

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**



WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

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WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2020

Trustees	Mr D J Hughes, Chairman Mr S Ross Mr M J Hughes Dr R D G Cooper Dr S Walford (resigned 5 December 2019) Mr J Harper (appointed 4 March 2020)
Charity registered number	1090885
Principal office	c/o Wolverhampton Grammar School Compton Road Wolverhampton WV3 9RB
Clerk to the Trustees	P C Rudge (Resigned 31 August 2020) S Hemmings (Appointed 1 September 2020)
Independent auditors	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
Bankers	Allied Irish Bank (GB) 380 Birmingham Road Sutton Coldfield B72 1YH
Solicitors	FBC Manby Bowdler LLP 6-10 George Street Snow Hill Wolverhampton WV2 4NB
Investment Manager	Smith & Williamson 3rd Floor 9 Colmore Row Birmingham B3 2BJ

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the audited financial statements of the Charity for the year ended 31 August 2020.

Objectives and activities

a. Policies and objectives

The objects of the Charity are to support and fund Wolverhampton Grammar School (the 'School').

The principal activity is to support and fund Wolverhampton Grammar School in its aims and to provide financial support for capital projects of the School.

b. Strategies for achieving objectives

The agreed strategy has been to seek to increase the value of the investment portfolio with a view to providing support where practicable through income streams in future years, thereby allowing the capital of the Fund to remain at least at current levels and to meet the Reserves Policy agreed for the consolidated group (as detailed under Organisational Structure).

c. Activities undertaken to achieve objectives

In conjunction with its Investment Manager, the Charity has been focusing on increasing the value of its investment portfolio to enable increased support of the School in future years.

d. Grant-making policies

The Trustees' policy is to fund any specific bursary or scholarship at the School as required by the donor of those funds and to make general funds available to the School for bursaries and in support of other aims and objectives of the School as agreed with the Directors of the School, in particular for capital projects. It was decided by the Trustees that an award to the School would not be made this year; however, it is hoped that in future years financial assistance will be given as the Charity continues the provision of benefit for pupils at the School and for the School itself.

e. Volunteers

Many parents, friends of the School and Old Wulfrunians help with fundraising, cultural and sporting activities providing many hours of voluntary service during the year. Much of this work involves raising awareness of the need to provide bursary support and promotion of the School's Appeal Fund role and support in this.

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

f. Main activities undertaken to further the charity's purposes for the public benefit

Being a former state funded Grammar School and subsequently heavily involved in the Government Assisted Places Scheme, Wolverhampton Grammar School is perceived by itself and the people of Wolverhampton, very much as a School with a duty to uphold its strong charitable links. This strength has been further developed since the advent of full independence in 1979, with great importance placed on maintaining the public benefit provided, not only in the delivery of a rounded education, but also through the provision of supported places to pupils otherwise unable to afford to attend the School. Wolverhampton Grammar School remains an academically selective, but not elitist School. It continues to remember its tradition of educating pupils from all sections of the community, with a significant number of bursaries being offered, to assist children of low income families in attending the School. The philosophy of the School is steeped in the educational tradition of providing public benefit, in both educational and community terms. Furthermore, the continuation of a policy of providing places to pupils who cannot afford to pay fees is one endorsed wholeheartedly by the School's Directors and staff alike. Whilst the main focus for bursarial support rightly concentrates on full fee awards, the School's Directors are also mindful of pupils who wish to attend the School, but do not qualify for full bursaries. With this in mind, there are a number of part funded places offered to families of moderate income, further widening the access to potential beneficiaries.

Although these commitments have been difficult to honour in recent years, the strategy is to resume support to the School. During the year the Charity continued to make available part of its freehold land and property for the use of the School.

In the furtherance of the aims, the Trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published and relevant sub sector guidance concerning the operation of the Public Benefit requirement under that Act.

Achievements and performance

a. Review of activities

The Charity holds an investment portfolio, including property, the results of which are reported below.

b. Investment policy and performance

The Trustees have appointed Investment Managers to manage the investment portfolio on a discretionary basis in accordance with the agreed strategy. The Trustees monitor the returns on a regular basis. The investment objectives are

- The creation of a sufficient financial return to enable the Charity to carry out its purposes effectively and without interruption;
- The maintenance and enhancement of the investment funds over the long term;
- To obtain a reasonable balance between capital growth and income so that the Charity can meet future as well as current needs;
- To avoid investments that are unduly risky.

The income for the year from the managed investment portfolio amounted to £2,172 (2019: £2,263).

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance (continued)

c. Overall Performance

The total income for the year from donations and both the investment portfolio and investment properties amounted to £42,645 (2019: £19,100).

Rental income from investment properties accounted for 36% (2019: 88%) of the total income generated, with the balance made up from investment returns from quoted investments and donations.

The results for the year are shown in the Statement of Financial Activities on page 10 and show a positive net movement of funds of £30,745 (2019: £25,067).

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The Trustees have also assessed the potential impact on the future operations of the Charity with regard to the Covid 19 outbreak. The Charity is considered to be well positioned given the current environment with no impact on the going concern basis of the financial statements.

b. Reserves policy

In the Trustee's view, the level of reserves held should provide the Charity with adequate financial stability and the means for it to meet its charitable objectives for the foreseeable future. The level of reserves is also considered in line with the consolidated group's Reserves Policy which aims to build up and maintain its unrestricted free reserves in order to accommodate longer term plans for capital investment and other strategic objectives as well as provide an emergency fund to manage the risks and uncertainty for an educational charity in the current political and economic climate. In addition, the Directors and the Trustees recognise the need to increase the restricted and endowment reserve held to help fund future transformational bursaries.

At 31 August 2020 total funds amounted to £1,184,304 (2019: £1,153,559). All funds held are classed as unrestricted.

Structure, governance and management

a. Constitution

The 1958 Appeal Fund is constituted under a Declaration of Trust dated 30 April 1958 and its subsequent amendments.

b. Methods of appointment or election of Trustees

The Charity's Trustees are appointed by Deed of Appointment by the current/outgoing Trustees who carefully consider the range of skills which are required by the Board of Trustees.

A minimum of four Trustees are required on the Board.

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

c. Policies adopted for the induction and training of Trustees

New Trustees are provided with an induction pack, which contains details of the trust deeds under which the Charity operates. Before taking up post, they meet with the Chairman of the Board of Directors of the School and the Head of the School.

Once appointed, a meeting with the Clerk to the Trustees is arranged, to provide more detailed information and to identify appropriate training courses for individuals to attend.

d. Organisational structure and decision making

Wolverhampton Grammar School is a charity and company limited by guarantee, and is governed by its memorandum and articles of association. The associated Trusts, The Independence Appeals Fund and The 1958 Appeal Fund are administered in conformity with their Trust Deeds.

The consolidated accounts comprise Wolverhampton Grammar School Ltd (registered charity number 1125268), Wolverhampton Grammar School Foundation (registered charity number 529006), Wolverhampton Grammar School Independence Appeal Fund (registered charity number 507487) and Wolverhampton Grammar School 1958 Appeal Fund (registered charity number 1090885). The School was set up to run the operational and trading activities, the Foundation was set up to manage the specie endowed land and buildings and the two Appeal Funds were set up to support the School in its aims and to provide financial help wherever possible to students who would not otherwise have been able to attend Wolverhampton Grammar School.

The Trustees are responsible for the overall management of the Charity.

The Trustees meet at least twice a year and are empowered to ensure that the policies of the Charity are carried out in line with the aims of the Charity.

The day to day management of the Fund is delegated to the Fund's Investment Managers and to Wolverhampton Grammar School management. The Head and the Finance Director of the School (who also acts as Clerk to the Trustees) attend meetings of the Trustees.

e. Risk management

The Trustees examine the major risks each financial year with particular reference to their future plans. The Charity has developed systems to monitor and control the major risks that could affect the Charity in the future.

Plans for future periods

In the coming year, Trustees will continue to explore ways of increasing the capital value and investment returns of the Fund, to enable the resumption of the financial support for the School and continued support for the School itself.

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the 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 & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity 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 then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures 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 adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, WR Partners, have indicated their willingness to continue in office. The Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by the board of Trustees and signed on their behalf by:



Mr D J Hughes, Chairman

Date: 9 December 2020

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

Opinion

We have audited the financial statements of Wolverhampton Grammar School 1958 Appeal Fund (the 'charity') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) 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 been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND (CONTINUED)

Auditors' 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 Auditors' 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.

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

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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



WR Partners
Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

11 December 2020

WR Partners are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Donations and legacies	4	25,000	25,000	-
Investments	5	17,645	17,645	19,100
		<u>42,645</u>	<u>42,645</u>	<u>19,100</u>
Total income				
Expenditure on:				
Raising funds	6	1,008	1,008	957
Charitable activities	7	25,921	25,921	2,382
		<u>26,929</u>	<u>26,929</u>	<u>3,339</u>
Total expenditure				
Net gains on investments		15,029	15,029	9,306
		<u>30,745</u>	<u>30,745</u>	<u>25,067</u>
Net movement in funds				
Reconciliation of funds:				
Total funds brought forward		1,153,559	1,153,559	1,128,492
Net movement in funds		30,745	30,745	25,067
		<u>1,184,304</u>	<u>1,184,304</u>	<u>1,153,559</u>
Total funds carried forward				

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 12 to 21 form part of these financial statements.

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

**BALANCE SHEET
AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
Fixed assets			
Investments	12	181,302	151,515
Investment property	11	860,000	860,000
		<u>1,041,302</u>	<u>1,011,515</u>
Current assets			
Cash at bank and in hand		145,340	143,490
		<u>145,340</u>	<u>143,490</u>
Creditors: amounts falling due within one year	13	(2,338)	(1,446)
Net current assets		<u>143,002</u>	<u>142,044</u>
Total net assets		<u><u>1,184,304</u></u>	<u><u>1,153,559</u></u>
Charity funds			
Unrestricted funds			
General funds	14	716,886	686,141
Revaluation reserve		467,418	467,418
Total unrestricted funds	14	<u>1,184,304</u>	<u>1,153,559</u>
Total funds		<u><u>1,184,304</u></u>	<u><u>1,153,559</u></u>

The financial statements were approved and authorised for issue by the Trustees on 09 December 2020 and signed on their behalf by:


.....
Mr D J Hughes, Chairman

The notes on pages 12 to 21 form part of these financial statements.

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1. General information

Wolverhampton Grammar School 1958 Appeal Fund is a Charity registered in England.

The address of the principal office is given in the charity information on page 1 of these financial statements.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the second edition Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and 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 Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Wolverhampton Grammar School 1958 Appeal Fund 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.

2.2 Going concern

After making enquires, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements. The Trustees have also assessed the potential impact on the future operations of the Charity with regard to the Covid-19 outbreak. The Charity is considered to be well positioned given the current environment with no impact on the going concern basis of the financial statements.

2.3 Income

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 income receivable can be measured reliably.

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

The 1958 Appeal Fund holds two investment properties which are let out on tenancy agreements. In accordance with FRS102, the investment properties are revalued annually by the Trustees with the aggregate surplus or deficit transferred to the Statement of Financial Activities. No depreciation or amortisation is provided.

Rental income from tenants is credited to the Statement of Financial Activities in the period to which it relates.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.9 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment are:

Investment Valuations

The value of the investments are based on their present market value.

Property Valuations

The value of the properties are based on an open market value for existing use basis.

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

4. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Donations	25,000	25,000	-

5. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Rental income from investment properties	15,438	15,438
Investment income	2,172	2,172
Bank interest	35	35
	<u>17,645</u>	<u>17,645</u>

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Investment income - local investment properties	16,810	16,810
Income from local listed investments	2,263	2,263
Investment income - local cash	27	27
	<u>19,100</u>	<u>19,100</u>

6. Investment management costs

	Unrestricted funds 2020 £	Total funds 2020 £
Investment management fees	1,008	1,008

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

6. Investment management costs (continued)

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Investment management fees	<u>957</u>	<u>957</u>

7. Analysis of expenditure by activities

	Support costs 2020 £	Total funds 2020 £
Charitable activities	<u>25,921</u>	<u>25,921</u>

	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Charitable activities	<u>2,382</u>	<u>2,382</u>

Analysis of support costs

	Activities 2020 £	Total funds 2020 £
Audit costs	1,278	1,278
Refurbishment costs of investment properties	24,643	24,643
	<u>25,921</u>	<u>25,921</u>

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Activities 2019 £</i>	<i>Total funds 2019 £</i>
Audit costs	1,278	1,278
Refurbishment costs of investment properties	1,104	1,104
	<u>2,382</u>	<u>2,382</u>

8. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>1,278</u>	<u>1,278</u>

9. Staff costs

The Charity has no employees.

10. Trustees' remuneration and expenses

During the year ended 31 August 2020, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. Investment property

	Freehold investment property £
Valuation	
At 1 September 2019	860,000
At 31 August 2020	<u>860,000</u>

The 2020 valuations were made by Trustees on an open market value for existing use basis.

The historic cost of re-valued investment properties is £392,582 (2019:£392,582).

12. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 September 2019	151,515
Additions	14,758
Revaluations	15,029
At 31 August 2020	<u>181,302</u>
Net book value	
At 31 August 2020	181,302
<i>At 31 August 2019</i>	<u>151,515</u>

All the fixed asset investments are held in the UK and are held at market value at the balance sheet date.

13. Creditors: Amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	<u>2,338</u>	<u>1,446</u>

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds					
1958 Appeal fund	686,141	42,645	(26,929)	15,029	716,886
Revaluation reserve	467,418	-	-	-	467,418
	<u>1,153,559</u>	<u>42,645</u>	<u>(26,929)</u>	<u>15,029</u>	<u>1,184,304</u>

Statement of funds - prior year

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds					
1958 Appeal fund	661,074	19,100	(3,339)	9,306	686,141
Revaluation reserve	467,418	-	-	-	467,418
	<u>1,128,492</u>	<u>19,100</u>	<u>(3,339)</u>	<u>9,306</u>	<u>1,153,559</u>

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

**NOTES TO THE FINANCIAL STATEMENTS
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15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Fixed asset investments	181,302	181,302
Investment property	860,000	860,000
Current assets	145,340	145,340
Creditors due within one year	(2,338)	(2,338)
Total	<u><u>1,184,304</u></u>	<u><u>1,184,304</u></u>

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Fixed asset investments	151,515	<i>151,515</i>
Investment property	860,000	<i>860,000</i>
Current assets	143,490	<i>143,490</i>
Creditors due within one year	(1,446)	<i>(1,446)</i>
Total	<u><u>1,153,559</u></u>	<u><u>1,153,559</u></u>

16. Related party transactions

During the year there were no related party transactions.

WOLVERHAMPTON GRAMMAR SCHOOL 1958 APPEAL FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

17. Controlling party

The parent undertaking and ultimate controlling party is considered to be Wolverhampton Grammar School Limited.

Wolverhampton Grammar School Limited is a charitable company limited by guarantee (company number 6610261, charity number 1125268).

The Fund has taken advantage of the exemption within FRS102 from disclosing related party transactions with Wolverhampton Grammar School Limited and Wolverhampton Grammar School Independence Appeals Fund on the grounds that the consolidated accounts for the limited company, which are publicly available from the Charity Commission, include Wolverhampton Grammar Independence Appeals Fund and the Wolverhampton Grammar School 1958 Appeal Fund. They are also available from the Registrar of Companies.