	4,942	4,954
Support and governance costs	1,561	1,695	602	3,858	3,316
Grants, awards and prizes	-	667	-	667	499
Total charitable activities	15,468	7,807	3,151	26,426	25,395
Total expenditure	15,642	8,662	3,162	27,466	26,161

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

7. ANALYSIS OF EXPENDITURE (continued)

(b) Governance included in support costs

	2021	<i>2020</i>
	£'000	<i>£'000</i>
Remuneration paid to auditor for audit services	40	40
Remuneration paid to auditor for assurance services	3	1
Reimbursement of personal expenses to Trustees– travel costs	-	1
	43	<i>42</i>

Remuneration paid to auditor for audit services and assurance services exclude irrecoverable VAT.

Remuneration paid to the auditor of Epsom College Enterprises Ltd and Epsom College Overseas Ltd for audit services are included, net of VAT, within Trading costs and amount to £4,140 (2020: £4,060) and £2,040 (2020: £2,000) respectively. Remuneration paid to the auditor of Epsom College Enterprises Ltd for tax services was £2,500 (2020: £ 2,500), remuneration paid to the auditor of Epsom College Overseas Ltd for tax services was £3,500 (2020: £1,500).

8. FINANCE COSTS

	2021	<i>2020</i>
	£'000	<i>£'000</i>
School fees in advance financing costs	37	50
Bank borrowings financing costs	326	311
Change in fair value of derivatives	373	-
Pension scheme financing costs	2	4
	738	<i>365</i>

9. STAFF COSTS

	2021	<i>2020</i>
	£'000	<i>£'000</i>
The aggregate payroll costs for the year were as follows:		
Wages and salaries	12,570	12,291
Social security costs	1,303	1,273
Pension contributions	1,769	1,664
	15,642	<i>15,228</i>

Aggregate employee benefits of key management personnel	1,310	<i>1,274</i>
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The average number of employees during the year was:

	2021	<i>2020</i>
	No.	<i>No.</i>
Teaching (including teaching support staff)	136	137
Other	293	315
	429	<i>452</i>

None of the Trustees, or persons connected with them, received any remuneration during the year. There were no expense reimbursements made to Governors during the year (2020: 2 Governors reimbursed a total of £1,224).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

9. STAFF COSTS (continued)

The number of employees who received remuneration of £60,000 or greater, in the following bands, was:

	2021	2020
£60,001 - £70,000	37	37
£70,001 - £80,000	13	12
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
£140,001 - £150,000	-	1
£150,001 - £160,000	-	-
£160,001 - £170,000	1	-

The number with retirement benefits accruing in the Teachers' Defined Benefit and Non-Teachers' Defined Contribution Schemes was 46 and 9 respectively (2020: 45 and 9). The relevant amount of contributions in respect of the Non-Teachers' Scheme was £52,250 (2020: £56,693).

Termination payments of £15,836 were made during the year (2020: nil). There were no outstanding termination payments at the year-end (2020: nil).

10. TANGIBLE FIXED ASSETS- CHARITY AND GROUP

	Charity				Charity Total	Subsidiary		Group Total
	Land & Buildings	Assets Under Construction	Plant, Machinery & Vehicles	Fixtures & Equipment		Fixtures & Equipment		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or frozen valuation								
<i>At 1 July 2020</i>	62,316	723	1,775	5,874	70,688	50		70,738
Additions at cost	961	619	23	653	2,256	8		2,264
Transfers	-	-	-	-	-	-		-
Disposals	(13)	-	(39)	(1,534)	(1,586)	(1)		(1,587)
At 30 June 2021	63,264	1,342	1,759	4,992	71,358	57		71,415
Depreciation								
<i>At 1 July 2020</i>	33,374	-	1,442	4,693	39,508	18		39,526
Charge for the year	2,401	-	130	620	3,151	11		3,162
Eliminated on disposals	(13)	-	(23)	(1,526)	(1,562)	-		(1,562)
At 30 June 2021	35,762	-	1,549	3,787	41,097	29		41,126
Net book value								
<i>At 1 July 2020</i>	28,942	723	333	1,181	31,180	32		31,212
At 30 June 2021	27,502	1,342	210	1,205	30,261	28		30,289

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

10. TANGIBLE FIXED ASSETS (continued)

The amount of expenditure on buildings up to 31 December 1955 is unascertainable and is not considered to be material to these financial statements. Expenditure since that date has been capitalised in the balance sheet. Properties outside the College grounds were first capitalised in the balance sheet as at 30 June 1995 at their market value of £2,060,771 at that date. Additions since then have been included at cost. An independent valuation of freehold properties outside the College grounds was carried out by Chartered Surveyors as at 30 June 1995 on the assumption that vacant possession was immediately available. Properties comprising sub-divided flats were valued on the assumption that the individual flats had the benefit of 99-year leases at peppercorn ground rent and that an acceptable management and service agreement was in place. No structural survey or legal searches were carried out.

All tangible fixed assets – land and buildings are held for use on charitable activities.

Depreciation charged on assets held under finance lease within the Charity's fixture's & equipment class of fixed assets amounted to £68,640 (2020: £98,136). The total net book value of the Charity's fixtures & equipment of £1,206,000 (2020: £1,181,000) includes £230,881 (2020: £168,058) held under finance lease. All tangible fixed assets are held for use in charitable activities.

11. INVESTMENTS

a) Group and Charity Investment movements	Total 2021 £'000	<i>Total 2020 £'000</i>
Group investments as at 1 July	15,186	15,064
Change in cash awaiting investment	14	(95)
Realised gains/(losses)	2,386	(152)
Unrealised (losses)/ gains	203	369
Group investments at 30 June	<u>17,789</u>	<u>15,186</u>
Investment in subsidiaries	75	75
Charity investments at 30 June	<u>17,864</u>	<u>15,261</u>
b) Investment analysis	2021 £'000	<i>2020 £'000</i>
Fixed interest stocks and bonds	2,280	2,494
UK equities	4,317	3,547
Worldwide equities	8,580	6,872
Alternative investments	2,612	2,273
Group investments	<u>17,789</u>	<u>15,186</u>
Investment in subsidiaries	75	75
Charity investments	<u>17,864</u>	<u>15,261</u>

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

12. DERIVATIVES	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Financial instruments	451	-	451	-

During the year the College moved its day-to-day banking and re-financed its existing facilities with Barclays. A term loan of £8,000,000 with a 25-year repayment period was taken out as part of the re-financing package. The College has used derivatives to protect against interest rate volatility over the period of repayment, taking out a zero-floor interest rate swap, with an embedded cap. The floor and cap derivatives have been valued as assets at the balance sheet date. Information on the swap is found in Note 15.

13. DEBTORS	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fees and extras	393	336	393	336
Trade debtors	86	4	-	-
Sundry debtors	43	175	43	175
Prepayments and accrued income	319	653	314	651
Amounts due from subsidiary companies	-	-	247	50
	841	1,168	997	1,212

All debtors are due within one year.

14. CREDITORS PAYABLE WITHIN 1 YEAR	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Deposits from fee payers	2,635	2,458	2,635	2,458
Bank loans and overdrafts	15	1,203	15	1,203
Finance lease	59	11	59	11
Trade creditors	380	242	380	242
Taxation and social security	344	318	344	318
Other creditors, accruals and deferred income	858	1,125	831	1,103
School fees in advance scheme (see note 16)	1,145	1,125	1,145	1,125
Pension deficit funding (see note 21)	60	58	60	58
Holiday pay accrual	476	431	476	431
Derivative financial instruments	95	-	95	-
Amounts due to subsidiary companies	-	-	-	4
	6,067	6,971	6,040	6,953

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2021 £'000	2020 £'000
Bank loans and overdrafts	8,847	7,283
School fees in advance scheme (see note 16)	1,956	1,506
Finance lease	190	-
Pension deficit funding (see note 21)	161	218
Derivative financial instruments	278	-
	11,432	9,007

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

On the 28th August 2020, the College completed the process of moving its day-to-day banking and all facilities from AIB to Barclays. The total bank loan at the year-end is £8,862,564 (2020: £8,485,565) and is comprised of two facilities. An £8m facility, with a 25-year amortisation period, is fully drawn and is for the purpose of funding the College's previous building and development programmes. An £7m facility is also in place to part fund the construction of the Mermaid building and will be drawn upon as the project progresses. During the year, £851,000 was drawn on this facility.

There are no capital repayments due within one year on either facility. The amount due to be repaid in more than 5 years is £6,619,068 (2020: £4,035,498). Interest is charged at SONIA plus 1.90%.

The College has entered into a fixed interest rate swap in relation to its term loan of £8,000,000. The strike rate is 1.25%. The interest rate swap has a zero-floor mechanism with an embedded cap, the floor and cap elements are valued separately as assets for the purposes of these accounts.

The College has access to a £3.5m revolving credit facility to help fund its building and capital development programme. There was no utilisation of this facility during the year. Interest is charged on this facility at a rate of SONIA plus 1.35%. The College also has in place a £1.5m overdraft facility to help manage working capital requirements throughout the year. All facilities are secured by a fixed and floating charge over all assets of the College.

16. SCHOOL FEES IN ADVANCE SCHEME

Parents may enter into a contract to pay to the College up to the equivalent of seven years' fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. The scheme provides for discounts to be applied to the cost of education as the fees fall due. Assuming pupils remain at the College/ start at the college as anticipated, the liability for advance fees, accrued to date, will be applied as follows:

	2021	2020
	£'000	£'000
Beyond 5 years	269	28
Within 2-5 years	1,687	1,478
Within 1 year	1,145	1,125
	3,101	2,631
 The movements during the year were as follows:		
At 1 July	2,631	2,905
New contracts during the year	1,699	1,056
Amounts accrued to contracts	-	-
	4,330	3,961
 Amounts returned to leavers	(30)	-
Amounts utilised in payment of fees	(1,199)	(1,330)
Balance at 30 June	3,101	2,631

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

17. FINANCIAL INSTRUMENTS

	2021	2020
	£'000	£'000
Financial assets measured at cost (a)	7,928	4,069
Financial assets measured at fair value (b)	18,240	15,186
Financial liabilities measured at amortised cost (c)	13,887	12,660
Financial liabilities measured at fair value (d)	373	-

- (a) Financial assets include cash, trade and fee debtors, staff loans, other debtors, accrued income and amounts due from subsidiaries.
- (b) Financial assets held at fair value include assets held as investment and derivative financial instruments (floor and cap).
- (c) Financial liabilities measured at amortised cost include deposits, trade creditors and other creditors.
- (d) Financial liabilities measured at fair value includes derivative financial instruments (interest rate swap).

18. FUNDS OF THE GROUP

UNRESTRICTED FUNDS

Epsom College

Fixed assets fund – A designated fund that represents the College’s investment in property less the amount funded by bank borrowings.

Advanced fees – A designated fund in the prior year representing the value of investments specifically held to part fund the school fees in advance scheme. As agreed by the Governors, these investments were divested during the year and the funds applied to capital expenditure.

Derivative reserve – Representing accumulated fair value gains and losses associated with the annual revaluations of derivative financial instruments.

Royal Medical Foundation

General fund – Representing accumulated income from the Charity’s activities and other sources that are available for the general purpose of the Charity.

Royal Medical Foundation of Epsom College

Surrey scholars’ fund – Representing funds received from the parents of Surrey Scholars and held for the general purpose of the charity.

RESTRICTED FUNDS

Epsom College

Scholarships, bursaries and the development of educational activities – Representing numerous individual gifts, legacies and grants given to the College over many years for a specific purpose but where there is no requirement to preserve capital. For several years, The College has been receiving donations to The Mermaid capital campaign to fund a new centre to transform the educational experience of its pupils, with particular focus on the Sixth Form. These donations are restricted for this purpose only.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

18. FUNDS OF THE GROUP (continued)

RESTRICTED FUNDS

Royal Medical Foundation

Grant funds for education and maintenance (restricted and endowed) – Representing funds held to provide pensions, annuities and grants and other pecuniary assistance for medical practitioners or their families in need.

Gift/annuity fund (restricted and endowed) – Representing the Funds held to provide renewable annual grants, annuities and other pecuniary assistance for medical practitioners or their families in need.

ENDOWED FUNDS

Epsom College

Scholarships - Representing numerous individual gifts, legacies and grants given to the College over many years for scholarships and bursaries.

Royal Medical Foundation

Foundation scholars' fund – Representing the funds held to provide for the education of children of medical practitioners in need at Epsom College.

19. ALLOCATION OF THE NET ASSETS

The net assets are held for the various funds as follows:

	Fixed Assets £'000	Investments £'000	Net Current Assets/ (Liabilities) £'000	Long Term Liabilities £'000	2021 Total £'000
Unrestricted funds					
General fund	1,445	2,861	(1,028)	(351)	2,927
Fixed assets fund	28,844	-	(2,765)	(8,847)	17,232
Advance fees	-	-	1,956	(1,956)	-
Derivative reserve	451	-	(95)	(278)	78
	30,740	2,861	(1,932)	(11,432)	20,237
Restricted funds	-	2,563	3,894	-	6,457
Endowed funds	-	12,365	-	-	12,365
Balances at 30 June 2021	30,740	17,789	1,962	(11,432)	39,059

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

19. ALLOCATION OF THE NET ASSETS (continued)

<i>2020</i>	<i>Fixed Assets</i>	<i>Investments</i>	<i>Net Current Assets/ (Liabilities)</i>	<i>Long Term Liabilities</i>	<i>2020 Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Unrestricted funds					
General fund	1,546	2,506	(1,266)	(218)	2,568
Fixed assets fund	29,666	-	(6,497)	(7,283)	15,886
Advance fees	-	-	1,506	(1,506)	-
Restricted funds	-	1,983	3,538	-	5,521
Endowed funds	-	10,697	-	-	10,697
Balances at 30 June 2020	31,212	15,186	(2,719)	(9,007)	34,672

20. MOVEMENT ON FUNDS

	<i>1 July 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Gains /Losses</i>	<i>30 June 2021</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
a. UNRESTRICTED						
Epsom College						
General fund	16	27,547	(26,253)	(1,293)	(1)	16
Designated fixed asset fund	15,886	-	-	1,346	-	17,232
Derivative reserve	-	451	(373)	-	-	78
Royal Medical Foundation						
General funds	2,552	95	(85)	(53)	402	2,911
	18,454	28,093	(26,711)	-	401	20,237
b. RESTRICTED						
Epsom College						
Scholarships, bursaries and development of educational facilities	4,831	1,024	(602)	-	358	5,611
Royal Medical Foundation						
Grant funds – maintenance and education	173	66	(45)	-	28	222
Gift/annuity fund	517	83	(59)	-	83	624
	5,521	1,173	(706)	-	469	6,457
c. ENDOWED						
Epsom College						
Scholarships	5,529	-	(25)	-	887	6,391
Royal Medical Foundation						
Grant funds – maintenance and education	2,142	-	(10)	-	344	2,476
Relief of poverty fund	197	-	(1)	-	32	228
Gift/annuity fund	2,386	-	(11)	-	383	2,758
Foundation scholars	443	-	(2)	-	71	512
	10,697	-	(49)	-	1,717	12,365

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

20. MOVEMENT ON FUNDS (Continued)

2020	<i>1 July</i> 2019 £'000	<i>Income</i> £'000	<i>Expenditure</i> £'000	<i>Transfers</i> £'000	<i>Gains</i> <i>/Losses</i> £'000	30 June 2020 £'000
a. UNRESTRICTED						
<i>Epsom College</i>						
<i>Undesignated</i>						
General fund	16	25,907	(25,496)	(408)	(3)	16
<i>Designated:</i>						
Fixed assets fund	15,416	-	-	470	-	15,886
Advanced fees	-	-	-	-	-	-
<i>Royal Medical Foundation</i>						
General funds	2,605	89	(116)	(62)	36	2,552
	18,037	25,996	(25,612)	-	33	18,454
b. RESTRICTED						
<i>Epsom College</i>						
<i>Scholarships, bursaries and the development of educational facilities</i>						
	3,809	1,367	(375)	-	30	4,831
<i>Royal Medical Foundation</i>						
<i>Grant funds – maintenance and education</i>						
	182	61	(72)	-	2	173
<i>Gift/annuity fund</i>						
	493	76	(59)	-	7	517
	4,484	1,504	(506)	-	39	5,521
c. ENDOWED						
<i>Epsom College</i>						
<i>Scholarships</i>						
	5,479	-	(23)	-	73	5,529
<i>Royal Medical Foundation</i>						
<i>Grant funds – maintenance and education</i>						
	2,123	-	(9)	-	28	2,142
<i>Relief of poverty fund</i>						
	195	-	(1)	-	3	197
<i>Gift/annuity fund</i>						
	2,364	-	(10)	-	32	2,386
<i>Foundation scholars</i>						
	439	-	(2)	-	6	443
	10,600	-	(45)	-	142	10,697

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

21. PENSION COSTS

(a) Teachers' Pension Scheme

The College participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,497,970 (2020: £1,385,153) and at the year-end £186,453 (2020: £176,664) was accrued in respect of contributions to this scheme.

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

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

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

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

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

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

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

The College previously contributed to a Pension Trust defined benefit scheme. A liability exists in relation to the deficit funding for this historic scheme.

The historic defined benefit scheme is subject to the funding legislation outlined in the Pensions Act 2004 that came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standard issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

21. PENSION COSTS (Continued)

(b) Pensions Trust

Contributions are paid, in respect of non-teaching staff, to the Pensions Trust into a defined contribution scheme.

Contributions for current employees are generally at a rate equivalent to 7% of annual basic pay for those in the existing scheme and 3% for those who were auto-enrolled from the College's staging date of 1 January 2014. The pension charge for the year includes contributions payable to The Pensions Trust of £299,019 (2020: £241,593) excluding the defined benefit deficit funding. At the year-end £58,756 (2020: £46,741) was accrued in respect of contributions to this scheme.

The historic defined benefit scheme is classified as a 'last-man standing arrangement'. Therefore, the College is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme. The College has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2017. As of this date, the estimated employer debt for the College was £853,733 although this will not crystallise as long as the College continues to employ an active member in a Pension Trust plan.

A full actuarial valuation of the scheme was carried out at 30 September 2017. This valuation showed assets of £795m, liabilities of £926m and a deficit of £131m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme. The College's additional contributions are £54,560 per annum payable monthly and increasing by 3% on 1st April each year with the last contributions being due in January 2025.

As the scheme is in deficit and the College has entered into a deficit funding arrangement a liability has been recognised for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement. The present value is calculated using a discount rate of 1.26% per annum. The discount rates are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions. The unwinding of the discount rate is recognised as a finance cost.

	2021	2020
	£'000	£'000
Provision at 1 July	276	325
Unwinding of the discount factor (interest expense recognised in SOFA)	2	4
Deficit contribution paid	(58)	(56)
Re-measurements – impact of change in actuarial assumptions (recognised in SOFA)	1	3
Provision at 30 June	221	276

22. CAPITAL AND OTHER COMMITMENTS

Epsom College

In the forthcoming academic year, the College has committed to fund bursaries for 99 pupils totalling £2,100,000, and has awarded scholarships totalling £736,000 to 337 pupils. Bursaries and scholarships are funded principally from school fees receivable, supplemented by investment income.

The College utilises bank borrowings in order to fund capital development. A bank overdraft is secured by a fixed charge against the freehold assets of the College and forms part of the facilities agreement that includes the loans referred to in Note 15. Tangible fixed assets contracted for at 30 June 2021 totalled £7,190,121 (2020: £665,938), plus future retention payments upon satisfactory completion of the Mermaid building of £281,673.

Royal Medical Foundation

The Royal Medical Foundation and related Trust Funds have already agreed awards totalling £39,850 for the year to 30 June 2022 in respect of tuition fees and other charitable assistance. The Trustees have authorised these awards, which have not been provided for within the accounts as the awards are subject to the recipients fulfilling certain conditions at the point of payment.

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

23. LEASE COMMITMENTS

The Charity's future minimum finance lease payments are as follows:

	2021 £'000	2020 £'000
Within one year	59	11
Between one and five years	190	-
	249	11

Certain IT equipment is held under finance lease arrangements. Finance lease liabilities are secured by the related assets held under finance leases (see note 9).

24. RELATED PARTY TRANSACTIONS

The Charity has entered into the following related party transactions during the year:

Epsom College

During the year, Jennifer Hay Ballet, operated by a daughter of Governor JA Hay, invoiced the College for educational services totalling £15,695 (2020: £13,768).

The Royal Medical Foundation of Epsom College is responsible for the 'Pool' within which Epsom College invests. Epsom College invested no additional funds in the Pool during the year (2020: £nil). The Pool has generated Epsom College an investment income of £221,366 (2020: £205,596).

The Royal Medical Foundation Limited (the "RMF")

During the year Epsom College charged the RMF £5,000 (2020: £5,000) to rent office space and paid salaries including pension contributions of £75,274 (2020: £73,983) on behalf of the RMF which were subsequently reimbursed by the RMF. In addition, the RMF paid school fees to Epsom College for their Founder beneficiaries totalling £56,439 (2020: £57,094).

The Royal Medical Foundation of Epsom College is responsible for the 'Pool' within which the RMF invests. In the year, the RMF invested £825 in the Pool (2020: £1,126). The pool has generated the RMF investment income of £238,687 (2020: £223,507).

Epsom College Enterprises Limited ("Enterprises")

Epsom College Enterprises Limited is a wholly owned subsidiary company. During the year Epsom College Enterprises donated £47,935 (2020: £136,000) of income to Epsom College.

In addition, the College made payments for salaries and expenses on behalf of Enterprises, which totalled £91,302 (2020: £111,644). All expenses were reimbursed by Enterprises. During the year Epsom College was loaned £165,000 from Epsom College Enterprises which was repaid in full within the year. At the year-end, Epsom College Enterprises owed the College £53,126 (2020: £50,168).

Epsom College Overseas Limited ("Overseas")

Epsom College Overseas Limited is a wholly owned subsidiary company.

During the year Overseas donated £194,400 (2020: £167,000) of income to Epsom College. In addition, the College made payments for expenses on behalf of Overseas, which totalled £4,351 (2020: £34,761). All expenses were reimbursed by Overseas. Epsom College was loaned £95,000 from Epsom College Overseas which was repaid in full within the year. At the year-end, Epsom College Overseas owed the College £194,400 (2020: College owed Epsom College Overseas £3,871).

Epsom College in Malaysia

During the year to 30 June 2021, there were no rechargeable costs incurred by the College which required invoicing to Epsom College in Malaysia (2020: £10,998). A balance of £nil remained unpaid at the year-end (2020: £nil).

ROYAL MEDICAL FOUNDATION OF EPSOM COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

25. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES 30TH JUNE 2020

	Notes	Unrestricted £'000	Restricted £'000	Endowed £'000	Total 2020 £'000
INCOME AND ENDOWMENTS FROM:					
Charitable activities					
School fees receivable	2	22,585	-	-	22,585
Ancillary trading income	3	1,849	-	-	1,849
Other trading activities					
Non-ancillary trading income	4	468	-	-	468
Other activities	4	232	-	-	232
Investments					
Investment income		86	343	-	429
Bank and other interest		8	-	-	8
Voluntary sources					
Grants and donations	5	768	1,161	-	1,929
TOTAL INCOME		25,996	1,504	-	27,500
EXPENDITURE ON:					
Raising funds					
Non-ancillary trading	6	141	-	-	141
Financing costs	6,7	365	-	-	365
Investment management	6	11	14	45	70
Fundraising and development	6	190	-	-	190
TOTAL DEDUCTIBLE COSTS		707	14	45	766
CHARITABLE ACTIVITIES					
Education and grant making	6	24,905	492	-	25,395
TOTAL EXPENDITURE	6	25,612	506	45	26,163
NET INCOME/(EXPENDITURE) FROM OPERATIONS					
		384	998	(45)	1,337
Gains on investments	10	36	39	142	217
NET INCOME/(EXPENDITURE) FOR THE YEAR		420	1,037	97	1,554
Pension scheme actuarial (losses)/gains	19	(3)	-	-	(3)
NET MOVEMENT IN FUNDS		417	1,037	97	1,551
Fund balances brought forward at 1 July	18	18,037	4,484	10,600	33,121
FUND BALANCES CARRIED FORWARD AT 30 JUNE	18	18,454	5,521	10,697	34,672