

Company registration number: 3112177

Charity registration number: 1061460

# TBGS Charitable Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the period from 1 November 2019 to 31 August 2020

# **TBGS Charitable Trust**

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## **TBGS Charitable Trust**

### **Reference and Administrative Details**

<b>Trustees</b>	Mrs Christine Weston, (Chair) Mr Peter Lawrence, (Headteacher) Mr Andrew Stephen Medhurst Mrs Jacqueline Sara Milstead Mrs Jill Stevens Mr Ian Douglas Fraser
<b>Secretary</b>	Mr Andrew Stephen Medhurst
<b>Principal Office</b>	Torquay Boys Grammar School Shiphay Manor Drive Torquay Devon TQ2 7EL  The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	3112177
<b>Charity Registration Number</b>	1061460
<b>Independent Examiner</b>	Neil Wilson & Co Chartered Accountant 42a Walnut Road Chelston Torquay Devon TQ2 6HS

## **TBGS Charitable Trust**

### **Strategic Report for the Period from 1 November 2019 to 31 August 2020**

The trustees, who are directors for the purposes of company law, present their strategic report for the period from 1 November 2019 to 31 August 2020, in compliance with s414C of the Companies Act 2006.

The strategic report was approved by the trustees of the charity on 5 March 2021 and signed on its behalf by:

.....  
Mrs Christine Weston  
Trustee

# **TBGS Charitable Trust**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the period ended 31 August 2020.

### **Objectives and activities**

#### ***Objects and aims***

The objective is to provide a public benefit by providing and improving facilities for the pupils of the Torquay Boys Grammar School, which is a non fee paying school and which since November 2010 has been an academy.

#### ***Objectives, strategies and activities***

The trust raises funds by regular donations from the parents of pupils at the school, mainly under the gift aid scheme, which enables the trust to obtain tax rebates on those donations. Occasional fund raising events are also held.

#### ***Public benefit***

The twenty third year of the TBGS Charitable Trust came to an end on 31st August 2020 and the accounts show the financial position at that date and the results for the year ended on that date.

During the year we have been able to provide the school with donations totalling £65,300 from Unrestricted funds.

The trust has continued in it's objectives of providing financial support to the school and thereby to the local community.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### **Structure, governance and management**

#### **Financial instruments**

#### ***Objectives and policies***

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

#### ***Cash flow risk***

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

## **TBGS Charitable Trust**

### **Trustees' Report**

#### ***Credit risk***

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

#### ***Liquidity risk***

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

The annual report was approved by the trustees of the charity on 5 March 2021 and signed on its behalf by:

.....  
Mrs Christine Weston  
Trustee

## **TBGS Charitable Trust**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of TBGS Charitable Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial period. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

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

Approved by the trustees of the charity on 5 March 2021 and signed on its behalf by:

.....  
Mrs Christine Weston  
Trustee

## **TBGS Charitable Trust**

### **Independent Examiner's Report to the trustees of TBGS Charitable Trust**

I report on the accounts of the charity for the year ended 31 August 2020 which are set out on pages 7 to 17 .

#### **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....  
Mr Neil Wilson FCA  
Neil Wilson & Co Chartered Accountants

42a Walnut Road  
Chelston  
Torquay  
Devon  
TQ2 6HS

5 March 2021

# TBGS Charitable Trust

## Statement of Financial Activities for the Period from 1 November 2019 to 31 August 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 31 August 2020 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	67,213	67,213
Other trading activities	4	123	123
Investment income	5	22	22
Total Income		67,358	67,358
<b>Expenditure on:</b>			
Charitable activities	6	(65,790)	(65,790)
Total Expenditure		(65,790)	(65,790)
Net income		1,568	1,568
Net movement in funds		1,568	1,568
<b>Reconciliation of funds</b>			
Total funds brought forward		79,619	79,619
Total funds carried forward	13	81,187	81,187

	Note	Unrestricted funds £	Restricted funds £	Total 31 October 2019 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	80,367	-	80,367
Investment income	5	38	-	38
Total Income		80,405	-	80,405
<b>Expenditure on:</b>				
Charitable activities	6	(131,475)	-	(131,475)
Total Expenditure		(131,475)	-	(131,475)
Net expenditure		(51,070)	-	(51,070)
Transfers between funds		3,096	(3,096)	-
Net movement in funds		(47,974)	(3,096)	(51,070)
<b>Reconciliation of funds</b>				
Total funds brought forward		127,593	3,096	130,689
Total funds carried forward	13	79,619	-	79,619

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 13.

**TBGS Charitable Trust**  
**(Registration number: 3112177)**  
**Balance Sheet as at 31 August 2020**

	Note	31 August 2020 £	31 October 2019 £
<b>Current assets</b>			
Debtors	11	15,606	19,782
Cash at bank and in hand		<u>66,571</u>	<u>60,337</u>
		82,177	80,119
<b>Creditors: Amounts falling due within one year</b>	12	<u>(990)</u>	<u>(500)</u>
<b>Net assets</b>		<u>81,187</u>	<u>79,619</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>81,187</u>	<u>79,619</u>
<b>Total funds</b>	13	<u>81,187</u>	<u>79,619</u>

For the financial period ending 31 August 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 7 to 17 were approved by the trustees, and authorised for issue on 5 March 2021 and signed on their behalf by:

.....  
Mrs Christine Weston  
Trustee

# TBGS Charitable Trust

## Statement of Cash Flows for the Period from 1 November 2019 to 31 August 2020

	Note	31 August 2020 £	31 October 2019 £
<b>Cash flows from operating activities</b>			
Net cash income/(expenditure)		1,568	(51,070)
<b>Adjustments to cash flows from non-cash items</b>			
Investment income	5	<u>(22)</u>	<u>(38)</u>
		1,546	(51,108)
<b>Working capital adjustments</b>			
Decrease/(increase) in debtors	11	4,176	(13,307)
Increase/(decrease) in creditors	12	<u>490</u>	<u>(87)</u>
Net cash flows from operating activities		6,212	(64,502)
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	<u>22</u>	<u>38</u>
Net increase/(decrease) in cash and cash equivalents		6,234	(64,464)
Cash and cash equivalents at 1 November		<u>60,337</u>	<u>124,801</u>
Cash and cash equivalents at 31 August		<u><u>66,571</u></u>	<u><u>60,337</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

## **TBGS Charitable Trust**

### **Notes to the Financial Statements for the Period from 1 November 2019 to 31 August 2020**

#### **1 Charity status**

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

TBGS Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Income and endowments**

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

##### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

##### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

## **TBGS Charitable Trust**

### **Notes to the Financial Statements for the Period from 1 November 2019 to 31 August 2020**

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## **TBGS Charitable Trust**

### **Notes to the Financial Statements for the Period from 1 November 2019 to 31 August 2020**

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

## **TBGS Charitable Trust**

### **Notes to the Financial Statements for the Period from 1 November 2019 to 31 August 2020**

#### **Financial instruments**

##### ***Debt instruments***

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

##### ***Investments***

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

# TBGS Charitable Trust

## Notes to the Financial Statements for the Period from 1 November 2019 to 31 August 2020

### *Derivative financial instruments*

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

### *Fair value measurement*

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

### 3 Income from donations and legacies

	Unrestricted funds	Total 31 August 2020 £	Total Year ended 31 October 2019 £
	General £		
Donations and legacies;			
Gift aid reclaimed	9,526	9,526	13,307
Regular giving and capital donations	57,687	57,687	67,060
	<u>67,213</u>	<u>67,213</u>	<u>80,367</u>

### 4 Income from other trading activities

	Unrestricted funds	Total 31 August 2020 £
	General £	
Other income from other trading activities	123	123
	<u>123</u>	<u>123</u>

# TBGS Charitable Trust

## Notes to the Financial Statements for the Period from 1 November 2019 to 31 August 2020

### 5 Investment income

	Unrestricted funds	Total 31 August 2020 £	Total Year ended 31 October 2019 £
	General £		
Interest receivable and similar income;			
Interest receivable on bank deposits	22	22	38

### 6 Expenditure on charitable activities

		Unrestricted funds	Total 31 August 2020 £	Total Year ended 31 October 2019 £
	Note	General £		
Education		65,300	65,300	130,975
Governance costs	7	490	490	500
		65,790	65,790	131,475

£65,875 (2019 - £131,475) of the above expenditure was attributable to unrestricted funds and £Nil (2019 - £Nil) to restricted funds.

### 7 Analysis of governance and support costs

#### Governance costs

	Unrestricted funds	Total 31 August 2020 £	Total Year ended 31 October 2019 £
	General £		
Independent examiner fees			
Examination of the financial statements	490	490	500
	490	490	500

# TBGS Charitable Trust

## Notes to the Financial Statements for the Period from 1 November 2019 to 31 August 2020

### 8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

### 9 Independent examiner's remuneration

	1 November 2019 to 31 August 2020 £	Year ended 31 October 2019 £
Examination of the financial statements	490	500

### 10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

### 11 Debtors

	31 August 2020 £	31 October 2019 £
Other debtors	15,606	19,782

### 12 Creditors: amounts falling due within one year

	31 August 2020 £	31 October 2019 £
Trade creditors	500	-
Accruals	490	500
	990	500

### 13 Funds

	Balance at 1 November 2019 £	Incoming resources £	Resources expended £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>				
General	(79,619)	(67,358)	65,790	(81,187)

# TBGS Charitable Trust

## Notes to the Financial Statements for the Period from 1 November 2019 to 31 August 2020

	Balance at 1 November 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 October 2019 £
<b>Unrestricted funds</b>					
General	(127,593)	(80,405)	131,475	(3,096)	(79,619)
<b>Restricted funds</b>	<u>(3,096)</u>	<u>-</u>	<u>-</u>	<u>3,096</u>	<u>-</u>
<b>Total funds</b>	<u><u>(130,689)</u></u>	<u><u>(80,405)</u></u>	<u><u>131,475</u></u>	<u><u>-</u></u>	<u><u>(79,619)</u></u>

### 14 Analysis of net assets between funds

	Unrestricted funds General £	Total funds £
Current assets	82,177	82,177
Current liabilities	<u>(990)</u>	<u>(990)</u>
Total net assets	<u><u>81,187</u></u>	<u><u>81,187</u></u>