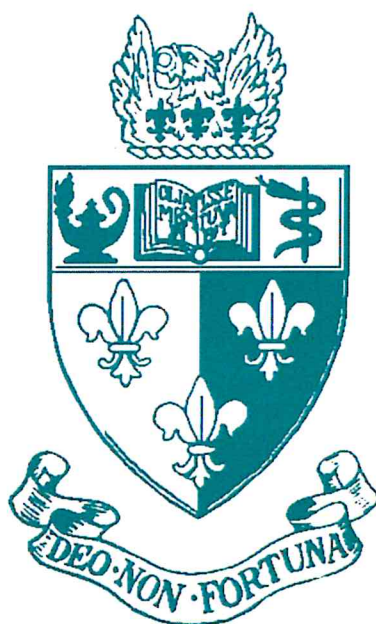


Royal Medical Foundation of Epsom College

**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, MRCP (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, MRCP (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)
YEAR ENDED 30 JUNE 2024

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)
YEAR ENDED 30 JUNE 2024

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)
YEAR ENDED 30 JUNE 2024

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	<u>(3,286)</u>	<u>(2,714)</u>
		32,499	30,321
	Add back scholarships and grants paid out of restricted funds	881	495
		<u>33,380</u>	<u>30,816</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	2024	2023
		£'000	£'000
	Ancillary trading income		
	Entrance and registration fees	206	164
	Additional charges to pupils	2,362	2,093
	Other	67	43
		<u>2,635</u>	<u>2,300</u>
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
		<u>1,010</u>	<u>636</u>
	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	<u>-</u>	<u>1,858</u>

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

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	<i>Group</i> 2023 £'000	Charity 2024 £'000	<i>Charity</i> 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>	2,554	<u>3,358</u>	2,938

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