

REGISTERED COMPANY NUMBER: 02274166 (England and Wales)
REGISTERED CHARITY NUMBER: 299690

Report of the Trustees and
Financial Statements For The Year Ended 31 July 2020
for
The Knowl Hill Foundation

Fuller Spurling
Statutory Auditors
Mill House
58 Guildford Street
Chertsey
Surrey
KT16 9BE



The Knowl Hill Foundation

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For The Year Ended 31 July 2020**

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The Knowl Hill Foundation
Report of the Trustees
For The Year Ended 31 July 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Aims

The company is a non-political, non-religious, British charity engaged in promoting and providing for the advancement of the education of dyslexic children and children with specific learning difficulties, who for one reason or another have been failed by mainstream schools, and who need the specialist teaching in a small caring environment, which can be provided at the Knowl Hill School in Pirbright, Surrey.

In addition, the foundation aspires to help educate teachers from the mainstream of education to recognise, and help children in their schools who may be dyslexic.

There has been no change in the declared policy of the Foundation. The Foundation continues to attract pupils, to the Knowl Hill School, from both the private sector, and from different local authorities.

The Trustees have complied with the duty in section 4 of the 2011 Charities Act to have regard to guidance published by the Charity Commission on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging.

The Knowl Hill School seeks to benefit the public through its stated aims. The school is committed to safeguarding and promoting the welfare of our pupils. Parents are given regular information about their children's social and academic progress through parents evenings. The School operates an 'open door' policy for parents.

Our school welcomes pupils from all backgrounds and we are an equal opportunity organisation committed to a working environment that is free from any form of discrimination.

Objectives

The key objectives for the year are:

- To provide continuing support of our pupils through our bursary fund
- To provide the academic curriculum each child needs to fulfil his/her full potential
- To continue and develop the pastoral care we provide for pupils
- To increase the range of GCSE and BTEC qualifications available for the children
- To invest in the infrastructure of our school to ensure a safe and pleasant environment for both pupils and staff
- To invest in new technology which will benefit the children whose learning difficulties make normal reading and writing difficult
- To provide support to children with speech and language difficulties associated with their specific learning difficulties

The Knowl Hill Foundation
Report of the Trustees
For The Year Ended 31 July 2020

ACHIEVEMENT AND PERFORMANCE

In the academic year 2019/20, the pupil numbers reached 61 places by the end of the year.

Exams

There were only 5 pupils in year 11 who left the school this year. All five went on to the colleges they chose and got places on the courses they had applied for. The exam results were those predicted by the school and were as follows:

All five pupils achieved 2 Science GCSEs, 4 at grade 3, 4 at grade 4 (which is a C in the old system) and one pupil had two '5's so equivalent to 2 Bs.

One girl took English Language GCSE and achieved a 3, but she also achieved level 2 Functional Skills in English which is a GCSE equivalent. The other 4 pupils also achieved passes in English in Functional Skills from EL2 to Level 1.

In Art the results were two 5s and a 4. In Maths, the one pupil who took this GCSE achieved a 4, along with statistics also at grade 4.

Two year 10 boys also took statistics and achieved a 4 and a 5.

Overall then this was not a highly achieving year, but the value added for the pupils was significant, given their baseline testing levels on entry.

Curriculum

There were no new courses in 2019-20 running at the school, but one pupil took the first year City and Guilds in Motor Vehicles at Farnborough College, via the school.

IT Equipment

The school purchased another set of Dell laptops, 15 in all, and these are being fully utilised. Also 7 new Apple Macs for the photography room.

Science Lab

The new Science lab is up and running.

Security

New gates were installed which increase security, replacing the old wooden gates.

Grantmaking

The charity does not have a formal grant-making policy, except for bursaries, however assistance is given to local state schools wherever possible, such as enabling teachers / lecturers to spend time at the school to see how we cater for our children. University departments come to do research, case studies, and a copy of their reports / findings are sent to us, so that we can use them to develop our learning / teaching skills.

Charitable Activities

As in previous years, the school has continued to support a number of national or local charities and organisations

Other charities were helped by fund-raising activities, some of which form part of our community-cohesion programme.

FINANCIAL REVIEW

Financial position

The results for the year are shown in the attached Statement of Financial Activities. Income increased from £1,459,999 in 2019 to £1,479,273. Expenditure increased from £1,222,301 to £1,279,972 after depreciation of £42,010 (2019: £31,884). There were net incoming resources of £199,301 this year compared to £237,698 last year. Total funds carried forward have increased to £675,825 (2019: £476,524).

The policy of the school is to ensure we have funds available before any major expenditure is incurred.

Principal funding sources

Principal funding arises from School Fees collected each Term.

Investment policy and objectives

The School's major investment is in the Land and Buildings of the School and in its regular upkeep.

The Knowl Hill Foundation

Report of the Trustees For The Year Ended 31 July 2020

FINANCIAL REVIEW

Reserves policy

The Trustees review the financial reports at each bi-monthly meeting to ensure sufficient reserves are maintained for the needs of the day to day running of the School. Any surpluses are retained within the Charity and utilised for School purposes. It is considered desirable to try to aim to retain sufficient cash reserves to cover at least one term's expenditure. At 31st July unrestricted funds, excluding fixed assets, were £464,000 compared to one term's expenditure of approximately £427,000.

Market Value of Freehold Property

A covenant exists on the land on which the school resides, which states it may only be used for educational purposes. The trustees do not therefore consider it practicable to establish whether there is a significant difference between the market value and book value of the freehold property.

FUTURE DEVELOPMENTS

Repairs and maintenance to the fabric of the building will continue. We have a regular maintenance schedule of improvement and re-decoration which continue year on year.

We will continue to invest in new technology to enable our students to realise their full potential.

Whilst we cannot increase the size of the school due to planning constraints we will continue to look at how best to use our existing space which may mean changes to the infrastructure of the school buildings.

We are looking to buy/rent another building in the area for use as a 6th Form. As our pupils continue to need support when in 6th Form/College it would benefit them if they could continue their education at Knowl Hill School for another 2 years.

TEACHING & CURRICULUM FUTURE DEVELOPMENTS

Staff development: One teacher took the NPQML with another enrolled for 20/21. Another teacher is training as a SENCo externally. Internal training focused on IT and the use of our online platform, TEAMS, which was implemented during lockdown.

The new Head of Science has taken on the Duke of Edinburgh award programme and will be funded for training as an assessor.

COVID 19

Before opening in September, a risk assessment was carried out to ensure sensible measures are put in place to protect staff members and pupils, including appropriate social distancing measures. The full risk assessment can be found on the school web site.

The risk assessment addressed the following areas;

- " Safety of the school premises
- " Cleaning measures
- " Infection control and the ability to implement protective measures, e.g. social distancing
- " Supporting staff and pupil wellbeing
- " Supporting pupils' learning
- " Safeguarding
- " Communication of plans and procedures

These measures have incurred additional expenditure for the school amounting to less than £5000. There will be ongoing expenditure relating to the protection of staff and pupils in respect of Covid 19. There will also be additional expenditure relating to staff self-isolating when required in respect to staff cover costs.

The Knowl Hill Foundation

Report of the Trustees For The Year Ended 31 July 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Organisation

The day to day management of the charity, as designated by the trustees, is undertaken by the Head

The Trustees meet on a regular bi-monthly basis, in conjunction with the Head, Deputy Head, Business Manager, Senior Management Team and staff representatives. At the general meeting the Trustees review Head's report, the Deputy Head's Report, the staff representative report and the parent representative report.

The Trustees also meet twice per term in conjunction with the Head, Deputy Head and School Business Manager to discuss finances and capital expenditure and future developments of the school.

Induction and training of new trustees

A potential Trustee is invited to become a Trustee and the aims of the Charity are explained in detail. Copies of annual reports and accounts and a copy of the governing trust deed and the Charity Commission's guidance, The Essential Trustee, are made available to potential trustees. The potential Trustee is then invited to a normal board meeting and introduced to the rest of the Trustees and unless there are any objections is invited to join the charity as a Trustee, after the meeting.

It is recommended that all Trustees read the relevant Charity Commission guidelines and the responsibilities of a Trustee are clearly defined under these guidelines. (ICSA guide 'Recruitment Appointment and Induction of Charity Trustees').

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have reviewed, identified and recorded the major risks to the charity.

The Trustees have identified the major risk to the charity as being a loss of pupils. This would be counteracted by a reduction in staff. The Trustees have agreed a minimum number of pupils that the school requires to cover overheads.

The School has adequate insurance cover for all risks, including public liability and it is reviewed yearly.

The Head is responsible for risk assessments connected with any school trip. These are reviewed by a Trustee who has previous experience in such matters.

A Trustee also attends a Safeguarding meeting each term with the Designated Safeguarding Lead and E Safety Representative.

The Knowl Hill Foundation

Report of the Trustees For The Year Ended 31 July 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Access Policy

Our school is not restricted to those who can afford our fees. As a school for children with specific learning difficulties it must only take children that would benefit from specialised teaching designed for an individual child's specific difficulties. Therefore a full Educational Psychologist's report is required prior to admission as well as a report from the child's previous school. The child is then invited to spend 2 days at the school where they can be assessed by the staff in a class environment.

The Head will then discuss with the parents the suitability of the school and the fee structure. A bursary place may be offered if it is available and the parents financial situation merits it. If the child has an Education Health and Care Plan (EHCP) given by the Local Educational Authority then that Authority will be invited to meet with the Head for discussion as to how that child's need can be fulfilled.

Speech and Language Therapy, Occupational Therapy and a School Counsellor are available to all pupils who need their services. Funding is provided by their Local Authorities for this or by the parents of the pupil if they are private. The school caters for pupils with a growing number of special needs, with a holistic approach which includes a wide variety of interventions, outlined in the document 'Knowl Hill School Provision'.

It should be noted that approximately 95% of our children are funded by the Local Education Authority as there is no other suitable educational establishment for them. Where necessary a representative of the school will attend Tribunals where parents are appealing against LA decisions. No child is rejected by the school if he / she meets the basic criterion of having a specific learning difficulty - unless there are simply no immediate places available. In those cases the child can be placed on a waiting list.

Bursary Policy

Bursaries are for half the cost of the school fees for a year. A bursary is reviewed yearly. In assessing a parents means of paying school fees we take into account their annual salary and expenses and any other family commitments. We also make arrangements for parents to pay monthly if the need is great.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02274166 (England and Wales)

Registered Charity number

299690

Registered office

School Lane
Pirbright
Surrey
GU24 0JN

Trustees

R H Wallis
A Bareford
K Rowland-Doyle
A M Rhodes
N Todd
E M Spencer

Company Secretary

R H Wallis

The Knowl Hill Foundation

**Report of the Trustees
For The Year Ended 31 July 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Fuller Spurling
Statutory Auditors
Mill House
58 Guildford Street
Chertsey
Surrey
KT16 9BE

Bankers

HSBC plc
6 Commercial Way
Woking
Surrey
GU21 1EZ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Knowl Hill Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

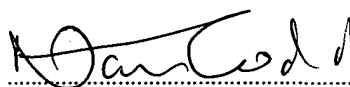
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Fuller Spurling, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 16/12/2020 and signed on its behalf by:


N Todd - Trustee

Report of the Independent Auditors to the Members of The Knowl Hill Foundation

Opinion

We have audited the financial statements of The Knowl Hill Foundation (the 'charitable company') for the year ended 31 July 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
The Knowl Hill Foundation**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

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

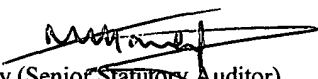
Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

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 Report of the Independent Auditors.

Use of our report

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


Mark Harvey (Senior Statutory Auditor)
for and on behalf of Fuller Spurling
Statutory Auditors
Mill House
58 Guildford Street
Chertsey
Surrey
KT16 9BE

Date: 23/12/2020

The Knowl Hill Foundation
Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For The Year Ended 31 July 2020

	Notes	Unrestricted funds £	Restricted funds £	31.7.20 Total funds £	31.7.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,472	4,382	9,854	10,599
Charitable activities					
School fees	3	1,469,419	-	1,469,419	1,449,400
Total		<u>1,474,891</u>	<u>4,382</u>	<u>1,479,273</u>	<u>1,459,999</u>
EXPENDITURE ON					
Charitable activities	4				
School expenditure		1,276,060	3,912	1,279,972	1,222,301
NET INCOME		<u>198,831</u>	<u>470</u>	<u>199,301</u>	<u>237,698</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		475,044	1,480	476,524	238,826
TOTAL FUNDS CARRIED FORWARD		<u><u>673,875</u></u>	<u><u>1,950</u></u>	<u><u>675,825</u></u>	<u><u>476,524</u></u>

The notes form part of these financial statements

The Knowl Hill Foundation

**Balance Sheet
31 July 2020**

	Notes	Unrestricted funds £	Restricted funds £	31.7.20 Total funds £	31.7.19 Total funds £
FIXED ASSETS					
Tangible assets	11	209,649	1,796	211,445	216,515
CURRENT ASSETS					
Stocks	12	3,000	-	3,000	3,000
Debtors	13	24,003	-	24,003	10,597
Cash at bank and in hand		534,637	154	534,791	355,991
		<u>561,640</u>	<u>154</u>	<u>561,794</u>	<u>369,588</u>
CREDITORS					
Amounts falling due within one year	14	(97,414)	-	(97,414)	(109,579)
NET CURRENT ASSETS		<u>464,226</u>	<u>154</u>	<u>464,380</u>	<u>260,009</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>673,875</u>	<u>1,950</u>	<u>675,825</u>	<u>476,524</u>
NET ASSETS		<u><u>673,875</u></u>	<u><u>1,950</u></u>	<u><u>675,825</u></u>	<u><u>476,524</u></u>
FUNDS	15				
Unrestricted funds				673,875	475,044
Restricted funds				<u>1,950</u>	<u>1,480</u>
TOTAL FUNDS				<u><u>675,825</u></u>	<u><u>476,524</u></u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 16-12-20 and were signed on its behalf by:


N Todd - Trustee


A Bareford - Trustee

The Knowl Hill Foundation

**Cash Flow Statement
For The Year Ended 31 July 2020**

	Notes	31.7.20 £	31.7.19 £
Cash flows from operating activities			
Cash generated from operations	1	215,740	318,283
Net cash provided by operating activities		<u>215,740</u>	<u>318,283</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(36,940)</u>	<u>(31,340)</u>
Net cash used in investing activities		<u>(36,940)</u>	<u>(31,340)</u>
Change in cash and cash equivalents in the reporting period		<u>178,800</u>	<u>286,943</u>
Cash and cash equivalents at the beginning of the reporting period		<u>355,991</u>	<u>69,048</u>
Cash and cash equivalents at the end of the reporting period		<u><u>534,791</u></u>	<u><u>355,991</u></u>

The notes form part of these financial statements

The Knowl Hill Foundation

**Notes to the Cash Flow Statement
For The Year Ended 31 July 2020**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES			
		31.7.20	31.7.19
		£	£
Net income for the reporting period (as per the Statement of Financial Activities)		199,301	237,698
Adjustments for:			
Depreciation charges		42,010	31,884
(Increase)/decrease in debtors		(13,406)	1,277
(Decrease)/increase in creditors		(12,165)	47,424
		<u>215,740</u>	<u>318,283</u>
Net cash provided by operations		<u>215,740</u>	<u>318,283</u>
 2. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1.8.19	Cash flow	At 31.7.20
	£	£	£
Net cash			
Cash at bank and in hand	355,991	178,800	534,791
	<u>355,991</u>	<u>178,800</u>	<u>534,791</u>
Total	<u>355,991</u>	<u>178,800</u>	<u>534,791</u>

The notes form part of these financial statements

The Knowl Hill Foundation

Notes to the Financial Statements For The Year Ended 31 July 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities Act 2011 and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

School fees are stated inclusive of reimbursed travel, school trips, exam fees and other costs.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

Charitable activities include expenditure associated with the operation of the school and include both the direct costs and support costs relating to these activities.

Governance costs

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Allocation and apportionment of costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g., allocating property costs by floor areas or per capita, staff costs by the time spent and other costs by their usage. 10% of overhead costs have been attributed to governance expenditure, with 90% attributable to the charitable activities of the Charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 5% on cost
Equipment & furniture	- 20% on cost
Computer equipment	- 33% on cost

Fixed Assets are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £1,000 are not capitalised.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

The Knowl Hill Foundation

Notes to the Financial Statements - continued For The Year Ended 31 July 2020

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds are set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash at bank and in hand, and demand deposits with banks.

Creditors

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

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.7.20 Total funds £	31.7.19 Total funds £
Donations	<u>5,472</u>	<u>4,382</u>	<u>9,854</u>	<u>10,599</u>

The Knowl Hill Foundation

**Notes to the Financial Statements - continued
For The Year Ended 31 July 2020**

3. INCOME FROM CHARITABLE ACTIVITIES

		31.7.20 £	31.7.19 £
	Activity		
School Fees and Reimbursed charges	School fees	1,469,419	1,449,400

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5) £	Support costs (see note 6) £	Totals £
School expenditure	1,043,511	236,461	1,279,972

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.7.20 £	31.7.19 £
Staff costs	951,008	875,456
Educational supplies	10,170	12,274
School Trips	6,702	26,831
Daily travel cost of pupils	8,778	7,953
Other overheads	29,044	24,765
Depreciation	37,809	28,696
	1,043,511	975,975

6. SUPPORT COSTS

	Overhead costs £	Governance costs £	Totals £
School expenditure	104,000	132,461	236,461

Support costs, included in the above, are as follows:

Overhead costs

	31.7.20 School expenditure £	31.7.19 Total activities £
Rents, Rates and Insurance	16,681	16,352
Light and heat	9,280	10,752
Telephone	3,199	3,481
Repairs and Renewals	36,076	49,284
Computer Expenses	24,699	27,345
Other Expenses	14,065	13,958
	104,000	121,172

The Knowl Hill Foundation

**Notes to the Financial Statements - continued
For The Year Ended 31 July 2020**

6. SUPPORT COSTS - continued

Governance costs

	31.7.20 School expenditure £	31.7.19 Total activities £
Wages	95,207	88,339
Social security	8,295	7,166
Pensions	2,165	1,767
Auditors' remuneration	7,500	7,000
Rents, Rates and Insurance	1,853	1,817
Light and Heat	1,031	1,194
Telephone	355	387
Repairs and Renewals	4,008	5,476
Computer Expenses	2,744	3,038
Other Expenses	1,563	1,550
Accountancy and legal fees	3,539	4,232
Depreciation of tangible fixed assets	4,201	3,188
	<u>132,461</u>	<u>125,154</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.7.20 £	31.7.19 £
Auditors' remuneration	7,500	7,000
Depreciation - owned assets	<u>42,010</u>	<u>31,884</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2020 nor for the year ended 31 July 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2020 nor for the year ended 31 July 2019.

9. STAFF COSTS

	31.7.20 £	31.7.19 £
Wages and salaries	952,071	883,391
Social security costs	82,950	71,660
Other pension costs	21,654	17,677
	<u>1,056,675</u>	<u>972,728</u>

The Knowl Hill Foundation

**Notes to the Financial Statements - continued
For The Year Ended 31 July 2020**

9. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	31.7.20	31.7.19
Teachers (Full and Part Time)	34	34
Admin & Bursary Staff	6	6
Trustees	6	6
	<u>46</u>	<u>46</u>

There were no employees with emolument or other benefits above £60,000 for the year ended 31 July 2020 or for the year ended 31 July 2019.

The key management personnel of the charity comprise the trustees, the Headteacher, the Business manager and the bookkeeper. The total employee benefits of the key management personnel of the Charity were £103,489 (2019: £95,722).

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	8,418	2,181	10,599
Charitable activities			
School fees	1,449,400	-	1,449,400
Total	<u>1,457,818</u>	<u>2,181</u>	<u>1,459,999</u>
EXPENDITURE ON			
Charitable activities			
School expenditure	1,220,380	1,921	1,222,301
NET INCOME	<u>237,438</u>	<u>260</u>	<u>237,698</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	237,606	1,220	238,826
TOTAL FUNDS CARRIED FORWARD	<u>475,044</u>	<u>1,480</u>	<u>476,524</u>

The Knowl Hill Foundation

**Notes to the Financial Statements - continued
For The Year Ended 31 July 2020**

11. TANGIBLE FIXED ASSETS

	Freehold property £	Equipment & furniture £	Computer equipment £	Totals £
COST				
At 1 August 2019	873,014	357,674	426,501	1,657,189
Additions	-	16,148	20,792	36,940
	<u>873,014</u>	<u>373,822</u>	<u>447,293</u>	<u>1,694,129</u>
DEPRECIATION				
At 1 August 2019	691,262	327,732	421,680	1,440,674
Charge for year	19,499	11,254	11,257	42,010
	<u>710,761</u>	<u>338,986</u>	<u>432,937</u>	<u>1,482,684</u>
NET BOOK VALUE				
At 31 July 2020	<u>162,253</u>	<u>34,836</u>	<u>14,356</u>	<u>211,445</u>
At 31 July 2019	<u>181,752</u>	<u>29,942</u>	<u>4,821</u>	<u>216,515</u>

12. STOCKS

	31.7.20	31.7.19
	£	£
Stocks	<u>3,000</u>	<u>3,000</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.20	31.7.19
	£	£
Trade debtors	2,658	2,049
Other debtors	11,454	1,674
Prepayments	<u>9,891</u>	<u>6,874</u>
	<u>24,003</u>	<u>10,597</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.20	31.7.19
	£	£
Trade creditors	11,177	12,259
Social security and other taxes	21,733	19,971
Other creditors	51,880	58,499
Accrued expenses	<u>12,624</u>	<u>18,850</u>
	<u>97,414</u>	<u>109,579</u>

The Knowl Hill Foundation

**Notes to the Financial Statements - continued
For The Year Ended 31 July 2020**

15. MOVEMENT IN FUNDS

	At 1.8.19 £	Net movement in funds £	At 31.7.20 £
Unrestricted funds			
General fund	450,044	198,831	648,875
Designated funds	25,000	-	25,000
	<u>475,044</u>	<u>198,831</u>	<u>673,875</u>
Restricted funds			
Playground equipment	976	(244)	732
Sundry Items	154	-	154
Other Equipment	350	714	1,064
	<u>1,480</u>	<u>470</u>	<u>1,950</u>
TOTAL FUNDS	<u>476,524</u>	<u>199,301</u>	<u>675,825</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,474,891	(1,276,060)	198,831
Restricted funds			
Playground equipment	-	(244)	(244)
Sundry Items	3,402	(3,402)	-
Other Equipment	980	(266)	714
	<u>4,382</u>	<u>(3,912)</u>	<u>470</u>
TOTAL FUNDS	<u>1,479,273</u>	<u>(1,279,972)</u>	<u>199,301</u>

Comparatives for movement in funds

	At 1.8.18 £	Net movement in funds £	At 31.7.19 £
Unrestricted funds			
General fund	212,606	237,438	450,044
Designated funds	25,000	-	25,000
	<u>237,606</u>	<u>237,438</u>	<u>475,044</u>
Restricted funds			
Playground equipment	1,220	(244)	976
Sundry Items	-	154	154
Other Equipment	-	350	350
	<u>1,220</u>	<u>260</u>	<u>1,480</u>
TOTAL FUNDS	<u>238,826</u>	<u>237,698</u>	<u>476,524</u>

The Knowl Hill Foundation

**Notes to the Financial Statements - continued
For The Year Ended 31 July 2020**

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,457,818	(1,220,380)	237,438
Restricted funds			
Playground equipment	-	(244)	(244)
Sundry Items	1,831	(1,677)	154
Other Equipment	350	-	350
	<u>2,181</u>	<u>(1,921)</u>	<u>260</u>
TOTAL FUNDS	<u>1,459,999</u>	<u>(1,222,301)</u>	<u>237,698</u>

Restricted funds include: Donations received specifically for the purchase of capitalised playground equipment in 2018 of £1,220; Other capitalised equipment in 2019 of £350 and £980 in 2020; and sundry other donations covering various expenditure headings in 2019 of £1831 and £3402 in 2020 of which £154 remained unspent at 31st July 2020. The capitalised equipment funds will reduce each year in line with depreciation charges.

The designated fund is made up of a bursary reserve for children in need of £25,000. No bursaries for teaching fees were awarded in the year. The fund brought forward continues to be carried forward.

16. RELATED PARTY DISCLOSURES

Mrs N Todd, Chair of Trustees, is also a board member of The Millennium Oak Trust, an unincorporated charity. The Millennium Oak Trust donated a total of £4,000 to the charity in the period (2019: £7,000).

17. LEASING AGREEMENTS

At 31st July 2020 the charity had total commitments under non-cancellable operating leases over the remaining life of the leases of £17,107 (2019 £20,205)