

Trust registration number: 1195105

# The Debney Endowment Trust

Annual Report and Financial Statements

for the period from 8 July 2021 to 31 August 2022

# **The Debney Endowment Trust**

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# **The Debney Endowment Trust**

## **Reference and Administrative Details**

<b>Chairman</b>	Richard Hubble
<b>Trustees</b>	Rebecca Crean, ex-officio as Head Teacher of Tonbridge Grammar School Richard Hubble Geraldine Hughes Michael Joyner Nigel Stratton, Nominated
<b>Trust Registration Number</b>	1195105
<b>Principal Office</b>	Tonbridge Grammar School Deakin Leas Tonbridge Kent TN9 2JR
<b>Independent Examiner</b>	Redshield Business Solutions Limited Chartered Accountant Suite 3, 1 - 3 Warren Court Park Road Crowborough East Sussex TN6 2QX
<b>Investment Manager</b>	Brewin Dolphin 12 Smithfield Street London EC1A 9LA
<b>Bankers</b>	Unity Trust Bank plc Four Brindleyplace Birmingham B1 2JB  Close Brothers 4th Floor 10 Crown Place London EC2A 4FT

# **The Debney Endowment Trust**

## **Trustees' Report**

The trustees present the annual report together with the financial statements of the Trust for the period ended 31 August 2022.

### **Objectives and activities**

#### ***Objects and aims***

The advancement of education by support of Tonbridge Grammar School, (the School), or students, former students and potential students of the School, in particular, but not exclusively by:

- a. Promotion of social inclusion;
- b. Provision of bursaries and prizes;
- c. Provision of items, services and facilities.

#### ***Objectives, strategies and activities***

In the period under review a small number of bursaries have been given to current students.

#### ***Public benefit***

The Trust carried out its object by uniquely funding bursaries to current students, thereby advancing social mobility and inclusion and widening access to a grammar school education.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### ***Grant making policies***

All applications for funding either from the School or individual students are dealt with on a case-by-case basis.

#### ***Use of volunteers***

All trustees give their time freely and no trustee remuneration was paid in the period. Apart from the trustees, the Trust has no other volunteers.

### **Achievements and performance**

Grants awarded were modest in value and in the next 12 months the trustees anticipate that grant requests will grow as information about the Trust becomes more widely known in the School community.

The Trust has not taken part in any fundraising during the period.

Interest earned on the capital funds of the Trust were sufficient to fund the required bursaries awarded from the Trust. The funds at the disposal of the Trust were only invested after the end of the accounting period.

### **Financial review**

During the year the funds were held in interest and non-interest bearing bank accounts. Therefore there was no material change in the financial position of the Trust during the period.

# **The Debney Endowment Trust**

## **Trustees' Report (continued)**

### ***Policy on reserves***

The Trust funds are to be invested. The objective is to maintain the real capital value of the fund while at the same time using the income generated for bursaries and other student support.

### ***Principal funding sources***

The Trust was established with two initial payments from Tonbridge Grammar School. One payment was as a lasting tribute to the Coen family who gave a substantial gift to help support the School's work to widen access to a Tonbridge Grammar School education. The other payment was as a lasting tribute to Miss Joy Debney, teacher of history and school archivist, who was associated with Tonbridge Grammar School for many years and who named the School as the sole beneficiary of her estate when she died in 2017.

### ***Investment policy and objectives***

After the end of the accounting period funds were placed with an Investment Manager. The policy is to maintain the capital value of the fund in real terms and to use the income to support the objects of the Trust. If the demand for bursaries exceeds the income then consideration will be given to topping up from capital.

The Trust follows the ethical investment policy, supported by the School.

### **Plans for future periods**

#### ***Aims and key objectives for future periods***

The trustees of The Debney Endowment Trust seek to support Tonbridge Grammar School in advancing the School's commitment to widening access and social mobility through the provision of bursary and other grants to ensure that no child is excluded from any aspect of the education and activities offered at the School due to personal financial constraints.

The trustees are keen to accept donations to the Trust to grow the capital base and generate income to meet expected growth in demand for bursary support.

### **Going concern**

The trustees do not believe there are any uncertainties about the continuation of the Trust as a going concern.

# **The Debney Endowment Trust**

## **Trustees' Report (continued)**

### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees: Rebecca Crean, ex-officio as Head Teacher of Tonbridge Grammar School (appointed 1 September 2022)  
Richard Hubble (appointed 8 July 2021)  
Geraldine Hughes (appointed 8 July 2021)  
Rosemary Joyce, ex-officio as Head Teacher of Tonbridge Grammar School (appointed 8 July 2021 and resigned 31 August 2022)  
Michael Joyner (appointed 8 July 2021)  
Nigel Stratton, Nominated (appointed 8 July 2021)

Chairman: Richard Hubble (appointed 8 July 2021)

### **Structure, governance and management**

#### ***Nature of governing document***

The Trust is constituted as a CIO. The governing document is the Constitution dated 8 July 2021.

#### ***Recruitment and appointment of trustees***

The majority of the trustees are to be appointed by the trustees. There is to be at least one, and no more than two, trustees nominated by Tonbridge Grammar School. The Head Teacher is to be an ex-officio trustee, provided that they are happy to accept the office.

#### ***Organisational structure***

The trust is managed by the trustees. At quarterly trustees' meetings the trustees agree the broad strategy and areas of activity for the Trust, including consideration of grant making, investment, risk management policies and performance. The administration of grants and the processing and handling of applications prior to consideration by the trustees, is delegated to the strategic lead for bursaries at the School.

The School's bursary committee meets regularly throughout the academic year, to consider new applications fulfilling the relevant criteria and make recommendations for funding. The committee monitors information regarding trends in applications and forecasts for future funding needs and makes recommendations to the trustees.

The financial records are maintained by the School's finance team.

# **The Debney Endowment Trust**

## **Trustees' Report (continued)**

### **Relationships with related parties**

#### **Tonbridge Grammar School**

The Trust was created to receive donations and legacies left to Tonbridge Grammar School and to use those funds for the advancement of education by support of the School. The School nominates a trustee and the Head Teacher is an ex-officio trustee.

### **Major risks and management of those risks**

The trustees have considered the major risks to which the Trust is exposed and have reviewed those risks and have established procedures to manage those risks.

The trustees consider variability of investment returns on the permanent endowment to constitute the Trust's major financial risk. The extreme volatility in world stock markets has demonstrated this risk. The trustees take account of the performance and outlook for investment returns and keep the level of awards under careful review.

### **Financial instruments**

#### ***Objectives and policies***

The Trust's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the Trust's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The Trust does not use derivative financial instruments for speculative purposes.

#### ***Cash flow risk***

Interest bearing assets are held in short notice deposit accounts to ensure certainty of cash flows on changes to variable interest rates.

#### ***Credit risk***

The Trust's principal financial assets are bank balances and investments. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The Trust has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

## **The Debney Endowment Trust**

### **Trustees' Report (continued)**

#### ***Liquidity risk***

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term finance.

The annual report was approved by the trustees of the Trust on 9 June 2023 and signed on its behalf by:

Richard Hubble  
Chairman and trustee



## **The Debney Endowment Trust**

### **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial period 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 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 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 Trust will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the Trust on 9 June 2023 and signed on its behalf by:

Richard Hubble  
Chairman and Trustee

## **The Debney Endowment Trust**

### **Independent Examiner's Report to the trustees of The Debney Endowment Trust**

I report to the trustees on my examination of the accounts of The Debney Endowment Trust for the year ended 31 August 2022.

#### **Responsibilities and basis of report**

As the trustees of The Debney Endowment Trust 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 The Debney Endowment 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**

Since The Debney Endowment Trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I 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:

1. accounting records were not kept in respect of The Debney Endowment 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 accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



Jenny Dinnage  
Chartered Accountant  
ICAEW  
Redshield Business Solutions Limited  
Suite 3, 1 - 3 Warren Court  
Park Road  
Crowborough  
East Sussex  
TN6 2QX

Date: 14 June 2023

## The Debney Endowment Trust

### Statement of Financial Activities for the Period from 8 July 2021 to 31 August 2022

		Unrestricted £	Restricted £	Total 31 August 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies		600,512	69,488	670,000
Investment income	3	<u>1,929</u>	<u>224</u>	<u>2,153</u>
Total income		<u>602,441</u>	<u>69,712</u>	<u>672,153</u>
<b>Expenditure on:</b>				
Charitable activities	4	<u>(1,254)</u>	<u>(801)</u>	<u>(2,055)</u>
Total expenditure		<u>(1,254)</u>	<u>(801)</u>	<u>(2,055)</u>
Net movement in funds		<u>601,187</u>	<u>68,911</u>	<u>670,098</u>
<b>Reconciliation of funds</b>				
Total funds carried forward	12	<u><u>601,187</u></u>	<u><u>68,911</u></u>	<u><u>670,098</u></u>

All of the Trust's activities derive from continuing operations during the above period.

**The Debney Endowment Trust**  
**(Registration number: 1195105)**  
**Balance Sheet as at 31 August 2022**

	<b>Note</b>	<b>2022 £</b>
<b>Current assets</b>		
Cash at bank and in hand	10	672,099
<b>Creditors: Amounts falling due within one year</b>	11	<u>(2,001)</u>
<b>Net assets</b>		<u><u>670,098</u></u>
<b>Funds of the Trust:</b>		
<b>Restricted income funds</b>		
Restricted funds	12	68,911
<b>Unrestricted income funds</b>		
Unrestricted funds		<u>601,187</u>
<b>Total funds</b>	12	<u><u>670,098</u></u>

The financial statements on pages 9 to 19 were approved by the trustees, and authorised for issue on 9 June 2023 and signed on their behalf by:

Nigel Stratton  
Trustee

## The Debney Endowment Trust

### Cash Flow Statement for the Period from 8 July 2021 to 31 August 2022

	Note	2022 £
<b>Cash flows from operating activities</b>		
Net cash income		670,098
<b>Adjustments to cash flows from non-cash items</b>		
Investment income	3	<u>(2,153)</u>
		667,945
<b>Working capital adjustments</b>		
Increase in creditors	11	<u>2,001</u>
Net cash flows from operating activities		669,946
<b>Cash flows from investing activities</b>		
Interest receivable and similar income	3	<u>2,153</u>
Net increase in cash and cash equivalents		672,099
Cash and cash equivalents at 8 July		<u>-</u>
Cash and cash equivalents at 31 August		<u><u>672,099</u></u>

All of the cash flows are derived from acquisitions in the current financial period.

# **The Debney Endowment Trust**

## **Notes to the Financial Statements for the Period from 8 July 2021 to 31 August 2022**

### **1 Accounting policies**

#### **Statement of compliance**

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### **Basis of preparation**

The Debney Endowment Trust meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

#### **Disclosure of long or short period**

This is the first accounting period of the Trust. The accounts have been prepared from the date of its incorporation to its accounting date of 31 August.

#### **Going concern**

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

#### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Trust has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

#### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

# **The Debney Endowment Trust**

## **Notes to the Financial Statements for the Period from 8 July 2021 to 31 August 2022 (continued)**

### **1 Accounting policies (continued)**

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the Trust in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### ***Grant expenditure***

Grants payable are payments made to third parties in the furtherance of the charitable objectives. Where the Trust gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the Statement of Financial Activities once the recipient of the grant has provided the specific service or output.

Grants payable without performance conditions are recognised in the accounts when a commitment has been made and communicated to the recipient, and there are no conditions to be met relating to the grant which remain in the control of the Trust.

#### ***Grant provisions***

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

#### **Governance costs**

These include the costs attributable to the Trust's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustees' meetings and reimbursed expenses.

#### **Taxation**

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

# **The Debney Endowment Trust**

## **Notes to the Financial Statements for the Period from 8 July 2021 to 31 August 2022 (continued)**

### **1 Accounting policies (continued)**

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the Trust.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Trust after deducting all of its liabilities.

##### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Trust intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Trust transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Trust, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.



# The Debney Endowment Trust

## Notes to the Financial Statements for the Period from 8 July 2021 to 31 August 2022 (continued)

### 1 Accounting policies (continued)

#### *Fair value measurement*

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

### 2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Donations from companies, trusts and similar proceeds	600,512	69,488	670,000
<b>Total for period ended 31 August 2022</b>	<b>600,512</b>	<b>69,488</b>	<b>670,000</b>

### 3 Investment income

	Unrestricted funds General £	Restricted funds £	Total funds £
Interest receivable and similar income;			
Interest receivable on bank deposits	1,929	224	2,153
<b>Total for period ended 31 August 2022</b>	<b>1,929</b>	<b>224</b>	<b>2,153</b>

### 4 Expenditure on charitable activities

## The Debney Endowment Trust

### Notes to the Financial Statements for the Period from 8 July 2021 to 31 August 2022 (continued)

#### 4 Expenditure on charitable activities (continued)

		Unrestricted funds General £	Restricted funds £	Total funds £
	Note			
Grant funding of activities		-	801	801
Allocated support costs	5	54	-	54
Governance costs	5	1,200	-	1,200
<b>Total for period ended 31 August 2022</b>		<u>1,254</u>	<u>801</u>	<u>2,055</u>

#### 5 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	Governance costs £	Finance costs £	Total funds £
Student support	<u>1,200</u>	<u>54</u>	<u>1,254</u>

##### Governance costs

	Unrestricted funds General £	Total funds £
Independent examiner fees		
Examination of the financial statements	<u>1,200</u>	<u>1,200</u>
<b>Total for period ended 31 August 2022</b>	<u>1,200</u>	<u>1,200</u>

# **The Debney Endowment Trust**

## **Notes to the Financial Statements for the Period from 8 July 2021 to 31 August 2022 (continued)**

### **6 Grant-making**

#### **Analysis of grants**

**Grants to  
individuals  
2022  
£**

#### **Analysis**

Bursaries to school students

801

The support costs associated with grant-making are £Nil.

### **7 Trustees remuneration and expenses**

No trustees, nor any persons connected with them, have received any remuneration from the Trust during the year.

No trustees have received any reimbursed expenses or any other benefits from the Trust during the year.

### **8 Independent examiner's remuneration**

**2022  
£**

Examination of the financial statements

1,200

### **9 Taxation**

The Trust is a registered charity and is therefore exempt from taxation.

### **10 Cash and cash equivalents**

**2022  
£**

Cash at bank

672,099

## The Debney Endowment Trust

### Notes to the Financial Statements for the Period from 8 July 2021 to 31 August 2022 (continued)

#### 11 Creditors: amounts falling due within one year

	2022 £
Accruals	<u>2,001</u>

#### 12 Funds

	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>			
<i>General</i>			
General	602,441	(1,254)	601,187
<b>Restricted funds</b>			
Bursary Fund	<u>69,712</u>	<u>(801)</u>	<u>68,911</u>
<b>Total funds</b>	<u>672,153</u>	<u>(2,055)</u>	<u>670,098</u>

The specific purposes for which the funds are to be applied are as follows:

Restricted funds can only be used for bursaries to current school students.

## The Debney Endowment Trust

### Notes to the Financial Statements for the Period from 8 July 2021 to 31 August 2022 (continued)

#### 13 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 August 2022 £
Current assets	602,387	69,712	672,099
Current liabilities	<u>(1,200)</u>	<u>(801)</u>	<u>(2,001)</u>
Total net assets	<u>601,187</u>	<u>68,911</u>	<u>670,098</u>

#### 14 Related party transactions

During the period the Trust made the following related party transactions:

##### **Tonbridge Grammar School**

The objective of the charity is to support past, present and future students of Tonbridge Grammar School. The Head Teacher of the School is an ex-officio trustee and the School may appoint up to two nominated trustees, subject to the majority of trustees being appointed by the trustees.

Tonbridge Grammar School is the sole donor of funds during the year. At the balance sheet date the amount due from Tonbridge Grammar School was £801.