

HAY MILLS FOUNDATION TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

HAY MILLS FOUNDATION TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr R H Coldwell-Horsfall
Mr D Bray
Ms A E L Liddington
Mr A J Robertson
Mr D A Coldwell-Horsfall
Ms A L Parkinson
Mr J P Robinson
Mr Z Iqbal
Reverend A F (Representative of St Cyprian's Church) (Appointed 20 September 2020)

Charity number

1158434

Principal address

The Fordrough
Hay Mills
Birmingham
B25 8DW

Accountants

Jeroms
Lumaneri House
Blythe Gate
Blythe Valley Park
Solihull
West Midlands
B90 8AH

HAY MILLS FOUNDATION TRUST

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HAY MILLS FOUNDATION TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and accounts for the year ended 31 March 2021. This is the seventh Annual Report covering the period 1st April 2020 - 31st March 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trust's governing document, the Charities Act 2011 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in October 2019.

Objectives and activities

The Trust's objects is to advance education for the public benefit by the establishment and maintenance of a museum for the preservation development and display for artefacts and documents relating to the history and heritage of the iron and steel wire industry and all related activities in relation to its manufacture as the trustees deem appropriate.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake.

During this period of continued restriction on public engagement the Trust is aware of its obligation to act for Public Benefit and has actively maintained channels of electronic communication and where possible supported physical activities which achieve its objectives.

The Trust continued to support Webster and Horsfall Limited in celebrating the 300th Anniversary of the foundation of the company during 2020. The exhibition at the Birmingham Art Gallery on the history of the company remained closed to the public for most of the year. However, the Trust initiated the unveiling of a Blue Heritage Plaque commemorating the achievements of James Horsfall at St Cyprian's Church in September 2020.

The Trust continued to support the community arts project working in conjunction with a local arts organisation. It is planned to establish a Heritage Arts Trail in Hay Mills to commemorate its rich industrial and community heritage and a funding programme is being initiated to support this work.

The Trust also supported the project run by Inspired Steps to carry out a public consultation on community uses for open spaces around Hay Mills and the future uses for St Cyprian's Church. This has led to further funding to refurbish the Community Hall at Hay Mills and establish a management structure which will promote its use for community activities.

The updating of the Trust website was completed during the year. It also has a social media presence with both Facebook and Twitter.

The River Cole Enhancement project is continuing, and the Trust is supporting a major application by a group of stakeholders, for funds to carry out the green and blue infrastructure restoration for the entire site. It is expected that these funds will be secured next year.

The Trust continues to respond to general enquiries from members of the public made via its website and through the Hay Mills commercial organisations.

Achievements and performance

Throughout the year the work of the trust has been severely affected by the global pandemic of Covid 19 which has limited its ability to generate income and to carry out much of the archiving work.

In spite of restrictions the Trust has continued to progress work through online meetings and discussions. All new material has been collected together and deposited in a safe store until cataloguing can be resumed.

The Trust was unable to welcome visitors to the site during the year and no public talks were given.

HAY MILLS FOUNDATION TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Financial review

It is the policy of the Trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees have examined the charity's requirements for reserves in the light of the main risks to the organisation and its operational needs. Actual financial activity remains low and it is not proposed to enter into any further financial contractual obligations at the present time. Trustees have, therefore, agreed to fix the reserve at £500. This policy will be reviewed annually.

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

Structure, governance and management

The Trust is managed by a board of Trustees consisting of the Chairman, Secretary, and seven members. One Ex officio Trustee was appointed in September 2020. The Trust is assisted by a further five volunteers.

The trustees who served during the year and up to the date of signature of the financial statements were:

David James Bray (Chairman)

Robert Henry Coldwell-Horsfall (Secretary)

Ann Elizabeth Liddington

Alexander James Robertson

Allison Louise Parkinson

David Andrew Coldwell-Horsfall

Jeremy Patrick Carmichael Robinson

Councillor Zafar Iqbal

Reverend Alexander French (Representative of St Cyprian's Church) (Appointed 20 September 2020)

New trustees are proposed for election by existing trustees with regards to guidelines issued by the Charities Commission, and are considered on the basis of their knowledge and expertise and their capacity to serve the Trust. Those appointed are experts in their field and have good leadership and governance skills to ensure the future relevance and sustainability of the Trust. The trustees are responsible for the strategic direction, policy and financial management of the Charitable Trust.

During the year the James Horsfall School Room, located on the Hay Mills site, has been provided by Webster & Horsfall (Holdings) Limited for use by the Trust free of rental and maintenance fees.

The trustees report was approved by the Board of Trustees.



Mr D Bray

Dated: 25 January 2022

HAY MILLS FOUNDATION TRUST

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

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 and 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 Trust and of the incoming resources and application of resources of the Trust for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HAY MILLS FOUNDATION TRUST

CHARTERED CERTIFIED ACCOUNTANTS' REPORT TO THE TRUSTEES ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF HAY MILLS FOUNDATION TRUST FOR THE YEAR ENDED 31 MARCH 2021

In order to assist you to fulfil your duties under the Charities Act 2011, we have prepared for your approval the financial statements of Hay Mills Foundation Trust for the year ended 31 March 2021, set out on pages 10 to 12 from the charity's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at <https://www.accaglobal.com/gb/en/member/standards/rules-and-standards/rulebook.html>.

This report is made to the charity's trustees, as a body, in accordance with the terms of our engagement letter dated 5 March 2021. Our work has been undertaken solely to prepare for your approval the financial statements of Hay Mills Foundation Trust and state those matters that we have agreed to state to the charity's trustees, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at https://www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hay Mills Foundation Trust and the charity's trustees as a body, for our work or for this report.

It is your duty to ensure that Hay Mills Foundation Trust has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and deficit of Hay Mills Foundation Trust. You consider that Hay Mills Foundation Trust is exempt from the statutory audit requirement for the year, and is not required to obtain an independent examiner's report.



Jerrons

Chartered Certified Accountants

25 January 2022

Lumaneri House
Blythe Gate
Blythe Valley Park
Solihull
West Midlands
B90 8AH

HAY MILLS FOUNDATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
Donations and legacies	2	6,000	8,500
<u>Expenditure on:</u>			
Charitable activities	3	6,075	7,415
Net (expenditure)/income for the year/ Net movement in funds		(75)	1,085
Fund balances at 1 April 2020		46,584	45,499
Fund balances at 31 March 2021		46,509	46,584

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

All income and expenditure derive from continuing activities.

HAY MILLS FOUNDATION TRUST

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	7		226		301
Heritage assets	8		44,300		44,300
			<u>44,526</u>		<u>44,601</u>
Current assets					
Debtors	9	64		1,214	
Cash at bank and in hand		1,919		769	
		<u>1,983</u>		<u>1,983</u>	
Net current assets			1,983		1,983
Total assets less current liabilities			<u>46,509</u>		<u>46,584</u>
Income funds					
Unrestricted funds			46,509		46,584
			<u>46,509</u>		<u>46,584</u>

The financial statements were approved by the Trustees on 25 January 2022



Mr D Bray
Trustee

HAY MILLS FOUNDATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Hay Mills Foundation Trust is established by a charitable trust deed on 11 March 2014 (revised 20 August 2014).

1.1 Accounting convention

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

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

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

At the time of approving the financial statements, the trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.2 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Trust.

HAY MILLS FOUNDATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.3 Incoming resources

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

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

The Trust retains the lease of James Horsfall's School Room. This building, located on the Hay Mills site, has been renovated and equipped by Webster & Horsfall (Holdings) Limited for use by the Trust free of rental and maintenance fees. The donated facilities and services provides economic resource for use by the trust to further its aims and objectives. The trust has recognised income at fair value for facilitates and services donated to it.

Legacies are recognised on receipt or otherwise if the Trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

The Trust retains the lease of James Horsfall's School Room. This building, located on the Hay Mills site, has been renovated and equipped by Webster & Horsfall (Holdings) Limited for use by the Trust free of rental and maintenance fees. The donated facilities and services provides economic resource for use by the trust to further its aims and objectives. The trust has recognised income at fair value for facilitates and services donated to it.

1.4 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% Reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

HAY MILLS FOUNDATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.6 Heritage assets

Heritage assets are recognised on the balance sheet and initially measured at cost when purchased or if donated, their valuation. Assets are subsequently stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Fair values for donated assets are estimated by reference to market prices.

Where information on the cost or valuation of heritage assets is not available or the cost of providing such information significantly outweighs any benefit to the users of the accounts then heritage assets are not recognised on the balance sheet.

Acquisitions only arise when donated to the charity or if it is believed that they will further the charity's objectives. Once acquired they will be preserved by the charity in order to keep their historical, artistic, scientific, technological, geophysical or environmental qualities to such a high level as to contribute to knowledge and culture. A register of all assets held by the charity is available and the assets themselves are accessible to the public with prior agreement. Heritage assets are to be held for the foreseeable future

1.7 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

HAY MILLS FOUNDATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.9 Financial Instruments

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

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	6,000	7,300
Other	-	1,200
	<u> </u>	<u> </u>

HAY MILLS FOUNDATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Charitable activities

	Charitable Expenditure 2021 £	Charitable Expenditure 2020 £
Share of support costs (see note 4)	6,075	7,415

4 Support costs

	Support costs £	Governance costs £	2021 Support costs £	Governance costs £	2020 £
Depreciation	75	-	75	115	115
Rent and rates	6,000	-	6,000	6,000	6,000
Utility expenses	-	-	-	1,300	1,300
	<u>6,075</u>	<u>-</u>	<u>6,075</u>	<u>7,415</u>	<u>7,415</u>
Analysed between Charitable activities	<u>6,075</u>	<u>-</u>	<u>6,075</u>	<u>7,415</u>	<u>7,415</u>

5 Trustees

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

6 Employees

There were no employees during the year.

HAY MILLS FOUNDATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 April 2020	1,188
At 31 March 2021	1,188
Depreciation and impairment	
At 1 April 2020	887
Depreciation charged in the year	75
At 31 March 2021	962
Carrying amount	
At 31 March 2021	226
At 31 March 2020	301

8 Heritage assets

	£
At 1 April 2020 and at 31 March 2021	44,300

9 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	-	1,150
Other debtors	64	64
	64	1,214

10 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

11 Post balance sheet event

The Trustees have considered the effect of the Covid-19 outbreak that spread throughout the world. This has affected the ability of the Trust to operate normally and as at 31st March 2021 all trading activities are being conducted remotely.