

New Barnet Parochial Schools Trust

Year Ended 31 December 2022

Trustees' Annual Report and Review of Financial Activities

Background

Original Deed of Trust 1869

The Trust was initially established in 1869 through the provision of land "for a school for the education of children and adults or children only of the labouring manufacturing and other poorer classes in the district aforesaid and for no other purpose" to be held on trust by the vicar and chapelwardens of Holy Trinity Lyonsdown for ever hereafter.

The New Barnet Parochial Schools originally consisted of infant and junior (mixed) departments, although the infants and girls schools moved to new premises in 1900, leaving the boys at Margaret Road. The schools were administered by the East Barnet Schools Board from 1894 until it was abolished by the Education Act 1902. In 1905 the vicar and chapelwardens leased the newly constituted Margaret Road Council School to the Local Education Authority for 81 years at a peppercorn rent. The vicar, who had previously chaired the managers and the Schools Board, continued as chairman of the board of governors. Provision was made in the 1905 lease for the church Sunday School to continue to meet on the school premises, which it did until the church hall was built in 1921.

The vicar and churchwardens (successors to the original vicar and chapelwardens) rediscovered their responsibilities as Trustees only in 2006 when the Council sought an extension to the 1905 lease. Having agreed that a reverter had not occurred under the 1841 Act, since the premises had remained a school, the Trustees reviewed the provisions of the 1869 Deed. They considered that not all of the provisions of the 1869 scheme were then fulfilled, so the purposes of the trust would have to be fulfilled by charging the Council a market rent which could in turn be applied to charitable purposes. The original objects were varied by a Charity Commission Scheme of 2008 to provide for income from the new lease which was completed in 2010 and arrears of rent (from November 2007) were received on 9th April 2010.

Aims and Purposes

Charity Commission Scheme 2008

The object of the New Barnet Parochial Schools Trust (referred to as "the Trust" in this report) is, for the public benefit, to advance the education of children and adults resident in the parishes of New Barnet, East Barnet or Lyonsdown, who are in need of financial assistance ("beneficiaries") through:

- (1) the provision of a site for a School in accordance with the existing trusts; and
- (2) the provision of items, services and facilities for the Nursery School;
- (3) making grants or loans to beneficiaries for any or all of the following purposes:
 - (a) to assist them to pursue a course of study at any school, university, college of education, or other institution of further education approved for the purpose by the trustees;
 - (b) to enable them to participate in extra-curricular activities, educational trips or travel abroad to pursue their education;
 - (c) to assist their entry into a profession, trade or calling;

(d) assisting in the provision of a Sunday School.

Objectives and Activities

The Trust's role is to manage the rental income from the Council and apply it for charitable purposes in accordance with the 2008 Scheme. The strategy adopted until 2021 was to facilitate the provision of a Sunday School and supporting activities based within the facilities owned by Holy Trinity Lyonsdown. However the current trustees have identified that in later years this practice did not adequately satisfy the aim of the Trust to provide access to people resident in the three subject parishes; nor had it stimulated growth in Christian education by establishments other than the parish church of Lyonsdown itself. By late 2021 the Trustees had developed a plan to introduce policies to ensure compliance with the aims of the Trust, to ensure the fair and equitable allocation of funds to qualifying applicants, and to challenge the integrity of teaching provided by potential benefactors before grants are made.

During 2022 difficulties arose in obtaining access to information and the Trust's assets which delayed the implementation of the revisions until after the end of the year, and consequently no grants were made during the year.

Benefits following from the Aims

Christian teaching is available through established churches of several denominations within the three parishes to all people free of charge without restriction (even if they live outside the area of benefit or are not in financial need) and represent a broad spectrum of local ethnic groupings.

Awareness and understanding of the Christian faith contribute to the spiritual and moral education of children and youth. Teaching the Bible to young people in a cohesive way and with integrity helps them understand the totality of the message and the true meaning of God's love and the promise He has made through the death and resurrection of Christ Jesus.

The current Trustees are acutely alert to safeguarding issues and risks to children and other vulnerable people. They therefore began to develop policies to ensure full and proper safeguarding practices and Christian teaching to fulfil the aims of the original benefactor and the 2008 Scheme for implementation before any further grants were made.

Achievements and Performance

Rental income of £31,750 was received over the year, being two quarterly payments. However due to administrative problems two quarterly payments remained unpaid and are recorded as debt owing to the Trust. During 2022, no grants were awarded.

Financial Review and Financial Policies

Over the year there was a net operating surplus of £63,510 (including 31750 remaining as debt owed) before unrealised gains (£42505 in 2021).

Reserves Policy

"Reserves" describe that part of the funds that is freely available for general purposes at the discretion of the Trustees, but which is not yet spent, committed or designated, i.e. surplus liquid assets excluding endowments, restricted funds, designated funds and fixed assets held for the purposes of the Trust.

The Reserves Policy sets the level of financial reserves, in line with the guidance issued by the Charity Commission, in order to maximise the resources available for the work of the Trust.

The level at which these reserves is set should be adequate to cover the following elements:

- normal working capital (say £2,000);
- six months' operating expenses of the Trust (say £30,000), or five years' overheads of managing the school (say £300,000) should the Council withdraw, whichever is the larger;
- any other contingencies or risks, assessed on the best evidence reasonably available, the likelihood of each of those needs arising, the possibility of support from elsewhere, and the potential consequences of the Trust not being able to meet those needs.

The target reserves figure for 2022, calculated on the basis of the above policy, is £302,000. There was £347,121 held in reserve on 31st December 2022, being the general funds of the Trust (£266,950 on 31st December 2021).

Grant-Making Policy

The Trustees make grants from time to time as permitted in the 2008 Scheme. The beneficiaries are determined at the discretion of the Trustees and in future subject to the policies being developed to maintain the integrity of teaching and robust safeguarding precautions as set out above.

Investment Policy and Performance

It is the responsibility of the Trustees to review the performance of all investments from time to time. To this end, during 2022, £75,000 was added to an existing investment portfolio managed by Ruffer LLP. The Trustees are also free to make loans as they see fit, but take advice on the terms and rate of interest before doing so.

Fund-Raising

Fund-raising is not seen as necessary at present, as the required resources are provided by rental income.

Risk Assessment

It is the responsibility of the Trustees to identify, assess and mitigate any major risks to which it is exposed. Such risks include:

- The Council withdrawing from the school lease at one of the two-yearly break points, having given 6 months' notice.
- The Trust being associated with any inappropriate teaching, abuse or other unsatisfactory behaviours within activities funded through grants.

Plans for the Future

The Trustees plan to continue making grants in accordance with the 2008 Scheme as and when funds allow, and subject to the new policies referred to, in order to ensure safe and comprehensive Christian education.

Structure, Governance and Management

Governing Documents

The Trust was formed by Deeds of Conveyance executed on 3rd July 1869 (described above) and 5th November 1891 (endowing an additional piece of land for use as a playground) and varied by Schemes sealed on 16th February 1905 (allowing the premises to be leased to the Council at a peppercorn) and 11th November 2008 (see above). It was registered by the Charity Commission as Charity Number 1135862 on 10th May 2010.

Board of Trustees

The Trustees at the start of the year were the Revd Canon Laura Hewitt (chairman), Robert Bayman and Jennifer Robinson-Beswick, being the Priest-in-Charge and churchwardens of Holy Trinity Church, Lyonsdown and appointed as ex-officio trustees. Mrs Robinson-Beswick ceased her role as churchwarden on 22 May 2022 and was succeeded by Stephen Craggs, who thus replaced her as a Trustee the same day.

The Trustees meet at least twice a year, two Trustees forming a quorum. Alternatively, decisions may be taken by means of a resolution in writing, signed by all the Trustees. The induction and training of new trustees is based on the comprehensive information available from the Charity Commission website.

Associated Charities

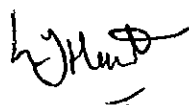
The Trustees of this Trust are also Trustees of Holy Trinity Lyonsdown Parochial Church Council (known as the PCC). This was the intention of the founder and cannot be varied. It is not considered that the PCC is a 'related party' to the Trust so as to require further disclosure, given the entirely separate aims of the respective Trusts.

The current trustees have, however, reviewed the process of allocating funds to apply robust precautions against any conflict of interest and will apply this in future years.

Administrative Information

The Trust is based at 18 Lyonsdown Road, New Barnet, Hertfordshire EN5 1JE and the secretary is Robert Bayman c/o the same address. A bank account in the name of New Barnet Parochial Schools Trust is held with CAF Bank Ltd., PO Box 289, West Malling, Kent ME19 4TA.

Annual Report approved by the Trustees and signed on their behalf by:



The Revd Canon Laura Hewitt (chairman)

17 October 2023

Statement of Financial Activities

		2022 total unrestricted £	2021 total unrestricted £
	note		
INCOME			
Income from charitable activities			
Rent from St Margaret's School	2	31,750	63,500
Investment income			
Bank interest	4	86	4
Total INCOME		31,836	63,504
EXPENDITURE			
Expenditure on charitable giving			
Grant funding	3	76	18,689
School premises (surveyors report)	3		2,310
Total EXPENDITURE		76	20,999
NET INCOME / (EXPENDITURE)		31,760	42,505
GAINS / (LOSSES) ON REVALUATION OF FIXED ASSETS			
Unrealised – investments	4b	16,660	9,403
NET MOVEMENT IN FUNDS		80,171	51,908
BALANCES BROUGHT FORWARD		266,950	215,042
BALANCES CARRIED FORWARD		347,121	266,950

Balance sheet

ASSETS		2022	2021
	note	£	£
Fixed Assets			
Investments – Ruffer LLP	4b	295,063	203,403
Totals		<u>295,063</u>	<u>203,403</u>
Current Assets			
Cash at bank		20,308	63,547
Totals		<u>20,308</u>	<u>63,547</u>
Debtors	2	31,750	
NET ASSETS		<u>347,121</u>	<u>266,950</u>
FUNDS		2022	2021
	note	£	£
Unrestricted funds			
General funds		347,121	266,950
Designated funds		-	-
FUNDS TOTALS	6	<u>347,121</u>	<u>266,950</u>

Notes to the Accounts

1. Accounting Policies

The financial statements have been prepared in accordance with the 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) amended to February 2016 (Update Bulletin 1); the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) amended to July 2015; and the Charities Act 2011. The Trust constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared under the historical cost convention.

1a Funds

General funds represent the funds of the Trust that are not subject to any restrictions regarding their use and are available for application on the general purposes of the Trust. The financial statements include all transactions, assets and liabilities for which the Trustees are responsible in law.

1b Income

Income and endowments are included in the Statement of Financial Activities when the Trust becomes legally entitled to the use of the resources; inflow of economic benefit is probable; and the monetary value can be measured with sufficient reliability. Rental income is recognised when the rental is due.

Amounts owing to the Trust on 31 December in respect of rents or other income are shown as debtors, less provision for any amounts that may prove uncollectable.

1c Expenditure and Liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation and settlement is probable and quantifiable.

Grant funding is recorded when paid over, or when awarded if that award creates a constructive obligation on the Trustees.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1d Fixed Assets

Tangible fixed assets for use by the charity are capitalised if they can be used for more than one year, and cost at least £1,000. They are valued at cost or else, for gifts-in-kind, at a reasonable estimate of their open market value on receipt. For land and buildings, see Note 3.

Depreciation is calculated to write off the capitalized cost of fixed assets less their currently anticipated residual fair value over their estimated useful lives.

Social Investments are shown at historic cost with accrued interest added.

1e Statement of cash flows

The financial statements do not include a statement of cash flows as the charity constitutes a small charity under the SORP as amended by Update Bulletin 1.

1f Support costs

Support costs represent expenditure that does not directly relate to a specific activity. All support costs have been allocated to charitable activities because any allocation between specific activities would be immaterial.

1g Cash at bank

Cash at bank represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

2. Rent Income

Income from the London Borough of Barnet is scheduled for payment quarterly. At the end of the year two payments remained unpaid and is carried into the balance sheet as a debt.

3. Grant funding

Beneficiaries	Purpose	2022	2021
Holy Trinity Lyonsdown Trust	Salaries		18593
Support costs	Bank charges	76	96
		<u>76</u>	<u>18,689</u>

4. Fixed Assets

3a Property

The freehold land and buildings comprise the present St Margaret's Nursery School, Margaret Road, New Barnet, EN4 9NT. The Trustees hold the school in trust under the Schools Sites Act 1841, by which, should it ever cease to be a school within the meaning of the Act, the proceeds from the site would revert to the estate of the original donor. A capital valuation of the site and buildings is, therefore, not included in the financial statements.

3b Investments

£194,000 was invested in a portfolio with Ruffer LLP in 2021, and a further £75,000 on 1st June 2022. A net gain of £16,660 took place in 2022 after deducting fees and charges of £3391.

5. Related Parties

The key management personnel of the charity constitute the trustees. There are no staff members. The trustees received no remuneration during the year (none in 2021). There were no other related party transactions during the year (none in 2021).

6. Fund Details

All charity funds are currently unrestricted. There were no restricted income funds in 2022.

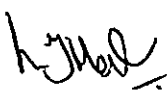
7. Summary of Fund Movements

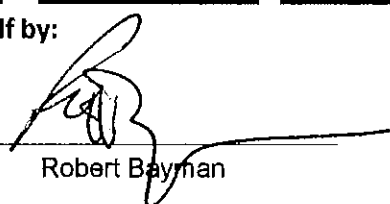
	1 Jan 2022	Income	Expenditure	Gains	31 Dec 2022
	£	£	£	£	£
General funds	266,950	31836	(76)	16660	315370
Restricted funds	-	-	-	-	-

8. Analysis of Net Assets by Fund

	Tangible fixed assets £	Other net assets £	Total £
Fixed assets	295,063	-	295,063
Current assets	52,058	-	52,058
Liabilities	-	-	-
	<u>347,121</u>	<u>-</u>	<u>347,121</u>

Approved by the trustees on 17 October 2023 and signed on their behalf by:


Revd. Canon Laura Hewitt


Robert Bayman

Independent Examiner's Report

Report to the New Barnet Parochial Schools Trust

I report to the trustees on my examination of the accounts of the above charity for the year ended 31 December 2022, set out on above.

Responsibilities and Basis of Report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

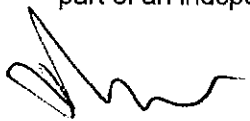
I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination.

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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.



John Price

26th October 2023