

THE TOY TRUST

England & Wales · Charity number 1001634

Details

Status Registered

Legal form Trust

Registered 1991-01-24

Register [View on the Charity Commission register](#)

Contact

Address British Toy & Hobby Association
Btha House
142-144 Long Lane
London
SE1 4BS

Phone 02077017271

Email admin@btha.co.uk

Website www.btha.co.uk/toytrust.html

Activities

Objects: TO PAY OR APPLY THE TRUST FUND TO OR FOR SUCH CHARITY OR CHARITIES OR CHARITABLE PURPOSES CONNECTED WITH CHILDREN AS THE TRUSTEES SHALL IN THEIR ABSOLUTE DISCRETION DECIDE.

Activities: The Trustees shall hold the Trust Fund and the income thereof upon trust to pay or apply the same to or for such Charity or Charities or Charitable purposes connected with children as they shall in their absolute discretion from time to time decide. The Trust makes grants in response to requests from charitable causes where it considers their aims to be within its area of operation.

Classification

- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief
- **Who:** Children/young People

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£267,758	£308,417	-	-
2023-12-31	£312,940	£226,667	-	-
2022-12-31	£176,318	£223,033	-	-
2021-12-31	£145,643	£174,525	-	-
2020-12-31	£178,702	£125,507	-	-

Trustees

Name	Role	Appointed
BRITISH TOY AND HOBBY ASSOCIATION		
Colin Anthony Houlihan		2023-09-30
Jacqueline Taylor		2025-06-25
Jon Diver		2020-07-01
Simon Pilkington		2021-03-15

THE TOY TRUST

England & Wales - Charity number 1001634

Accounts

THE TOY TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

THE TOY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees British Toy and Hobby Association Limited
P Ratcliffe
J Diver
S Pilkington
C Houlihan

Charity number 1001634

Principal address 142-144 Long Lane
London
SE1 4BS

Auditor HW Fisher Audit
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

Bankers HSBC
23 Denmark Hill
Camberwell Green
London
SE5 8RP

Solicitors DLA Piper UK LLP
Princes Exchange
Princes Square
Leeds
LS1 4BY

THE TOY TRUST

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THE TOY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their report and accounts for the year ended 31 December 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objective of the Trust is set out in the charitable trust deed, as stated below:

In shaping the objective of the Trust, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)' and concluded as below:

"The trustees shall hold the Trust Fund and the income thereof upon trust to pay or apply the same to or for such charity or charities or charitable purposes connected with children as they shall in their absolute discretion from time to time decide".

The support of charities associated with children has for many years been a feature of the work of the British Toy and Hobby Association (BTHA). Traditionally the Association raised money from the toy industry which it pledged to one charity on an annual basis. The BTHA has been conscious that its own fund raising activities for children's causes have in all probability been more than matched by those of individual BTHA members. It is also probable that the extent to which toy manufacturers support children's charities goes largely unremarked and unnoticed by the public.

In 1989 the concept of creating a charitable Trust was discussed by the BTHA's Council as the most effective conduit for charitable giving. The Toy Trust became a registered charity on 24 January 1991 and was launched by a £10,000 donation from the BTHA. The charitable Trust deed states that all donations will be made to "such charity or charities or charitable purposes connected with children as they (the trustees) shall in their absolute discretion decide". In exceptional circumstances, at the trustees discretion, the Trust will make a donation to any crisis involving children which required an immediate response.

In addition to the smaller grants made by the Trust through the year, the Trust's committee can decide to award a larger grant to one or a small number of charities in conjunction with the Trust's annual fundraising events.

The Trust makes grants in response to requests from charitable causes where it considers their aims to be within its area of operation.

Achievements and performance

2024 saw The Toy Trust's 32nd year of fundraising with the amount raised over the past 32 years now standing at more than £7.23m.

There was a mix of existing and new fundraising events that took place throughout the year. As part of existing events, fundraising got off to an excellent start with £100,000 raised through the media auction held in January at Toy Fair. The funding was raised through bids placed on generously donated TV, online and catalogue slots. The annual Christmas card initiative also raised £14,900, a great conclusion to the end of the year.

2024 saw the continuation of the summer event 'Midsummer Mayhem' which saw people from across the toy industry taking part of a three month-long period of fundraising. The initiative saw participants from toy companies take on a range of individual and team physical activities such as cycling and walking distance challenges, with creative non-physical activities, competitions, and events also taking place. The event raised £38,573 for the charity.

In total, the Toy Trust was able to donate a total of £275,521 to 93 children's charities throughout the year. The BTHA's Toy Trust Committee agreed to donate larger funding grants to children's hospices across the UK who support children and their families with relief and support who are living with terminal illnesses. 10 hospices were supported in full, with a total value of £86,785.

The principal recipients of Toy Trust funds in 2024 included; Acorn's Children Hospice, Children Hospice Association of Scotland, Denelza House Children Hospice, Julia's House Children Hospice, Martin House Children's Hospice, Northern Ireland Hospice, Tyhakan Children's Hospice.

THE TOY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Public Benefit

The Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

Financial review

For the year ended 31 December 2024, incoming funds of £267,758 (2023: £312,940) were received and outgoing expenditure amounted to £308,417 (2023: £226,667). This resulted in net expenditure for the year of £40,659 (2023: net income of £86,273) and net current assets of £150,682 (2023: £195,341).

It is the policy of the charity to maintain unrestricted funds at a level, which equates to approximately between six to twelve months' unrestricted expenditure. This provides sufficient funds to cover minor administration costs and allows grants to be awarded at historic levels despite fluctuations in the amounts of donations received from year to year. This level of reserves was maintained throughout the year as unrestricted funds at the year-end were £154,682 (2023: £195,341).

The investment policy of the charity is to retain funds in low-risk bank deposit accounts. This enables the charity to have ready access to the funds as required.

Plans for the future

The Toy Trust will continue to disburse funds to appropriately approved charities, concerned with the welfare of children.

Structure, governance and management

The governing instrument of The Toy Trust is a charitable trust deed dated 18 October 1990.

The trustees who served during the year were:

British Toy and Hobby Association Limited

P Ratcliffe

J Diver

S Pilkington

C Houlihan

The British Toy and Hobby Association Limited administers the Trust under the supervision of the Director General, Roland Earl. Apart from Mr Earl, the trustees are drawn from the Officers of the Association namely the President, Vice-President, Chairman and Vice-Chairman for the time being. New trustees receive a copy of the constitution and latest accounts upon appointment.

The BTHA administers the Toy Trust from its premises at BTHA House, 142-144 Long Lane, London SE1 4BS. The Association bears the administrative costs of the Toy Trust and is responsible for fund raising through the work of the BTHA charity committee. The trustees meet regularly (in conjunction with the BTHA Council) to review the Trust's activities.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

On behalf of the board of trustees

S Pilkington

Trustee

Dated: 25 June 2025

THE TOY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 TOY TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE TOY TRUST

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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 accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE TOY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE TOY TRUST

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to 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 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102 and Charities Act 2011.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.

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. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE TOY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE TOY TRUST

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

HW Fisher Audit

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

25 June 2025

HW Fisher Audit is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

THE TOY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds 2024 £	Unrestricted funds 2023 £
	Notes		
<u>Income from:</u>			
Donation and legacies	3	263,694	310,271
Investment income	4	4,064	2,669
Total income		<u>267,758</u>	<u>312,940</u>
<u>Expenditure on:</u>			
Raising funds	5	<u>15,547</u>	<u>617</u>
Charitable activities	6	<u>292,870</u>	<u>226,050</u>
Total resources expended		<u>308,417</u>	<u>226,667</u>
Net (expenditure)/income for the year/ Net movement in funds		(40,659)	86,273
Fund balances at 1 January 2024		<u>195,341</u>	<u>109,068</u>
Fund balances at 31 December 2024		<u><u>154,682</u></u>	<u><u>195,341</u></u>

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

All income and expenditure derive from continuing activities.

THE TOY TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2024

		2024		2023	
	Notes	£	£	£	£
Current assets					
Debtors	10	2,666		6,328	
Cash at bank and in hand		176,335		209,467	
		<u>179,001</u>		<u>215,795</u>	
Creditors: amounts falling due within one year	11	<u>(24,319)</u>		<u>(20,454)</u>	
Net current assets			154,682		195,341
			<u>154,682</u>		<u>195,341</u>
Income funds					
Unrestricted funds			154,682		195,341
			<u>154,682</u>		<u>195,341</u>

The accounts were approved by the Trustees on 25 June 2025

S Pilkington
Trustee

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

The Toy Trust is an unincorporated charity. Its registered office is BTHA House, 142-146 Long Lane, London SE1 4BS. The charity meets the definition of a public benefit entity under FRS102.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these accounts are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees are confident that the charity can continue as a going concern for a period of at least 12 months from the date of approval of these financial statements. The trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing these financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

The Toy Trust events are organised by the British Toy and Hobby Association with the net proceeds going to the Toy Trust. The British Toy and Hobby Association meets all overheads. Accordingly, the net income generated has been included within donations and legacies in the Statement of Financial Activities.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank.

1.5 Resources expended

Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated to the charitable activity in the statement of financial activities.

Costs of raising funds are those costs incurred in staging the charity's fundraising events.

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Provisions for grants are made when the intention to make the grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

A provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable, and the effect of discounting is material. The discount rate used is the rate offered on government bonds (Gilts) for a commensurate or similar time period offered in the year in which the grant award is made.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.6 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The trustees do not believe there to be judgements or estimates that would be considered critical to the financial statements.

3 Donation and legacies

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Donations and gifts	263,694	310,271

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

4 Investment income

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Interest receivable	4,064	2,669

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
<u>Raising funds</u>		
Staging fundraising events	-	617
Advertising	594	-
Other fundraising costs	14,953	-
Raising funds	15,547	617
	15,547	617

6 Charitable activities

	2024	2023
	£	£
Welfare of children (see note 15)	275,521	215,875
Share of support costs (see note 7)	1,803	708
Share of governance costs (see note 7)	15,546	9,467
	292,870	226,050
Analysis by fund		
Unrestricted funds	292,870	226,050
Restricted funds	-	-
	292,870	226,050

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

7 Support costs

	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Bank charges	660	-	660	708	-	708
Sundry expenses	1,143	-	1,143	-	-	-
Audit fees	-	5,843	5,843	-	4,067	4,067
Accountancy	-	9,703	9,703	-	5,400	5,400
	<u>1,803</u>	<u>15,546</u>	<u>17,349</u>	<u>708</u>	<u>9,467</u>	<u>10,175</u>
Analysed between						
Charitable activities	<u>1,803</u>	<u>15,546</u>	<u>17,349</u>	<u>708</u>	<u>9,467</u>	<u>10,175</u>

Governance costs includes payments to the auditors of £5,843 (2023: £4,067) for audit fees and £9,703 (2023: £5,400) for other services.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

No trustee expenses have been incurred during the year.

9 Employees

There were no employees during the current or prior year.

10 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	2,666	2,236
Other debtors	-	4,092
	<u>2,666</u>	<u>6,328</u>

11 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other creditors	18,476	14,857
Accruals	5,843	5,597
	<u>24,319</u>	<u>20,454</u>

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

12 Analysis of net assets between funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fund balances at 31 December 2024 are represented by:		
Current assets/(liabilities)	154,682	195,341
	<u>154,682</u>	<u>195,341</u>

13 Related party transactions

The Toy Trust received donations of £nil (2023: £26,025) from the British Toy and Hobby Association Limited, which is also a Trustee of the Charity. Four of the trustees of the Charity also served on the Council of the British Toy and Hobby Association Limited during the year. As at the year end, The Toy Trust owed £14,416 (2023: The Toy Trust were owed £4,092) from the British Toy and Hobby Association.

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

14 Schedule of grants paid

The list of donations below includes both amounts paid in the year and amounts committed but unpaid at the year end.

	2024	2023
	£	£
<u>93 grants to institutions relating to welfare of children:</u>		
Acorn's Children Hospice	9,118	-
AP Cymru	3,000	-
Baby Godiva	2,500	-
Bridge End & District Resource for Children with Disabilities	4,200	-
Brooklands Primary School	2,837	-
Bumble Bee Children's Charity	2,500	-
Children Hospice Association of Scotland	10,006	-
Claire House	9,868	-
Denelza House Children Hospice	10,378	-
Dogs for Autism	3,000	-
Down Syndrome Development Trust	4,551	-
East Anglia's Children Hospice	3,250	-
ELHT & Me	5,000	-
Fairview School Parent Council	5,400	-
Families United Network	2,500	-
Fight Against Blindness	5,000	-
Footsteps Fountain	3,750	-
Fun 4 Young People	2,500	-
Harry's Hydrocephalus Awareness	3,000	-
Head2Head Theatre	4,740	-
IMPAKT Housing & Support	2,875	-
Julia's House Children Hospice	10,000	-
Leeds Baby Bank	2,500	-
Life Dronfield	2,500	-
Martin House Children's Hospice	10,336	-
Noah's Ark Children's Hospice	4,482	-
Northern Ireland Hospice	9,347	-
Oakley ASN Limited	2,500	-
Packed with Smiles	3,825	-
Phoenix Bereavement Support Services	2,560	-
Radio City Association	2,500	-
Ruby's Fund	3,060	-
Simple Norfolk CIO	3,000	-
Steps Conductive Education Centre	5,000	-
Success Club CIO	2,500	-
Swansea MAD	3,600	-
The Pepper Foundation	5,000	-
The RockinR	3,000	-
The Sandcastle Trust	2,500	-
Tyhakan Children's Hospice	10,000	-
Umbrella Derby & Derbyshire	5,000	-
Uniformed	5,000	-
Walthew House	3,000	-
Wyvern School Foundation	4,970	-
	206,153	-

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

14 Schedule of grants paid (continued)

	2024	2023
	£	£
Total from previous page:	206,153	-
Ailsa's Aim	-	3,750
93 grants to institutions relating to welfare of children:	-	3,000
Bolton Deaf Society	-	2,952
Comfort Cases UK	-	5,000
Cyclists Fighting Cancer	-	10,000
Bridge End & District Resource for Children with Disabilities	-	5,000
Firsthand Lothian	-	4,320
Footprints Conductive Education Centre	-	4,735
Forelands Fields Charity	-	4,440
Friends of Castledon School	-	3,000
Kingswood Trust	-	3,122
Mentoring Plus	-	2,500
Moor Vision	-	2,500
Nottingham Children Young People and thier Families	-	3,600
Parent Club	-	2,500
Fairview School Parent Council	-	3,863
Rockinghorse Children's charity	-	2,524
Sensory Kids	-	2,500
Spring Community HUN	-	2,500
The No Way Trust	-	2,500
The Pavillion	-	2,500
The Rock Currock	-	2,500
Theodora Children's Charity	-	3,000
Waves Additional Needs Support	-	2,500
Whizz Kids	-	50,000
Other grants less than £2,500	69,368	81,069
	275,521	215,875

15 Reconciliation of grants payable

	2024
	£
Commitments made in the year	275,521
Grants paid during the year	(294,438)
Commitments as at 1 January 2024	14,857
Commitments as at 31 December 2024	(4,060)

THE TOY TRUST

England & Wales - Charity number 1001634

Accounts

THE TOY TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

THE TOY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	British Toy and Hobby Association Limited	
	P Ratcliffe	
	J Diver	
	S Pilkington	
	C Houlihan	(Appointed 23 September 2023)
Charity number	1001634	
Principal address	142-144 Long Lane	
	London	
	SE1 4BS	
Auditor	HW Fisher LLP	
	Acre House	
	11-15 William Road	
	London	
	NW1 3ER	
	United Kingdom	
Bankers	HSBC	
	23 Denmark Hill	
	Camberwell Green	
	London	
	SE5 8RP	
Solicitors	DLA Piper UK LLP	
	Princes Exchange	
	Princes Square	
	Leeds	
	LS1 4BY	

THE TOY TRUST

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THE TOY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their report and accounts for the year ended 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objective of the Trust is set out in the charitable trust deed, as stated below:

In shaping the objective of the Trust, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)' and concluded as below:

"The trustees shall hold the Trust Fund and the income thereof upon trust to pay or apply the same to or for such charity or charities or charitable purposes connected with children as they shall in their absolute discretion from time to time decide".

The support of charities associated with children has for many years been a feature of the work of the British Toy and Hobby Association (BTHA). Traditionally the Association raised money from the toy industry which it pledged to one charity on an annual basis. The BTHA has been conscious that its own fund raising activities for children's causes have in all probability been more than matched by those of individual BTHA members. It is also probable that the extent to which toy manufacturers support children's charities goes largely unremarked and unnoticed by the public.

In 1989 the concept of creating a charitable Trust was discussed by the BTHA's Council as the most effective conduit for charitable giving. The Toy Trust became a registered charity on 24 January 1991 and was launched by a £10,000 donation from the BTHA. The charitable Trust deed states that all donations will be made to "such charity or charities or charitable purposes connected with children as they (the trustees) shall in their absolute discretion decide". In exceptional circumstances, at the trustees discretion, the Trust will make a donation to any crisis involving children which required an immediate response.

In addition to the smaller grants made by the Trust through the year, the Trust's committee can decide to award a larger grant to one or a small number of charities in conjunction with the Trust's annual fundraising events.

The Trust makes grants in response to requests from charitable causes where it considers their aims to be within its area of operation.

Achievements and performance

2023 saw The Toy Trust's 31st year of fundraising with the amount raised over the past 31 years now standing at more than £7.1m.

2023 saw the Toy Trust Committee continue with its support for UK based children's charities. Grants were given on a quarterly basis in the usual way with larger support pledged to two children's mobility charities. The first of these was Whizz Kidz, who work with children who have greater mobility needs and require specialist equipment. The second of which was Cyclist Fighting Cancer who provide modified trikes and bikes for children living with or recovering from cancer. Whizz Kidz received £50,000 and £10,000 was given to Cyclists Fighting Cancer.

The annual Media Auction achieved £107,100 through bids placed on the generously donated TV, online and catalogue slots and other special prizes.

In May 2023, the industry took part together in a new initiative named 'May Mayhem', which was designed to encourage people from around the industry to undertake fundraising activities where they were based at a time of their choosing during the month. The event saw participants take part in walking, running and cycling challenges as well as other creative fundraising activities. The event raised £73,829 for the charity.

In total, 76 charities were provided with support throughout the year, and this amounted to £215,875.

The Christmas Card Initiative took place once again in 2023. Companies donated a minimum of £300 to have their Christmas greetings in the toy trade journals. The eventual figure raised was £18,050 (2022: £19,250).

THE TOY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The principal recipients of Toy Trust funds in 2023 included; Whizz Kidz, Cyclists Fighting Cancer, Kingswood Trust, Nottingham Children, Young people & their Families Project, Comfort Cases UK, Baby Bank Network Exeter, Footprints Conductive Education Centre, Foreland Fields Charity, Firsthand Lothian, Ailsa's Aim, Parenting Special Children and Friends of Castledon School.

Public Benefit

The Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

Financial review

For the year ended 31 December 2023, incoming funds of £312,940 (2022: £202,343) were received and outgoing expenditure amounted to £226,667 (2022: £249,058). This resulted in net income for the year of £86,273 (2022: net expenditure of £46,715) and net current assets of £195,341 (2022: £109,068).

It is the policy of the charity to maintain unrestricted funds at a level, which equates to approximately between six to twelve months' unrestricted expenditure. This provides sufficient funds to cover minor administration costs and allows grants to be awarded at historic levels despite fluctuations in the amounts of donations received from year to year. This level of reserves was maintained throughout the year as unrestricted funds at the year-end were £195,341 (2022: £109,068).

The investment policy of the charity is to retain funds in low-risk bank deposit accounts. This enables the charity to have ready access to the funds as required.

Plans for the future

The Toy Trust will continue to disburse funds to appropriately approved charities, concerned with the welfare of children.

Structure, governance and management

The governing instrument of The Toy Trust is a charitable trust deed dated 18 October 1990.

The trustees who served during the year were:

British Toy and Hobby Association Limited

P Ratcliffe

G Canning

(Resigned 30 September 2023)

J Diver

S Pilkington

C Houlihan

(Appointed 23 September 2023)

The British Toy and Hobby Association Limited administers the Trust under the supervision of the Director General, Roland Earl. Apart from Mr Earl, the trustees are drawn from the Officers of the Association namely the President, Vice-President, Chairman and Vice-Chairman for the time being. New trustees receive a copy of the constitution and latest accounts upon appointment.

The BTHA administers the Toy Trust from its premises at BTHA House, 142-144 Long Lane, London SE1 4BS. The Association bears the administrative costs of the Toy Trust and is responsible for fund raising through the work of the BTHA charity committee. The trustees meet regularly (in conjunction with the BTHA Council) to review the Trust's activities.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

On behalf of the board of trustees

S Pilkington

Trustee

Dated: 26 June 2024

THE TOY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 TOY TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE TOY TRUST

Opinion

We have audited the financial statements of The Toy Trust (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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 accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE TOY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE TOY TRUST

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to 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 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102 and Charities Act 2011.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.

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. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

THE TOY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE TOY TRUST

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

HW Fisher LLP

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

26 June 2024

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

THE TOY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
Income from:					
Donation and legacies	3	310,271	176,132	26,025	202,157
Investment income	4	2,669	186	-	186
Total income		312,940	176,318	26,025	202,343
Expenditure on:					
Raising funds	5	617	7,968	26,025	33,993
Charitable activities	6	226,050	215,065	-	215,065
Total resources expended		226,667	223,033	26,025	249,058
Net income/(expenditure) for the year/ Net movement in funds		86,273	(46,715)	-	(46,715)
Fund balances at 1 January 2023		109,068	155,783	-	155,783
Fund balances at 31 December 2023		195,341	109,068	-	109,068

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

All income and expenditure derive from continuing activities.

THE TOY TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Current assets					
Debtors	10	6,328		-	
Cash at bank and in hand		209,467		137,326	
		<u>215,795</u>		<u>137,326</u>	
Creditors: amounts falling due within one year	11	<u>(20,454)</u>		<u>(28,258)</u>	
Net current assets			195,341		109,068
			<u>195,341</u>		<u>109,068</u>
Income funds					
Unrestricted funds			195,341		109,068
			<u>195,341</u>		<u>109,068</u>
			<u>195,341</u>		<u>109,068</u>

The accounts were approved by the Trustees on 26 June 2024

S Pilkington
Trustee

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

The Toy Trust is an unincorporated charity. Its registered office is BTHA House, 142-146 Long Lane, London SE1 4BS. The charity meets the definition of a public benefit entity under FRS102.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these accounts are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees are confident that the charity can continue as a going concern for a period of at least 12 months from the date of approval of these financial statements. The trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing these financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

The Toy Trust events are organised by the British Toy and Hobby Association with the net proceeds going to the Toy Trust. The British Toy and Hobby Association meets all overheads. Accordingly, the net income generated has been included within donations and legacies in the Statement of Financial Activities.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank.

1.5 Resources expended

Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated to the charitable activity in the statement of financial activities.

Costs of raising funds are those costs incurred in staging the charity's fundraising events.

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Provisions for grants are made when the intention to make the grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

A provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable, and the effect of discounting is material. The discount rate used is the rate offered on government bonds (Gilts) for a commensurate or similar time period offered in the year in which the grant award is made.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.6 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The trustees do not believe there to be judgements or estimates that would be considered critical to the financial statements.

3 Donation and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2023	2022	2022	2022
	£	£	£	£
Donations and gifts	310,271	176,132	26,025	202,157

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

4 Investment income

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	2,669	186

5 Raising funds

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2023	2022	2022	2022
	£	£	£	£
<u>Raising funds</u>				
Staging fundraising events	617	7,968	26,025	33,993
	617	7,968	26,025	33,993

6 Charitable activities

	2023	2022
	£	£
Welfare of children (see note 15)	215,875	207,850
Share of support costs (see note 7)	708	1,444
Share of governance costs (see note 7)	9,467	5,771
	226,050	215,065
Analysis by fund		
Unrestricted funds	226,050	215,065
Restricted funds	-	-
	226,050	215,065

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Bank charges	708	-	708	454	-	454
Sundry expenses	-	-	-	990	-	990
Audit fees	-	4,067	4,067	-	5,771	5,771
Accountancy	-	5,400	5,400	-	-	-
	<u>708</u>	<u>9,467</u>	<u>10,175</u>	<u>1,444</u>	<u>5,771</u>	<u>7,215</u>
Analysed between						
Charitable activities	<u>708</u>	<u>9,467</u>	<u>10,175</u>	<u>1,444</u>	<u>5,771</u>	<u>7,215</u>

Governance costs includes payments to the auditors of £4,067 (2022: £5,771) for audit fees and £5,400 (2022: £nil) for other services.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

No trustee expenses have been incurred during the year.

9 Employees

There were no employees during the current or prior year.

10 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	2,236	-
Other debtors	4,092	-
	<u>6,328</u>	<u>-</u>

11 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other creditors	14,857	21,677
Accruals	5,597	6,581
	<u>20,454</u>	<u>28,258</u>

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds	
	Incoming resources	Resources expended	Balance at 1 January 2023	Incoming resources	Balance at 31 December 2023
	£	£	£	£	£
Annual Challenge	26,025	(26,025)	-	-	-
	<u>26,025</u>	<u>(26,025)</u>	<u>-</u>	<u>-</u>	<u>-</u>

The fundraising event was donated by The British Toy and Hobby Association for the 2022 Annual Challenge.

13 Analysis of net assets between funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2023 are represented by:				
Current assets/(liabilities)	195,341	109,068	-	109,068
	<u>195,341</u>	<u>109,068</u>	<u>-</u>	<u>109,068</u>

14 Related party transactions

The Toy Trust received donations of £nil (2022: £26,025) from the British Toy and Hobby Association Limited, which is also a Trustee of the Charity. Four of the trustees of the Charity also served on the Council of the British Toy and Hobby Association Limited during the year. As at the year end, The Toy Trust were owed £4,092 (2022: The Toy Trust owed £15,177) from the British Toy and Hobby Association.

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

15 Schedule of grants paid

The list of donations below includes both amounts paid in the year and amounts committed but unpaid at the year end.

	2023	2022
	£	£
<u>73 grants to institutions relating to welfare of children:</u>		
Ailsa's Aim	3,750	-
Baby Bank Network Exeter	3,000	-
Bolton Deaf Society	2,952	-
Comfort Cases UK	5,000	-
Cyclists Fighting Cancer	10,000	-
Destination Pond Meadow	5,000	-
Firsthand Lothian	4,320	-
Footprints Conductive Education Centre	4,735	-
Forelands Fields Charity	4,440	-
Friends of Castledon School	3,000	-
Kingswood Trust	3,122	-
Mentoring Plus	2,500	-
Moor Vision	2,500	-
Nottingham Children Young People and thier Families	3,600	-
Parent Club	2,500	-
Parenting Special children	3,863	-
Rockinghorse Children's charity	2,524	-
Sensory Kids	2,500	-
Spring Community HUN	2,500	-
The No Way Trust	2,500	-
The Pavillion	2,500	-
The Rock Currock	2,500	-
Theodora Children's Charity	3,000	-
Waves Additional Needs Support	2,500	-
Whizz Kids	50,000	-
Alford Hub	-	4,500
Association of Parents & Friends of Bower Grove School	-	5,000
Blue Smile	-	2,500
Bridge Church Lincoln	-	5,000
Chain Reaction	-	2,510
Charlotte's Brightside	-	5,000
Clapgate Community Fund	-	5,000
Derby Kids Club	-	2,500
Dorset Children's Foundation	-	2,500
Evie's Gift CIO	-	5,000
First Days Children's Charity	-	2,500
Flamingo Chicks	-	2,500
Focus Surrey	-	3,915
Friends of Manor Mead School	-	4,576
Friends of Rossmar School	-	4,740
Kids Bank Chester	-	2,500
Little Miracles	-	4,464
Momentum Children's Charity	-	3,000
	134,806	67,705

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

15 Schedule of grants paid (continued)

	2023	2022
	£	£
Total from previous page:	134,806	67,705
Safe Steps	-	4,800
Sal's Shoes	-	4,000
Samaritan's Purse	-	10,000
Shine a Light	-	3,500
South Gloucestershire Playscheme	-	4,904
Spread a Smile	-	50,000
Spread Some Sunshine	-	4,000
Starlight Children's Foundation	-	12,500
The Kayaks Special Needs Support Group	-	4,025
The Pepper Foundation	-	4,268
Tykes Young Carers Project	-	4,350
Other grants less than £2,500	81,069	33,798
	215,875	207,850

16 Reconciliation of grants payable

	2023
	£
Commitments made in the year	215,875
Grants paid during the year	(237,232)
Commitments as at 1 January 2023	6,500
Commitments as at 31 December 2023	(14,857)

THE TOY TRUST

England & Wales - Charity number 1001634

Accounts

THE TOY TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THE TOY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees British Toy and Hobby Association Limited
P Ratcliffe
G Canning
J Diver
S Pilkington

Charity number 1001634

Principal address 142-144 Long Lane
London
SE1 4BS

Auditor HW Fisher LLP
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

Bankers HSBC
23 Denmark Hill
Camberwell Green
London
SE5 8RP

Solicitors DLA Piper UK LLP
Princes Exchange
Princes Square
Leeds
LS1 4BY

THE TOY TRUST

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THE TOY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report and accounts for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objective of the Trust is set out in the charitable trust deed, as stated below:

In shaping the objective of the Trust, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)' and concluded as below:

"The trustees shall hold the Trust Fund and the income thereof upon trust to pay or apply the same to or for such charity or charities or charitable purposes connected with children as they shall in their absolute discretion from time to time decide".

The support of charities associated with children has for many years been a feature of the work of the British Toy and Hobby Association (BTHA). Traditionally the Association raised money from the toy industry which it pledged to one charity on an annual basis. The BTHA has been conscious that its own fund raising activities for children's causes have in all probability been more than matched by those of individual BTHA members. It is also probable that the extent to which toy manufacturers support children's charities goes largely unremarked and unnoticed by the public.

In 1989 the concept of creating a charitable Trust was discussed by the BTHA's Council as the most effective conduit for charitable giving. The Toy Trust became a registered charity on 24 January 1991 and was launched by a £10,000 donation from the BTHA. The charitable Trust deed states that all donations will be made to "such charity or charities or charitable purposes connected with children as they (the trustees) shall in their absolute discretion decide". In exceptional circumstances, at the trustees discretion, the Trust will make a donation to any crisis involving children which required an immediate response.

In addition to the smaller grants made by the Trust through the year, the Trust's committee can decide to award a larger grant to one or a small number of charities in conjunction with the Trust's annual fundraising events.

The Trust makes grants in response to requests from charitable causes where it considers their aims to be within its area of operation.

Achievements and performance

2022 saw The Toy Trust's 30th year of fundraising with the amount raised over the past 30 years now standing at more than £6.8m.

2022 saw the Toy Trust Committee continue with its support for UK based children's charities. Grants were given on a quarterly basis in the usual way with larger support pledged to two children's charities who work with children undergoing complex hospital treatment (Spread A Smile and Starlight Children's Foundation) who received £50,000 (Spread A Smile) and £12,500 (Starlight) respectively.

The annual Media Auction achieved £77,550 through bids placed on the generously donated TV, online and catalogue slots and other special prizes.

In June 2022, 275 people from the industry took part together in the first 'Big Challenge' event following a three year break due to COVID-19. The event saw participants take part in walking, running and cycling challenges and a team Dragon Boat Race Tournament. The event raised £62,184 for the charity.

In total, 51 (2021: 48) charities were provided with support throughout the year, and this amounted to £207,850 (2021: £169,485).

The Christmas Card Initiative took place once again in 2022. Companies donated a minimum of £300 to have their Christmas greetings in the toy trade journals. The eventual figure raised was £19,250 (2021: £10,300).

THE TOY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The principal recipients of Toy Trust funds in 2022 included; Samaritan's Purse, Friends of Manor Mead School, The Kayaks Special Needs Support Group, The Pepper Foundation, Little Miracles Charitable Incorporated Organisation, Safe Steps, Sal's Shoes, Spread Some Sunshine, Spread A Smile and Starlight Children's Foundation.

Public Benefit

The Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

Financial review

For the year ended 31 December 2022, incoming funds of £202,343 (2021: £145,643) were received and outgoing expenditure amounted to £249,058 (2021: £174,525). This resulted in net loss for the year of £46,715 (2021: £28,882) and net current assets of £109,068 (2021: £155,783).

It is the policy of the charity to maintain unrestricted funds at a level, which equates to approximately between six to twelve months' unrestricted expenditure. This provides sufficient funds to cover minor administration costs and allows grants to be awarded at historic levels despite fluctuations in the amounts of donations received from year to year. This level of reserves was maintained throughout the year as unrestricted funds at the year-end were £109,068 (2021: £155,783).

The investment policy of the charity is to retain funds in low-risk bank deposit accounts. This enables the charity to have ready access to the funds as required.

Plans for the future

The Toy Trust will continue to disburse funds to appropriately approved charities, concerned with the welfare of children.

Structure, governance and management

The governing instrument of The Toy Trust is a charitable trust deed dated 18 October 1990.

The trustees who served during the year were:

British Toy and Hobby Association Limited

P Ratcliffe

G Canning

J Diver

S Pilkington

The British Toy and Hobby Association Limited administers the Trust under the supervision of the Director General, Roland Earl. Apart from Mr Earl, the trustees are drawn from the Officers of the Association namely the President, Vice-President, Chairman and Vice-Chairman for the time being. New trustees receive a copy of the constitution and latest accounts upon appointment.

The BTHA administers the Toy Trust from its premises at BTHA House, 142-144 Long Lane, London SE1 4BS. The Association bears the administrative costs of the Toy Trust and is responsible for fund raising through the work of the BTHA charity committee. The trustees meet regularly (in conjunction with the BTHA Council) to review the Trust's activities.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

On behalf of the board of trustees

G Canning

Trustee

Dated: 28 June 2023

THE TOY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 TOY TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE TOY TRUST

Opinion

We have audited the financial statements of The Toy Trust (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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 accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE TOY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE TOY TRUST

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to 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 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102 and Charities Act 2011.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates. There were no accounting estimates that would be considered critical to the financial statements.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.

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. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

THE TOY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE TOY TRUST

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

HW Fisher LLP

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

28 June 2023

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

THE TOY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £
Income from:					
Donation and legacies	3	176,132	26,025	202,157	145,623
Investment income	4	186	-	186	20
Total income		176,318	26,025	202,343	145,643
Expenditure on:					
Raising funds	5	7,968	26,025	33,993	-
Charitable activities	6	215,065	-	215,065	174,525
Total resources expended		223,033	26,025	249,058	174,525
Net expenditure for the year/ Net movement in funds		(46,715)	-	(46,715)	(28,882)
Fund balances at 1 January 2022		155,783	-	155,783	184,665
Fund balances at 31 December 2022		109,068	-	109,068	155,783

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

All income and expenditure derive from continuing activities.

THE TOY TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Current assets					
Debtors	10	-		300	
Cash at bank and in hand		137,326		164,602	
		<u>137,326</u>		<u>164,902</u>	
Creditors: amounts falling due within one year	11	(28,258)		(9,119)	
		<u></u>		<u></u>	
Net current assets			109,068		155,783
			<u></u>		<u></u>
Income funds					
Unrestricted funds			109,068		155,783
			<u>109,068</u>		<u>155,783</u>
			<u></u>		<u></u>

The accounts were approved by the Trustees on 28 June 2023

G Canning
Trustee

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

The Toy Trust is an unincorporated charity. Its registered office is BTHA House, 142-146 Long Lane, London SE1 4BS. The charity meets the definition of a public benefit entity under FRS102.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these accounts are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees are confident that the charity can continue as a going concern for a period of at least 12 months from the date of approval of these financial statements. The trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing these financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

The Toy Trust events are organised by the British Toy and Hobby Association with the net proceeds going to the Toy Trust. The British Toy and Hobby Association meets all overheads. Accordingly, the net income generated has been included within donations and legacies in the Statement of Financial Activities.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank.

1.5 Resources expended

Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated to the charitable activity in the statement of financial activities.

Costs of raising funds are those costs incurred in staging the charity's fundraising events.

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Provisions for grants are made when the intention to make the grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

A provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable, and the effect of discounting is material. The discount rate used is the rate offered on government bonds (Gilts) for a commensurate or similar time period offered in the year in which the grant award is made.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.6 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The trustees do not believe there to be judgements or estimates that would be considered critical to the financial statements.

3 Donation and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2022	2022	2022	2021
	£	£	£	£
Donations and gifts	176,132	26,025	202,157	145,623

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Investment income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	186	20

5 Raising funds

	Unrestricted funds	Restricted funds	Total	Total
	2022	2022	2022	2021
	£	£	£	£
<u>Raising funds</u>				
Staging fundraising events	7,968	26,025	33,993	-
	<u>7,968</u>	<u>26,025</u>	<u>33,993</u>	<u>-</u>

6 Charitable activities

	2022	2021
	£	£
Welfare of children (see note 15)	207,850	169,485
Share of support costs (see note 7)	1,444	181
Share of governance costs (see note 7)	5,771	4,859
	<u>215,065</u>	<u>174,525</u>
Analysis by fund		
Unrestricted funds	215,065	174,525
Restricted funds	-	-
	<u>215,065</u>	<u>174,525</u>

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Bank charges	454	-	454	181	-	181
Sundry expenses	990	-	990	-	-	-
Audit fees	-	5,771	5,771	-	4,859	4,859
	<u>1,444</u>	<u>5,771</u>	<u>7,215</u>	<u>181</u>	<u>4,859</u>	<u>5,040</u>
Analysed between						
Charitable activities	<u>1,444</u>	<u>5,771</u>	<u>7,215</u>	<u>181</u>	<u>4,859</u>	<u>5,040</u>

Governance costs includes payments to the auditors of £5,771 (2021: £4,859) for audit fees and nil (2021: nil) for other services.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

No trustee expenses have been incurred during the year.

9 Employees

There were no employees during the current or prior year.

10 Debtors

	2022	2021
Amounts falling due within one year:	£	£
Trade debtors	-	300

11 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other creditors	21,677	4,260
Accruals	6,581	4,859
	<u>28,258</u>	<u>9,119</u>

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Incoming resources	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£	£	£
Annual Challenge	-	-	26,025	(26,025)	-
	=====	=====	=====	=====	=====

The fundraising event was donated by The British Toy and Hobby Association for the 2022 Annual Challenge.

13 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £
Fund balances at 31 December 2022 are represented by:				
Current assets/(liabilities)	109,068	-	109,068	155,783
	=====	=====	=====	=====
	109,068	-	109,068	155,783
	=====	=====	=====	=====

14 Related party transactions

The Toy Trust received donations of £26,025 (2021: £nil) from the British Toy and Hobby Association Limited, which is also a Trustee of the Charity. Four of the trustees of the Charity also served on the Council of the British Toy and Hobby Association Limited during the year. As at the year end, The Toy Trust owed £15,177 (2021: £4,260) to the British Toy and Hobby Association.

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

15 Schedule of grants paid

The list of donations below includes both amounts paid in the year and amounts committed but unpaid at the year end.

	2022	2021
	£	£
<u>51 grants to institutions relating to welfare of children:</u>		
Alford Hub	4,500	-
Association of Parents & Friends of Bower Grove School	5,000	-
Blue Smile	2,500	-
Bridge Church Lincoln	5,000	-
Chain Reaction	2,510	-
Charlotte's Brightside	5,000	-
Clapgate Community Fund	5,000	-
Derby Kids Club	2,500	-
Dorset Children's Foundation	2,500	-
Evie's Gift CIO	5,000	-
First Days Children's Charity	2,500	-
Flamingo Chicks	2,500	-
Focus Surrey	3,915	-
Friends of Manor Mead School	4,576	-
Friends of Rossmar School	4,740	-
Kids Bank Chester	2,500	-
Little Miracles	4,464	-
Momentum Children's Charity	3,000	-
Safe Steps	4,800	-
Sal's Shoes	4,000	-
Samaritan's Purse	10,000	-
Shine a Light	3,500	-
South Gloucestershire Playscheme	4,904	-
Spread a Smile	50,000	-
Spread Some Sunshine	4,000	-
Starlight Children's Foundation	12,500	-
The Kayaks Special Needs Support Group	4,025	-
The Pepper Foundation	4,268	-
Tykes Young Carers Project	4,350	-
Action for Kids	-	25,000
Activity Club for Children with Special Needs	-	2,500
Cerebra	-	5,000
Coventry Rugby Community Foundation Ltd	-	2,500
Cued Speech UK	-	4,000
Dreams Come True	-	5,000
Flight Against Blindness	-	5,000
Gloucestershire Bundles	-	2,500
Handicapped Children's Action Group	-	25,000
Hazie Days	-	3,000
Horsley Bookham & Leatherhead Riding	-	7,000
	174,052	86,500

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

15 Schedule of grants paid (continued)

	2022	2021
	£	£
Total from previous page:	174,052	86,500
Jac Lewis Foundation	-	2,500
Joseph Clarke School Trust	-	5,000
Kilcoolley Women's Centre	-	2,500
La Dolce Vita Project	-	2,411
Linden Lodge Charitable Trust	-	5,000
Liquid Vibrations	-	2,500
The Clare School	-	5,000
The Crazy Kat Theatre Co	-	3,810
The Fence Club	-	6,829
The Friends of Thomas Wolsey School	-	5,269
The Sandcastle Trust	-	2,650
Three Ways School	-	5,000
Other grants less than £2,500	33,798	34,516
	207,850	169,485

16 Reconciliation of grants payable

	2022
	£
Commitments made in the year	207,850
Grants paid during the year	(201,350)
Commitments as at 1 January 2022	-
Commitments as at 31 December 2022	6,500

THE TOY TRUST

England & Wales - Charity number 1001634

Accounts

THE TOY TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

THE TOY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	British Toy and Hobby Association Limited P Ratcliffe G Canning J Diver S Pilkington	(Appointed 15 March 2021)
Charity number	1001634	
Principal address	142-144 Long Lane London SE1 4BS	
Auditor	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER United Kingdom	
Bankers	HSBC 23 Denmark Hill Camberwell Green London SE5 8RP	
Solicitors	DLA Piper UK LLP Princes Exchange Princes Square Leeds LS1 4BY	

THE TOY TRUST

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THE TOY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report and accounts for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objective of the Trust is set out in the charitable trust deed, as stated below:

In shaping the objective of the Trust, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)' and concluded as below:

"The trustees shall hold the Trust Fund and the income thereof upon trust to pay or apply the same to or for such charity or charities or charitable purposes connected with children as they shall in their absolute discretion from time to time decide".

The support of charities associated with children has for many years been a feature of the work of the British Toy and Hobby Association (BTHA). Traditionally the Association raised money from the toy industry which it pledged to one charity on an annual basis. The BTHA has been conscious that its own fund raising activities for children's causes have in all probability been more than matched by those of individual BTHA members. It is also probable that the extent to which toy manufacturers support children's charities goes largely unremarked and unnoticed by the public.

In 1989 the concept of creating a charitable Trust was discussed by the BTHA's Council as the most effective conduit for charitable giving. The Toy Trust became a registered charity on 24 January 1991 and was launched by a £10,000 donation from the BTHA. The charitable Trust deed states that all donations will be made to "such charity or charities or charitable purposes connected with children as they (the trustees) shall in their absolute discretion decide". In exceptional circumstances, at the trustees discretion, the Trust will make a donation to any crisis involving children which required an immediate response.

In addition to the smaller grants made by the Trust through the year, the Trust's committee can decide to award a larger grant to one or a small number of charities in conjunction with the Trust's annual fundraising events.

The Trust makes grants in response to requests from charitable causes where it considers their aims to be within its area of operation.

Achievements and performance

2021 saw The Toy Trust's 29th year of fundraising with the amount raised over the past 29 years now standing at more than £6.6m.

2021 saw the COVID-19 pandemic continue to affect children's charities across the UK and so the Toy Trust Committee opted to continue with its support for UK based children's charities. Grants were given on a quarterly basis in the usual way with larger support pledged to two children's mobility charities (myAFK and Handicapped Children's Action Group) who both received £25,000 each for the provision of mobility equipment for children with physical challenges.

The annual Media Auction achieved £72,200 through bids placed on the generously donated TV, online and catalogue slots and other special prizes.

In June 2021, 300 people from the industry took part remotely together in a special event named 'Around the World in 80 Hours' which saw participants attempt to circumnavigate the globe (80,075km) by covering as much distance as possible on foot, cycling or other non-motorised means. The event raised £50,824 for the charity.

In total, 48 charities were provided with support throughout the year, and this amounted to £169,485.

The Christmas Card Initiative took place once again in 2021. Companies donated a minimum of £300 to have their Christmas greetings in the toy trade journals. The eventual figure raised was £10,300 (2020: £10,800).

THE TOY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The principal recipients of Toy Trust funds in 2021 included; Dreams Come True, Fight Against Blindness, Linden Lodge Charitable Trust, Friends of Thomas Wolsey School, Cerebra, The Clare School, Horsley Bookham & Leatherhead Riding for the Disabled, Three ways School, Joseph Clarke School Trust, myAFK and Handicapped Children's Action Group.

Public Benefit

The Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

Financial review

For the year ended 31 December 2021, incoming funds of £145,643 (2020: £178,702) were received and outgoing expenditure amounted to £174,525 (2020: £125,507). This resulted in net income for the year of £28,882 (2020: £53,195) and net current assets of £155,783 (2020: £184,665).

It is the policy of the charity to maintain unrestricted funds at a level, which equates to approximately between six to twelve months' unrestricted expenditure. This provides sufficient funds to cover minor administration costs and allows grants to be awarded at historic levels despite fluctuations in the amounts of donations received from year to year. This level of reserves was maintained throughout the year as unrestricted funds at the year-end were £155,783 (2020: £184,665).

The investment policy of the charity is to retain funds in low risk bank deposit accounts. This enables the charity to have ready access to the funds as required.

Impact of Covid-19

The Trustees have considered— as in 2021 - the effect of the prolonged Covid-19 outbreak, that has continued to affect the world since early 2020, on the charity's activities.

In 2021, the Trustees took an early position to act cautiously on income projection and expenditure to manage the disruption to normal activity that this outbreak caused. One action of significance was to close the charity to new applications during 2020. In early 2021 the charity re-opened applications in a restricted way to small UK children's charities whose work benefits children from across the U.K. Applications benefiting children overseas regrettably would not be entertained at this time.

Financial commitments to charities for whom money has been agreed to be awarded for 2021 were available and had already been set aside. In light of the Covid-19 outbreak in Europe the charity reduced the expenditure it undertook in 2021 according to income received and the reserves it had. Prudent decisions will continue to be necessary until the impact of Covid-19 going forward in 2022 is better known.

Plans for the future

The Toy Trust will continue to disburse funds to appropriately approved charities, concerned with the welfare of children.

Structure, governance and management

The governing instrument of The Toy Trust is a charitable trust deed dated 18 October 1990.

The trustees who served during the year were:

British Toy and Hobby Association Limited

P Ratcliffe

A Laughton

(Resigned 14 March 2021)

G Canning

J Diver

S Pilkington

(Appointed 15 March 2021)

The British Toy and Hobby Association Limited administers the Trust under the supervision of the Director General, Roland Earl. Apart from Mr Earl, the trustees are drawn from the Officers of the Association namely the President, Vice-President, Chairman and Vice-Chairman for the time being. New trustees receive a copy of the constitution and latest accounts upon appointment.

The BTHA administers the Toy Trust from its premises at BTHA House, 142-144 Long Lane, London SE1 4BS. The Association bears the administrative costs of the Toy Trust and is responsible for fund raising through the work of the BTHA charity committee. The trustees meet regularly (in conjunction with the BTHA Council) to review the Trust's activities.

THE TOY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

On behalf of the board of trustees

G Canning

Trustee

Dated: 29 June 2022

THE TOY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 TOY TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE TOY TRUST

Opinion

We have audited the financial statements of The Toy Trust (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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 accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE TOY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE TOY TRUST

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to 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 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102 and Charities Act 2011.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates. There were no accounting estimates that would be considered critical to the financial statements.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.

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. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

THE TOY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE TOY TRUST

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

HW Fisher LLP

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

29 June 2022

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

THE TOY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income from:</u>			
Donation and legacies	3	145,623	178,609
Investment income	4	20	93
Total income		145,643	178,702
<u>Expenditure on:</u>			
Raising funds	5	-	9,187
Charitable activities	6	174,525	116,320
Total resources expended		174,525	125,507
Net (expenditure)/income for the year/ Net movement in funds		(28,882)	53,195
Fund balances at 1 January 2021		184,665	131,470
Fund balances at 31 December 2021		155,783	184,665

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

All income and expenditure derive from continuing activities.

THE TOY TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2021

		2021		2020	
	Notes	£	£	£	£
Current assets					
Debtors	10	300		6,205	
Cash at bank and in hand		164,602		183,020	
		<u>164,902</u>		<u>189,225</u>	
Creditors: amounts falling due within one year	11	(9,119)		(4,560)	
		<u></u>		<u></u>	
Net current assets			155,783		184,665
			<u></u>		<u></u>
Income funds					
Unrestricted funds			155,783		184,665
			<u>155,783</u>		<u>184,665</u>
			<u></u>		<u></u>

The accounts were approved by the Trustees on 29 June 2022

G Canning
Trustee

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

The Toy Trust is an unincorporated charity. Its registered office is BTHA House, 142-146 Long Lane, London SE1 4BS. The charity meets the definition of a public benefit entity under FRS102.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these accounts are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees have once again considered the effect of the Covid-19 outbreak, that has been spreading throughout the world since early 2020, on the charity's activities. With the experience of the Covid-19 outbreak in 2020 in the UK and subsequent restrictions on companies' normal historic activities at the British Toy and Hobby Association and its member companies, the Trustees continue to believe the developments are unlikely to cause a significant disruption to the charity's efficacy and activities and are confident that the charity can continue as a going concern for a period of at least twelve months from the date of approval of these financial statements. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

The Toy Trust events are organised by the British Toy and Hobby Association with the net proceeds going to the Toy Trust. The British Toy and Hobby Association meets all overheads. Accordingly, the net income generated has been included within donations and legacies in the Statement of Financial Activities.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank.

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated to the charitable activity in the statement of financial activities.

Costs of raising funds are those costs incurred in staging the charity's fundraising events.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Provisions for grants are made when the intention to make the grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

A provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable, and the effect of discounting is material. The discount rate used is the rate offered on government bonds (Gilts) for a commensurate or similar time period offered in the year in which the grant award is made.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.6 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The trustees do not believe there to be judgements or estimates that would be considered critical to the financial statements.

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donation and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	145,623	178,609
	<u> </u>	<u> </u>

4 Investment income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	20	93
	<u> </u>	<u> </u>

5 Raising funds

	Total	Unrestricted funds
	2021	2020
	£	£
<u>Raising funds</u>		
Staging fundraising events	-	9,187
	<u> </u>	<u> </u>
	-	9,187
	<u> </u>	<u> </u>

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Charitable activities

	2021 £	2020 £
Welfare of children (see note 13)	169,485	111,436
Share of support costs (see note 7)	181	324
Share of governance costs (see note 7)	4,859	4,560
	<u>174,525</u>	<u>116,320</u>
Analysis by fund		
Unrestricted funds	174,525	116,320
Restricted funds	-	-
	<u>174,525</u>	<u>116,320</u>

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Bank charges	181	-	181	324	-	324
Audit fees	-	4,859	4,859	-	4,560	4,560
	<u>181</u>	<u>4,859</u>	<u>5,040</u>	<u>324</u>	<u>4,560</u>	<u>4,884</u>
Analysed between Charitable activities	<u>181</u>	<u>4,859</u>	<u>5,040</u>	<u>324</u>	<u>4,560</u>	<u>4,884</u>

Governance costs includes payments to the auditors of £4,859 (2020: £4,560) for audit fees and nil (2020: nil) for other services.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

No trustee expenses have been incurred during the year.

9 Employees

There were no employees during the year (2020: nil).

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	300	1,205
Other debtors	-	5,000
	300	6,205

11 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other creditors	4,260	-
Accruals and deferred income	4,859	4,560
	9,119	4,560

12 Related party transactions

The Toy Trust received donations of £nil (2020: £54,198) from the British Toy and Hobby Association Limited, which is also a Trustee of the Charity. Four of the trustees of the Charity also served on the Council of the British Toy and Hobby Association Limited during the year. As at the year end, The Toy Trust owed £4,260 (2020: £nil) to the British Toy and Hobby Association.

THE TOY TRUST

England & Wales - Charity number 1001634

Accounts

THE TOY TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THE TOY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	British Toy and Hobby Association Limited	
	P Ratcliffe	
	G Canning	
	J Diver	(Appointed 1 July 2020)
	S Pilkington	(Appointed 15 March 2021)
Charity number	1001634	
Principal address	142-144 Long Lane	
	London	
	SE1 4BS	
Auditor	HW Fisher LLP	
	Acre House	
	11-15 William Road	
	London	
	NW1 3ER	
	United Kingdom	
Bankers	HSBC	
	23 Denmark Hill	
	Camberwell Green	
	London	
	SE5 8RP	
Solicitors	DLA Piper UK LLP	
	Princes Exchange	
	Princes Square	
	Leeds	
	LS1 4BY	

THE TOY TRUST

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THE TOY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and accounts for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objective of the Trust is set out in the charitable trust deed, as stated below:

In shaping the objective of the Trust, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)' and concluded as below:

"The trustees shall hold the Trust Fund and the income thereof upon trust to pay or apply the same to or for such charity or charities or charitable purposes connected with children as they shall in their absolute discretion from time to time decide".

The support of charities associated with children has for many years been a feature of the work of the British Toy and Hobby Association (BTHA). Traditionally the Association raised money from the toy industry which it pledged to one charity on an annual basis. The BTHA has been conscious that its own fund raising activities for children's causes have in all probability been more than matched by those of individual BTHA members. It is also probable that the extent to which toy manufacturers support children's charities goes largely unremarked and unnoticed by the public.

In 1989 the concept of creating a charitable Trust was discussed by the BTHA's Council as the most effective conduit for charitable giving. The Toy Trust became a registered charity on 24 January 1991 and was launched by a £10,000 donation from the BTHA. The charitable Trust deed states that all donations will be made to "such charity or charities or charitable purposes connected with children as they (the trustees) shall in their absolute discretion decide". In exceptional circumstances, at the trustees discretion, the Trust will make a donation to any crisis involving children which required an immediate response.

In addition to the smaller grants made by the Trust through the year, the Trust's committee can decide to award a larger grant to one or a small number of charities in conjunction with the Trust's annual fundraising events.

The Trust makes grants in response to requests from charitable causes where it considers their aims to be within its area of operation.

Achievements and performance

2020 saw The Toy Trust's 28th year of fundraising with the amount raised over the past 28 years now standing at more than £6.5m.

2020 saw the COVID-19 pandemic alter the charity's plans for the normal main summer fundraising event and in turn the expected fundraising income the event generates. At the beginning of the pandemic, the Toy Trust Committee opted to invite selected small UK children's charities that had received prior support during 2017, 2018 and 2019 to apply for funding. A small number of charities were granted funding at the first meeting of the charity committee in March 2020 – prior to COVID-19 activity.

The annual Media Auction achieved £104,850 through bids placed on the generously donated TV, online and catalogue slots and other special prizes. The auction fundraising total was the second highest total achieved in its history.

In February 2020, 14 runners completed the Vitality Big Half Marathon in Central London. The event raised £8,361 for the charity.

This excellent start to fundraising allowed the charities that had responded to the funding invite to receive support. In total, 36 charities were provided with support throughout the year, and this amounted to £111,436.

The Christmas Card Initiative took place once again in 2020. Companies donated a minimum of £300 to have their Christmas greetings in the toy trade journals. The eventual figure raised was £10,800 (2019: £10,600).

THE TOY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The principal recipients of Toy Trust funds in 2020 included; Beryl Thyer Memorial Africa Trust, The Jessie May Trust, Special Educational Needs Families Support, Friends of St Luke's, Special Stars Foundation, Dorset Children's Foundation, NARA The Breathing Charity, The Bradford Toy Library and Handicapped Children's Action Group.

Public Benefit

The Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

Financial review

For the year ended 31 December 2020, incoming funds of £178,702 (2019: £210,270) were received and outgoing expenditure amounted to £125,507 (2019: £204,778). This resulted in net income for the year of £53,195 (2019: £5,492) and net current assets of £184,665 (2019: £131,470).

It is the policy of the charity to maintain unrestricted funds at a level, which equates to approximately between six to twelve months' unrestricted expenditure. This provides sufficient funds to cover minor administration costs and allows grants to be awarded at historic levels despite fluctuations in the amounts of donations received from year to year. This level of reserves was maintained throughout the year as unrestricted funds at the year-end were £184,665 (2019: £131,470).

The investment policy of the charity is to retain funds in low risk bank deposit accounts. This enables the charity to have ready access to the funds as required.

Impact of Covid-19

The Trustees have considered again – as in early 2020 – the effect of the Covid-19 outbreak, that has been spreading throughout the world since early 2020, on the charity's activities.

In 2020, the Trustees took an early position to act cautiously on income projection and expenditure to manage the disruption to normal activity that this outbreak caused. One action of significance was to close the charity to new applications during 2020. By doing that a significant disruption to the charity's continuing activities was averted despite its main fundraiser for 2020 having to be cancelled due to the restrictions on movement and people meeting in the UK. However, all commitments were met and the charity adopted a disbursements policy based on a cautious view of funds already raised targeted primarily at smaller UK charities that have benefited from Toy Trust support in the last three years, and remained open to response to emergency appeals by international charities already vetted for such eventualities, if they arose and if the charity wished to respond. Applications from previously known and supported small UK children's charities were received on invitation and disbursements made by the Charity Committee as appropriate and affordable each quarter of 2020.

In late 2020 the Toy Trust agreed to open its website applications portal again in early 2021 but to restrict applications considered to small UK children's charities whose work benefits children from across the U.K. Applications benefiting children overseas regrettably could not be entertained at this time. The main 2021 Fundraiser was agreed not to be practical to go ahead in June 2021 and no venue or services for that had been booked. If a smaller event were to prove possible later in 2021, that would be considered as government guidance allowed.

Financial commitments to charities for whom money has been agreed to be awarded for 2020 were available and had already been set aside. In light of the Covid-19 outbreak in Europe the charity reduced the expenditure it undertook in 2020 according to income received and the reserves it had. Prudent decisions will continue to be necessary until the impact of Covid-19 going forward in 2021 is better known.

Plans for the future

The Toy Trust will continue to disburse funds to appropriately approved charities, concerned with the welfare of children.

Structure, governance and management

The governing instrument of The Toy Trust is a charitable trust deed dated 18 October 1990.

The trustees who served during the year were:

British Toy and Hobby Association Limited

C Nicholls

(Resigned 1 July 2020)

P Ratcliffe

A Laughton

(Resigned 14 March 2021)

THE TOY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

G Canning

J Diver

(Appointed 1 July 2020)

S Pilkington

(Appointed 15 March 2021)

The British Toy and Hobby Association Limited administers the Trust under the supervision of the Director General, Roland Earl. Apart from Mr Earl, the trustees are drawn from the Officers of the Association namely the President, Vice-President, Chairman and Vice-Chairman for the time being. New trustees receive a copy of the constitution and latest accounts upon appointment.

The BTHA administers the Toy Trust from its premises at BTHA House, 142-144 Long Lane, London SE1 4BS. The Association bears the administrative costs of the Toy Trust and is responsible for fund raising through the work of the BTHA charity committee. The trustees meet regularly (in conjunction with the BTHA Council) to review the Trust's activities.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

On behalf of the board of trustees

G Canning

Trustee

Dated: 25 May 2021

THE TOY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 TOY TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE TOY TRUST

Opinion

We have audited the financial statements of The Toy Trust (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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 accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE TOY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE TOY TRUST

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to 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 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102 and Charities Act 2011.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates. There were no accounting estimates that would be considered critical to the financial statements.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.

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. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

THE TOY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE TOY TRUST

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

HW Fisher LLP

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

25 May 2021

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

THE TOY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes				
Income from:					
Donation and legacies	3	178,609	189,959	20,000	209,959
Investment income	4	93	311	-	311
Total income		178,702	190,270	20,000	210,270
Expenditure on:					
Raising funds	5	9,187	9,697	20,000	29,697
Charitable activities	6	116,320	175,081	-	175,081
Total resources expended		125,507	184,778	20,000	204,778
Net income for the year/ Net movement in funds		53,195	5,492	-	5,492
Fund balances at 1 January 2020		131,470	125,978	-	125,978
Fund balances at 31 December 2020		184,665	131,470	-	131,470

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

All income and expenditure derive from continuing activities.

THE TOY TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Current assets					
Debtors	10	6,205		695	
Cash at bank and in hand		183,020		148,952	
		<u>189,225</u>		<u>149,647</u>	
Creditors: amounts falling due within one year	11	<u>(4,560)</u>		<u>(18,177)</u>	
Net current assets			184,665		131,470
			<u>184,665</u>		<u>131,470</u>
Income funds					
Unrestricted funds			184,665		131,470
			<u>184,665</u>		<u>131,470</u>
			<u>184,665</u>		<u>131,470</u>

The accounts were approved by the Trustees on 25 May 2021

G Canning
Trustee

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Toy Trust is an unincorporated charity. Its registered office is BTHA House, 142-146 Long Lane, London SE1 4BS. The charity meets the definition of a public benefit entity under FRS102.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these accounts are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees have once again considered the effect of the Covid-19 outbreak, that has been spreading throughout the world since early 2020, on the charity's activities. With the experience of the Covid-19 outbreak in 2020 in the UK and subsequent restrictions on companies' normal historic activities at the British Toy and Hobby Association and its member companies, the Trustees continue to believe the developments are unlikely to cause a significant disruption to the charity's efficacy and activities and are confident that the charity can continue as a going concern for a period of at least twelve months from the date of approval of these financial statements. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

The Toy Trust events are organised by the British Toy and Hobby Association with the net proceeds going to the Toy Trust. The British Toy and Hobby Association meets all overheads. Accordingly, the net income generated has been included within donations and legacies in the Statement of Financial Activities.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank.

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated to the charitable activity in the statement of financial activities.

Costs of raising funds are those costs incurred in staging the charity's fundraising events.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Provisions for grants are made when the intention to make the grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

A provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable, and the effect of discounting is material. The discount rate used is the rate offered on government bonds (Gilts) for a commensurate or similar time period offered in the year in which the grant award is made.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.6 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The trustees do not believe there to be judgements or estimates that would be considered critical to the financial statements.

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donation and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2020 £	2019 £	2019 £	2019 £
Donations and gifts	178,609	189,959	20,000	209,959

4 Investment income

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Interest receivable	93	311

5 Raising funds

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2020 £	2019 £	2019 £	2019 £
<u>Raising funds</u>				
Staging fundraising events	9,187	9,697	20,000	29,697
	9,187	9,697	20,000	29,697

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Charitable activities

	2020 £	2019 £
Welfare of children (see note 14)	111,436	170,217
Share of support costs (see note 7)	324	393
Share of governance costs (see note 7)	4,560	4,471
	<u>116,320</u>	<u>175,081</u>
Analysis by fund		
Unrestricted funds	116,320	175,081
Restricted funds	-	-
	<u>116,320</u>	<u>175,081</u>

7 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Bank charges	324	-	324	393	-	393
Audit fees	-	4,560	4,560	-	4,471	4,471
	<u>324</u>	<u>4,560</u>	<u>4,884</u>	<u>393</u>	<u>4,471</u>	<u>4,864</u>
Analysed between Charitable activities	<u>324</u>	<u>4,560</u>	<u>4,884</u>	<u>393</u>	<u>4,471</u>	<u>4,864</u>

Governance costs includes payments to the auditors of £4,560 (2019: £4,471) for audit fees and nil (2019: nil) for other services.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

No trustee expenses have been incurred during the year.

9 Employees

There were no employees during the year (2019: nil).

THE TOY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	1,205	695
Other debtors	5,000	-
	<u>6,205</u>	<u>695</u>

11 Creditors: amounts falling due within one year

	2020	2019
	£	£
Grants payable	-	2,500
Other creditors	-	10,150
Accruals and deferred income	4,560	5,527
	<u>4,560</u>	<u>18,177</u>

Included within accruals and deferred income is deferred income of £nil (2019: £967). During 2020, £967 of deferred income carried forward in 2019 relating to a marathon event being held in 2020 has been released.

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds	
	Incoming resources	Resources expended	Balance at 1 January 2020	Incoming resources	Balance at 31 December 2020
	£	£	£	£	£
Fundraising Event	20,000	(20,000)	-	-	-

The fundraising event fund was donated by The British Toy and Hobby Association to increase the health and safety at the 2019 Annual Challenge.

13 Related party transactions

The Toy Trust received donations of £54,198 (2019: £24,200) from the British Toy and Hobby Association Limited, which is also a Trustee of the Charity. Five of the trustees of the Charity also served on the Council of the British Toy and Hobby Association Limited during the year. As at the year end, The Toy Trust owed £nil (2019: £10,150) to the British Toy and Hobby Association.