

The Welwyn Hatfield Foyer Charitable Trust

**Report and
Financial Statements
For the year ended
31 March 2021**

Registered Charity Number 1086217

WELWYN HATFIELD FOYER CHARITABLE TRUST
REGISTERED CHARITY NUMBER 1086217
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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**WELWYN HATFIELD FOYER CHARITABLE TRUST
REGISTERED CHARITY NUMBER 1086217
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

TRUSTEES' ANNUAL REPORT

The Trustees present their annual report and the financial statements for the year ended 31 March 2021.

Reference and administrative information:

Name of the Charity and principal address

The Welwyn Hatfield Foyer Charitable Trust is a registered charity no. 1086217.

The principal address of the Charity is:

1 Glory Park Avenue, Wooburn Green, Buckinghamshire, HP10 0DF.

Trustees

Sian Chambers (Chair)

Susan Jones

Emma Eckersley (resigned 1 October 2021)

Mark Richardson (appointed 1 October 2021)

Independent examiner, solicitors and bankers

Independent examiner: BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex RH6 0PA

Solicitors: Trowers and Hamlins, Sceptre Court, 40 Tower Hill, London, EC3N 4DX.

Bankers: Barclays Bank Plc

Structure, governance and management:

Constitution

The Charity is registered with the Charity Commission under registered no. 1086217 and operates under the rules of a Charitable Trust made on 19 March 2001.

Organisation

The body of Trustees, which administers the Charity shall consist of three persons, including one Trustee nominated by Paradigm Homes Charitable Housing Association and one nominated by Welwyn Hatfield District Council.

Recruitment and appointment of Trustees

The Trustees are appointed for a term of four years at a meeting convened and held according to the ordinary practice of the appointing body.

Public benefit

The Trustees have considered the Charity Commission's general guidance on public benefit and consider that the Trust provides a public benefit. The application of funds is limited only by need, age and geographic location. Details of the charity's objectives and activities are set out below.

Third party indemnity provision for trustees

Qualifying third party indemnity provision was in place for the benefit of all trustees of the Charity.

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TRUSTEES' ANNUAL REPORT (CONTINUED)

Objectives and activities:

The Charity's objects are

1. To relieve poverty by the provision of accommodation and any associated amenities for single homeless persons in necessitous circumstances between the ages of 16 and 25 years in the administrative area of Welwyn Hatfield and to further help those so accommodated who are in need of advice, counselling and other forms of aid to find employment, training education and other benefit to prepare them for a settled way of life in the community.
2. To encourage, foster, assist and promote such of the activities of the Welwyn Hatfield Foyer as are charitable and those of any similar organisations established for charitable purposes as shall be approved by the Trustees from time to time.

These objects are achieved through the provision of grants mainly, though not exclusively, to the Welwyn Hatfield Foyer which is run by Paradigm Homes Charitable Housing Association. The Welwyn Hatfield Foyer is located on the ground to sixth floor of Goldings House, Goldings Crescent, Hatfield, Hertfordshire. This accommodation is used for the provision at an affordable rent, of high quality residential accommodation for young people aged between 16 and 25, in or seeking low paid employment. A wide range of support services for job seeking, training and personal development are provided.

There have been no changes in the objectives since the last annual report.

Financial review

In the year under review the Charity has continued to focus its activities on the provision of grants to the support of the Welwyn Hatfield Foyer.

Income for the year totalled £57,803 (2020: £58,335). Grants made during the year totalled £45,286 (2020: £51,964) and at the end of the year its total funds were £1,021,041 (2020: £1,015,773).

COVID-19

Currently there are no negative impacts of Covid-19 on the charity including cash flow position and financial commitments and this is being monitored closely.

There is no effect on either the grant provided to Paradigm Housing Charitable Housing Association (PHCHA) or the interest received from PHCHA (being the only related party) resulting from Covid-19. The trustees have evaluated the ability of PHCHA to continue to pay the interest and maintain the fund balances invested on behalf of the charity and have not identified any material uncertainties in this regard. Due to this there are no intentions to change the current activities and processes of the charity.

Reserves policy and future plans

The Trustees have reviewed the reserves of the Charity and have concluded that in order for the Charity to provide for its long term commitment to the Welwyn Hatfield Foyer and to develop the Charity's other activities, it should aim to maintain its unrestricted reserves above £700,000 during the coming year.

The Trustees will continue to monitor expenditure closely to ensure the reserves are maintained at an adequate level to continue to meet their objectives.

The undertaking holds total reserves of £1,021,041 (2020: £1,015,773), made up of restricted funds of £240,918 (2020: £236,436) and £780,123 (2020: £779,337) of unrestricted funds.

Investment policy

Under the Charitable Trust, the Charity has the power to make any investment which the Trustees see fit. The Trustees have considered the need to maximise the return on their investments and minimise risk, as well as the need to have funds available at short notice for charitable purposes. The Trustees have concluded that their policy should be to invest surplus funds, via Paradigm Homes Charitable Housing Association, with financially secure organisations on short term loans at variable interest rates.

There were no gains or losses on investments during the year. Investment income during the year was £50,554 (2020: £50,929).

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TRUSTEES' ANNUAL REPORT (CONTINUED)

Risk management

The Trustees have assessed the principal risks and uncertainties to which the Charity is exposed, in particular those relating to the operations and finances of the Charity and confirm that they have established systems to mitigate the significant risks. They have concluded that the investment policy gives an appropriate level of risk and return and that the reserves, combined with a regular review of the operational and financial systems and controls will provide sufficient resources to meet the Charity's commitments and longer term objectives.

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements 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 charity trustees to prepare financial statements for each 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 period. In preparing the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf on 25th January 2022.

Sian Chambers  Digitally signed by Sian
Chambers
Date: 2022.01.25 09:33:58 Z

Sian Chambers
Chair

WELWYN HATFIELD FOYER CHARITABLE TRUST
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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE WELWYN HATFIELD FOYER CHARITABLE TRUST

I report to the trustees on my examination of the financial statements of The Welwyn Hatfield Foyer Charitable Trust ('the charity') for the year ended 31 March 2021, which are set out on pages 5 to 11.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the financial statements present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Signed: 
Name: Elizabeth Kulczycki
ON BEHALF OF BDO LLP,
Chartered Accountants
2 City Place
Beehive Ring Road
Gatwick,
West Sussex
RH6 0PA
Date: 27 January 2022

WELWYN HATFIELD FOYER CHARITABLE TRUST
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STATEMENT OF FINANCIAL ACTIVITIES

				2021	2020 (Restated)
		Unrestricted income funds	Restricted income funds	Total charity funds	Total charity funds
	Notes	£	£	£	£
Income from:					
Investments	2	38,787	11,767	50,554	50,929
Donations	4	7,249	-	7,249	7,406
Total		46,036	11,767	57,803	58,335
Expenditure from:					
Charitable activities	5	45,250	7,285	52,535	59,370
Total		45,250	7,285	52,535	59,370
Net movement in funds		786	4,482	5,268	(1,035)
Total funds brought forward		779,337	236,436	1,015,773	1,016,808
Total funds carried forward	8	780,123	240,918	1,021,041	1,015,773

The notes on pages 7 to 11 form an integral part of these financial statements.

WELWYN HATFIELD FOYER CHARITABLE TRUST
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BALANCE SHEET

		2021	2020
	Notes	£	£
Current assets			
Debtors	6	1,021,041	1,015,773
Net current assets		1,021,041	1,015,773
Total assets less current liabilities		1,021,041	1,015,773
 The funds of the charity			
Restricted income funds	7	240,918	236,436
Unrestricted income funds		780,123	779,337
Total charity funds	8	1,021,041	1,015,773

The notes on pages 7 to 11 form an integral part of these financial statements.

These financial statements were approved by the Trustees on 25th January 2022.

Signed on behalf of the Trustees

**Sian
Chambers**

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Chambers
Date: 2022.01.25 09:34:38 Z

Sian Chambers
Chair

WELWYN HATFIELD FOYER CHARITABLE TRUST
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NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

GENERAL INFORMATION

The Welwyn Hatfield Foyer Charitable Trust ("the Charity") is a registered charity regulated by the Charity Commission, registered number 1086217. The address of the Charity's registered office is 1 Glory Park Avenue, Wooburn Green, Bucks, HP10 0DF.

BASIS OF ACCOUNTING

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 - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The financial statements have been prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements are prepared under the historical cost convention and in accordance with the Charities Act 2011 and applicable accounting standards. In preparing the financial statements the Charity follows the recommendations of the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP) including FRS 102 issued in January 2019.

The Welwyn Hatfield Foyer 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.

The financial statements are prepared for the year ending 31 March 2021.

Going concern

COVID-19 has not had an impact on the charity's income stream as PHCHA is not going to be reducing the level of interest paid to the charity on fund balances invested via PHCHA, therefore current funding to the foyer is not looking to change. The trustees have evaluated the ability of PHCHA to continue to pay the interest and maintain the fund balances invested on behalf of the charity and have not identified any material uncertainties in this regard.

After reviewing the charity's forecasts and projections, the Trustees have reasonable expectation that the undertaking will continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason it continues to adopt the going concern basis in the financial statements. There are no material uncertainties about the charity's ability to continue as a going concern.

Income

Income is recognised in the period to which it relates.

Investment income is treated as unrestricted unless the income has been derived from the investment of restricted income funds.

Donations in kind are for services provided pro-bono by Paradigm Homes Charitable Housing Association ("PHCHA") that the Charity would otherwise had to purchase on the open market are estimated at their open market value to the Charity.

Expenditure

Expenditure is recognised in the period to which it relates.

Charitable expenditure comprises expenditure directly related to the objects of the Charity and the relevant value of the services provided pro-bono by PHCHA. There were no costs of raising funds.

Fund accounting

The Charity holds both unrestricted and restricted income funds. Unrestricted income funds are available for use in furthering the general objectives of the Charity at the discretion of the Trustees. Restricted income funds are funds which can only be used for particular restricted purposes within the objects of the Charity.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

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, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument, and are offset only when the Charity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

2. INVESTMENT INCOME

	2021	2021	2021
	Unrestricted	Restricted	Total
	£	£	£
Interest receivable from PHCHA	38,787	11,767	50,554
	<u>38,787</u>	<u>11,767</u>	<u>50,554</u>
	2020	2020	2020
	Unrestricted	Restricted	Total
	£	£	£
Interest receivable from PHCHA	39,075	11,854	50,929
	<u>39,075</u>	<u>11,854</u>	<u>50,929</u>

3. DONATIONS

	2021	2021	2021
	Unrestricted	Restricted	Total
	£	£	£
Donation in kind from PHCHA	7,249	-	7,249
	<u>7,249</u>	<u>-</u>	<u>7,249</u>
	2020	2020	2020
	(Restated)	(Restated)	(Restated)
	Unrestricted	Restricted	Total
	£	£	£
Donation in kind from PHCHA	7,086	-	7,086
	<u>7,086</u>	<u>-</u>	<u>7,086</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	2021	2021	2021
	Unrestricted	Restricted	Total
	£	£	£
Costs directly attributable to charitable activities:			
Donations to PHCHA:			
Welwyn Hatfield Foyer	32,501	7,285	39,786
Herts Young Homeless	5,500	-	5,500
Total	38,001	7,285	45,286
Support & Governance costs (see note 6)	7,249	-	7,249
Total Expenditure	45,250	7,285	52,535

	2020	2020	2020
	(Restated)	(Restated)	(Restated)
	Unrestricted	Restricted	Total
	£	£	£
Costs directly attributable to charitable activities:			
Donations to PHCHA:			
Welwyn Hatfield Foyer	34,929	11,535	46,464
Herts Young Homeless	5,500	-	5,500
Total	40,429	11,535	51,964
Support & Governance costs (see note 6)	7,406	-	7,406
Total	47,835	11,535	59,370

5. STAFF COSTS AND TRUSTEES' REMUNERATION

No staff were employed during the current or prior year.

None of the Trustees received remuneration during the current or prior year.

No expenses were reimbursed to Trustees during the current or prior year.

6. SUPPORT COSTS

	2021	2020
		(Restated)
	£	£
Independent Examiner fee	2,400	1,890
Governance costs	320	320
Support costs	4,529	5,196
Total support costs	7,249	7,406

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. DEBTORS

	2021	2020
	£	£
Amounts owed by PHCHA	1,021,041	1,015,773

The above balance represents funds invested, via Paradigm Homes Charitable Housing Association ("PCHCA"), in the short term with various financial institutions at variable interest rates. Average interest of 5.0% (2020: 5.0%) was charged on the amounts included within amounts owed by PHCHA during the year.

8. RESTRICTED INCOME FUNDS

	2021	2020
	£	£
Training and employment fund:		
Opening balance	236,436	236,143
Income	11,767	11,828
Expenditure	(7,285)	(11,535)
Closing balance	240,918	236,436

These are funds which can only be used for particular restricted purposes within the objects of the Charity. The restriction was specified by the donor when the funds were given.

The training and employment fund is to be used for the following restricted purposes:

- To provide small grants to local employers to help them offer modern apprenticeships in areas of skill shortages to young people in the Welwyn Hatfield area.
- To provide general support for local employment and training schemes for young people in the Welwyn Hatfield area, linked to the Welwyn Hatfield Foyer project.
- To provide community initiatives in the Welwyn Hatfield area which support activities such as anti-poverty, community development, equality, economic regeneration and improving the environment.

9. FUNDS

	2021	2021	2021
	Unrestricted	Restricted	Total
	£	£	£
Opening balance	779,337	236,436	1,015,773
Net movement in funds	786	4,482	5,268
Closing balance	780,123	240,918	1,021,041

	2020	2020	2020
	Unrestricted	Restricted	Total
	£	£	£
Opening balance	780,665	236,143	1,016,808
Net movement in funds	(1,328)	293	(1,035)
Closing balance	779,337	236,436	1,015,773

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. RELATED PARTY TRANSACTIONS

The Charity provides support to the Welwyn Hatfield Foyer through the provision of grants to Paradigm Homes Charitable Housing Association (PHCHA), a subsidiary of Paradigm Housing Group Limited. Any surplus funds held by the Charity are invested, via PHCHA, in short-term investments with income generated from the investments returned to the Charity by PHCHA. PHCHA nominates one of the trustees of the Charity. Transactions between the entities during the year were as follows:

	2021	2020
	£	£
PHCHA – interest receivable	50,554	50,929
PHCHA – grants payable	(39,786)	(46,464)

Paradigm Housing Group Limited has paid for Trustee Indemnity insurance on behalf of The Welwyn Hatfield Foyer Charitable Trust. The approximate annual value of this is £320 (2020: £320).

Paradigm Housing Group Limited has paid for the Independent Examiners Fee on behalf of The Welwyn Hatfield Foyer Charitable Trust. The annual value of this is £2,400 (2020: £1,890).

Paradigm Housing Group Limited has provided, free of charge, accountancy and administrative services, to The Welwyn Hatfield Foyer Charitable Trust. The approximate annual value of this is £4,529 (2020: £5,196) and it has been recognised as a donation in kind and reciprocal expense.

11. PRIOR PERIOD RESTATEMENTS

	2020		2020
	Total Charity Funds	Recognition of Donation in Kind	Total charity funds
Notes	£	£	£
Income from:			
Investments	50,929	-	50,929
Donations	-	7,406	7,406
Total	50,929	7,406	58,335
Expenditure from:			
Charitable activities	51,964	7,406	59,370
Total	51,964	7,406	59,370
Net movement in funds	(1,035)	-	(1,035)
Total funds brought forward	1,016,808	-	1,016,808
Total funds carried forward	1,015,773	-	1,015,773

The costs incurred by PHCHA on behalf of the charity should have been recognised a donation-in-kind and associated expense in accordance with FRS 102 (Para 4.48) as the charity is able to make a reliable estimate of the costs it would have incurred if it had to pay for support costs. Accordingly the prior year figures have been restated to reflect the donation in kind.