

Heron Educational Foundation

Charity No. 1187969

Trustees' Report and Unaudited Accounts

31 March 2025

Heron Educational Foundation
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Heron Educational Foundation

Trustees Annual Report

The trustees present their report with the unaudited financial statements of the charity for the year ended 31 March 2025.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity No. 1187969

Principal Office

Hill Farm House
Sproatley Road
Flinton
East Riding of Yorkshire
HU11 4NE

Trustees

The following trustees served during the year:

C. Brazier CBE
F.A. Caley
M. Havler
D. Merrington-Hoskins
M. Riley
P. Farrar

Key Management Personnel

Chair	M Havler
Vice Chair	D Merrington-Hoskins
Treasurer	C Brazier CBE

Accountants

M P H Accountancy
1st Floor Manor House
Main Road
Ryehill
East Yorkshire
HU12 9NH

Bankers

National Westminster Bank plc
Willerby and Kirk Ella
The Square
Willerby
Hull
HU10 7UA

Heron Educational Foundation

Trustees Annual Report

OBJECTIVES AND ACTIVITIES

The Objects of the CIO are:

‘for the public benefit to provide assistance for the higher education by means of exhibitions, or financial assistance to enable beneficiaries to prepare for or enter a profession, trade or calling, otherwise promoting the education (including social and physical training) of boys and girls resident in the Parish of Humbleton’. The principal way in which these are achieved is through the provision of grants to children of the parish as they reach key stages of education (entering Primary School, Secondary School and University). In addition, Trustees will consider applications from local schools for equipment or facilities that will benefit children from the parish. We raise money to continue our work through rental income from our properties in Humbleton as well as interest on our bank accounts.

ACHIEVEMENTS AND PERFORMANCE

Over the past year, we have given twenty one individual grants (which we call ‘bursaries’) to young people totalling £5250 to support their studies as well as donations of £505 to Sproatley School. This total is an increase of £1000 on last year (which was far in excess of any other year in recent times) and reflects the Trustees’ greater financial confidence given our established income from our rental properties as well as a continued improvement in awareness of the Trust’s existence. We anticipate that our newly established website (www.heron-educational-foundation.org.uk) will further enhance this in the coming year. In terms of our properties, we have six (three 2-beds, two 3-beds & one 4-bed) which are let at affordable rates in accordance with our Allocations Policy – which prioritises local people and those who are occupying properties for the first time. Five have been occupied for the whole of this period and one was vacant for the last 3 weeks; the property will be re-occupied within 6 weeks. In addition to the expected level of routine property maintenance tasks, this year saw a higher than forecast number of post-construction defects, mostly relating to hot water systems. Whilst still a concern, we remain increasingly confident that we have found a cost-effective solution to this issue although the associated costs will have some impact on our budget for the coming year. Despite this, we continue to be enormously proud of what we have achieved over the past 3 years and the difference that this is making to the long-term prospects for the charity, our tenants and the children of our villages.

FINANCIAL REVIEW

It is worth once again reviewing the significant financial activity over the past 5 years that has taken the Trust from having 2 properties and very little ability to provide grants to our current, much improved, financial position. In 2019, the Trust sold Heron’s Farm, Flinton for £550,000. In accordance with Charity Commission direction, this sum could only be used to purchase capital assets (such as buildings and land) or for investments it could not be spent on grants or maintenance/administration. To that end, we had originally allocated £425,000 from this sale to the dwellings element of the construction project and the remaining to the Community Centre/Pavilion. As described last year however, the rising cost of construction meant that we used all of the £550,000 plus another £300,000 of our own money (including a £200,000 bank loan repayable over 15 years) on completing the 6 dwellings and thereby giving the Trust a much more solid financial base on which to build for the future. The Charities Commission direction has therefore been satisfied, but we have considerably less capital available than we had intended when we started construction. That said, now that the dwellings element is complete (and with approximately £70,000 already invested in fundamental elements of the Community Centre – such as utilities connections, planning permission, parking etc), the Centre is the next priority for us and we are actively looking for ways of making it a reality – perhaps in the next year or, more likely, in FY 2026/27.

Heron Educational Foundation

Trustees Annual Report

In the past year, reflecting the local and national increases in rental prices, we increased our rents by an average of 5%. As a result, with all 6 of the homes occupied, our net rental income ('affordable' rates minus management charges) from all six properties is £38,000 pa. This is enabling us to repay our loan and to continue our grant-giving in accordance with the paragraphs above and our objects.

We have no formal Reserves Policy. We always intend to have no less than £25,000 in our accounts with a minimum of £5000 available immediately in case of urgent requirements (eg repairs). Should we need to reduce either of these figures, the Trustees will be asked to approve the reduction.

PLANS FOR FUTURE PERIODS

As forecast last year, we have begun to slowly rebuild our financial reserves, continue to repay the bank loan and are switching our focus to Phase 2 of the project which will involve the building of a new Community Centre/Pavilion for the village close to the Trust's six dwellings. We continue to look for ways of financing this important community asset but await announcements from the Government on a grant strategy that will provide resources for this type of project. While we wait, we continue to monitor other potential grant opportunities (e.g. National Lottery, Sporting Bodies, Local development Grants) and remain ready to begin construction within weeks should funding materialise. As noted in our Achievements paragraphs, the profit that we generated from our new properties combined with more effective publicity has enabled us to increase the amount that we provide to local children/young people to enable them to reach their full potential. We aim to continue at last year's levels for the coming year but are still able to provide more targeted (and potentially life-changing) amounts to support the transition from education and into employment should the right opportunity and applicant arise.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Heron Educational Foundation is a registered charitable incorporated organisation (CIO - 1187969) and is constituted under a Foundation model constitution dated 14 February 2020 .

The Trust was originally established in 1734 by the will of Francis Heron to provide assistance for the higher education of children living in the parish of Humbleton .

The constitution allows for a minimum of 3 and a maximum of 9 Trustees. A quorum is achieved when 50% (rounded up) are in attendance. There is no restriction on residency or profession of Trustees although it is normal for all Trustees to have some connection (through residency or family) to Humbleton or the surrounding parishes. We hold Trust meetings every month.

Heron Educational Foundation

Trustees Annual Report

Statement of 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 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. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the charity's trustees

A handwritten signature in black ink, appearing to be 'C. Brazier', written over a horizontal line.

C. Brazier CBE

Trustee

17 November 2025

Independent Examiner's Report to the trustees of Heron Educational Foundation

I report to the trustees on my examination of the financial statements of Heron Educational Foundation for the year ended 31 March 2025.

Responsibilities and basis of report

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

Independent examiner's statement

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

- the accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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.



Shannon Smith MAAT FCCA
M P H Accountancy
1st Floor Manor House
Main Road
Ryehill
East Yorkshire
HU12 9NH
17 November 2025

Heron Educational Foundation
Statement of Financial Activities
for the year ended 31 March 2025

		Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
	Notes			
Income and endowments from:				
Charitable activities	3	2	2	2
Other trading activities	4	200	200	200
Investments	5	2,135	2,135	2,102
Other	6	43,376	43,376	89,682
Total		45,713	45,713	91,986
Expenditure on:				
Other	7	33,609	33,609	38,768
Total		33,609	33,609	38,768
Net gains on investments		-	-	-
Net income		12,104	12,104	53,218
Transfers between funds		-	-	-
Net income before other gains/(losses)		12,104	12,104	53,218
Other gains and losses				
Net movement in funds		12,104	12,104	53,218
Reconciliation of funds:				
Total funds brought forward		1,033,924	1,033,924	980,706
Total funds carried forward		1,046,028	1,046,028	1,033,924

Heron Educational Foundation

Balance Sheet

at 31 March 2025

Charity No. 1187969

		2025 £	2024 £
Fixed assets			
Investments	9	1,152,216	1,152,216
		<u>1,152,216</u>	<u>1,152,216</u>
Current assets			
Stocks	10	412	412
Cash at bank and in hand		69,687	68,481
		<u>70,099</u>	<u>68,893</u>
Creditors: Amount falling due within one year	11	(10,879)	(8,862)
Net current assets		59,220	60,031
Total assets less current liabilities		1,211,436	1,212,247
Creditors: Amounts falling due after more than one year	12	(165,408)	(178,323)
Net assets excluding pension asset or liability		<u>1,046,028</u>	<u>1,033,924</u>
Total net assets		<u>1,046,028</u>	<u>1,033,924</u>
The funds of the charity			
Restricted funds	13		
Unrestricted funds	13		
General funds		1,046,028	1,033,924
		<u>1,046,028</u>	<u>1,033,924</u>
Reserves	13		
Total funds		<u>1,046,028</u>	<u>1,033,924</u>

Approved by the trustees on 17 November 2025

And signed on their behalf by:



M. Havler

Trustee

17 November 2025



C. Brazier CBE
Treasurer

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
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Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
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Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

Volunteer help	The value of any volunteer help received is not included in the accounts.
Investment income	This is included in the accounts when receivable.
Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from tax on its charitable activities.

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the charity in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Statement of Financial Activities - prior year

	Unrestricted funds 2024 £	Total funds 2024 £
Income and endowments from:		
Charitable activities	2	2
Other trading activities	200	200
Investments	2,102	2,102
Other	89,682	89,682
Total	<u>91,986</u>	<u>91,986</u>
Expenditure on:		
Other	38,768	38,768
Total	<u>38,768</u>	<u>38,768</u>
Net income	<u>53,218</u>	<u>53,218</u>
Net income before other gains/(losses)	53,218	53,218
Other gains and losses:		
Net movement in funds	<u>53,218</u>	<u>53,218</u>
Reconciliation of funds:		
Total funds brought forward	980,706	980,706
Total funds carried forward	<u>1,033,924</u>	<u>1,033,924</u>

3 Income from charitable activities

	Unrestricted	Total 2025	Total 2024
	£	£	£
YEDL Wayleave	2	2	2
	<u>2</u>	<u>2</u>	<u>2</u>

4 Income from other trading activities

	Unrestricted	Total 2025	Total 2024
	£	£	£
Humbleton Recreation Club	200	200	200
	<u>200</u>	<u>200</u>	<u>200</u>

5 Income from investments

	Unrestricted	Total 2025	Total 2024
	£	£	£
Bank Interest Received	2,135	2,135	2,102
	<u>2,135</u>	<u>2,135</u>	<u>2,102</u>

6 Other income

	Unrestricted	Total 2025	Total 2024
	£	£	£
Investment Property Rent	43,276	43,276	43,509
Sundry Income	100	100	-
Grants	-	-	46,173
	<u>43,376</u>	<u>43,376</u>	<u>89,682</u>

7 Other expenditure

	Unrestricted	Total 2025	Total 2024
	£	£	£
Awards and Grants	5,756	5,756	4,765
Bank loan and overdraft interest payable	8,289	8,289	8,732
Premises costs	14,755	14,755	14,250
General administrative costs	329	329	272
Legal and professional costs	4,480	4,480	10,749
	<u>33,609</u>	<u>33,609</u>	<u>38,768</u>

8 Staff costs

No employee received emoluments in excess of £60,000.

9 Investments

	Freehold Investment Property £	Total £
Cost or revaluation		
At 1 April 2024	1,152,216	1,152,216
At 31 March 2025	<u>1,152,216</u>	<u>1,152,216</u>
Net book values		
At 31 March 2025	<u>1,152,216</u>	<u>1,152,216</u>
At 31 March 2024	<u>1,152,216</u>	<u>1,152,216</u>

10 Stocks

	2025 £	2024 £
Raw materials and consumables	<u>412</u>	<u>412</u>
	<u>412</u>	<u>412</u>

11 Creditors:

amounts falling due within one year

	2025	2024
	£	£
Bank loans and overdrafts	10,879	8,365
Accruals	-	497
	<u>10,879</u>	<u>8,862</u>

12 Creditors:

amounts falling due after more than one year

	2025	2024
	£	£
Bank loans and overdrafts	165,408	178,323
	<u>165,408</u>	<u>178,323</u>

13 Movement in funds

	At 1 April 2024	Incoming resources (including other gains/losses) £	Resources expended £	At 31 March 2025 £
Restricted funds:				
Unrestricted funds:				
General funds	1,033,924	45,713	(33,609)	1,046,028
Total funds	<u>1,033,924</u>	<u>45,713</u>	<u>(33,609)</u>	<u>1,046,028</u>

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Investments	-	1,152,216	1,152,216
Net current assets	59,220	-	59,220
Creditors due in more than one year and provisions	(165,408)	-	(165,408)
	<u>(106,188)</u>	<u>1,152,216</u>	<u>1,046,028</u>

15 Reconciliation of net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash and cash equivalents	68,481	1,206	69,687
	<u>68,481</u>	<u>1,206</u>	<u>69,687</u>
Bank loans	(186,688)	10,401	(176,287)
	<u>(186,688)</u>	<u>10,401</u>	<u>(176,287)</u>
Net debt	<u>(118,207)</u>	<u>11,607</u>	<u>(106,600)</u>

Heron Educational Foundation
Statement of Cash flows
for the year ended 31 March 2025

	2025 £	2024 £
Cash flows from operating activities		
Net income per Statement of Financial Activities	12,104	53,218
Adjustments for:		
Dividends, interest and rents from investments	(45,511)	(91,784)
(Decrease)/Increase in trade and other payables	(497)	297
Net cash used in operating activities	<u>(33,904)</u>	<u>(38,269)</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	45,511	91,784
Net cash from investing activities	<u>45,511</u>	<u>91,784</u>
Cash flows from financing activities		
Repayment of borrowings	(10,401)	(9,958)
Net cash used in financing activities	<u>(10,401)</u>	<u>(9,958)</u>
Net increase in cash and cash equivalents	1,206	43,557
Cash and cash equivalents at the beginning of the year	68,481	74,667
Cash and cash equivalents at the end of the year	<u>69,687</u>	<u>118,224</u>
Components of cash and cash equivalents		
Cash and bank balances	69,687	68,481
	<u>69,687</u>	<u>68,481</u>

Heron Educational Foundation
Detailed Statement of Financial Activities
for the year ended 31 March 2025

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income and endowments from:			
Charitable activities			
YEDL Wayleave	2	2	2
	<u>2</u>	<u>2</u>	<u>2</u>
Other trading activities			
Humbleton Recreation Club	200	200	200
	<u>200</u>	<u>200</u>	<u>200</u>
Investments			
Bank Interest Received	2,135	2,135	2,102
	<u>2,135</u>	<u>2,135</u>	<u>2,102</u>
Other			
Investment Property Rent	43,276	43,276	43,509
Sundry Income	100	100	-
Grants	-	-	46,173
	<u>43,376</u>	<u>43,376</u>	<u>89,682</u>
Total income and endowments	45,713	45,713	91,986
Expenditure on:			
Other expenditure			
Awards and Grants	5,756	5,756	4,765
Bank loan and overdraft interest payable	8,289	8,289	8,732
	<u>14,045</u>	<u>14,045</u>	<u>13,497</u>
Premises costs			
Light, heat and power	1,728	1,728	1,181
Premises insurances	804	804	894
Premises repairs and maintenance	12,223	12,223	12,175
	<u>14,755</u>	<u>14,755</u>	<u>14,250</u>
General administrative costs, including depreciation and amortisation			
Sundry expenses	329	329	272
	<u>329</u>	<u>329</u>	<u>272</u>
Legal and professional costs			
Audit/Independent examination fees	(400)	(400)	200
Management charges	4,880	4,880	4,529
Other legal and professional costs	-	-	6,020
	<u>4,480</u>	<u>4,480</u>	<u>10,749</u>

Heron Educational Foundation
Detailed Statement of Financial Activities

Total of expenditure of other costs	33,609	33,609	38,768
Total expenditure	33,609	33,609	38,768
Net gains on investments	-	-	-
Net income	12,104	12,104	53,218
Net income before other gains/(losses)	12,104	12,104	53,218
Other Gains	-	-	-
Net movement in funds	12,104	12,104	53,218
Reconciliation of funds:			
Total funds brought forward	1,033,924	1,033,924	980,706
Total funds carried forward	1,046,028	1,046,028	1,033,924