

Charity No: 525753

**THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2021**

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

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THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2021

The Trustee presents its Report together with the Financial Statements of The Thomas Howell's Education Fund for North Wales ("the Charity") for the year ended 31 July 2021. The Financial Statements have been prepared in accordance with the accounting policies set out in Note 1 to the Financial Statements and comply with the Charities Act 2011, 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, and the documents governing the constitution of the Charity.

Reference and administrative information

The legal and administrative details set out in Appendices A to C and F form part of this Report.

Structure, governance and management

Origin

The Charity is governed by a Charity Commission Scheme dated 11 August 2000.

The Charity has its origins in the Will of Thomas Howell who died around 1539. The original bequest provided for orphan girls. Over the years this was extended to encompass the establishment, maintenance and benefit of girls' schools in Wales including Howell's School, Denbigh. In 1975, The Foundation of Howell's School, Denbigh, was established as a separate charity to govern the School. Following the sale of the School in 1997 to Howell's 2000 Limited, both the name and objects of the Charity were updated to their current form by the Scheme issued on 11 August 2000.

Following the closure of Howell's School, Denbigh in 2013, four restricted funds (Howell's School Prize Fund Trust, Howell's School Special Grants Fund, Mary Brearley Music Fund and Ranjit Singh Travelling Scholarship Fund) whose beneficiaries were pupils at the school were, with the approval of the Charity Commission, wound up and their assets transferred to be used for the charity's general purposes.

Governance and management

The Charity uses The Drapers' Company for the provision of administration services, which are provided on a shared basis with other charities under common trusteeship of the Company. Additional administrative services are provided to the grant-making panel by a part-time Administer who is based in North Wales.

The Charity is a participant in The Drapers' Charities Pooling Scheme and receives income from Thomas Howell's Trust both of which are administered by The Drapers' Company.

The Drapers' Company is the Charity's Trustee and acts through its Court of Assistants ("the Court"), which meets at least six times a year, agrees overall strategy and takes all policy decisions. These policies are developed and refined by three Standing Committees which oversee grant allocation, finance and investments respectively, and once decisions have been taken and ratified they are implemented by the Company's Officers.

The operation of the Committees is reviewed annually by the Court for effectiveness against the overall aims and objectives of the Company and its Charities.

The Court takes decisions on the award of grants above £50,000. The Trustee delegates authority for the award of grants up to £50,000 and the implementation of the agreed grant-making policy to the Charities Committee. The Committee membership is drawn from the Court and members of the Company. Composition of the Committee is reviewed and confirmed each year. The Committee, which meets five times a year, has clearly defined terms of reference.

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2021

Governance and management (continued)

Each year the Court normally elects at least one new member from the Company membership who is given specific training on trustee duties and obligations by the Company's Officers and external providers before taking up their position. In addition, all members of the Court receive regular and ongoing trustee training in relevant areas.

To enable effective and efficient grant-making in support of education in North Wales, the Trustee established a small Grant-Making Panel of local people with relevant expertise and experience, chaired by a member of the Court. The Panel meets three times a year to review and assess grant applications on behalf of the Trustee, reporting to the Charities Committee. The Panel may approve individual awards up to a maximum value of £20,000. Grants in excess of this sum are subject to the approval of the Charities Committee or the Court dependent upon the size of the grant.

Key management personnel remuneration

The Trustee considers the members of the Court as trustee and together with the members of the Charities Committee and Grant-Making Panel, who have limited and clearly defined terms of reference, comprise the key management personnel of the Charity in charge of directing and controlling the Charity and overseeing the running and operating of the Charity on a day-to-day basis. The members of the Court, in their capacity as Trustee, give their time freely and no trustee remuneration was paid in the year.

Trustees are required to disclose all relevant interests and register them with the Director of Philanthropy & Governance and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises. Neither the Charity nor any of the members of the Court, as Trustee, have interests with beneficiary charities, but any such interests would be disclosed.

Risk management

The principal risks faced by the Charity concern the performance of its investments and the capacity of the Trust to make appropriate and effective grants.

The Trustee mitigates the investment risk through the regular review of investment strategy and portfolio performance by the Investment Committee and professional advisors. The Common Investment Fund (The Drapers' Charities Pooling Scheme) in which the Charity's assets are invested also assists in spreading the risk. The capacity of the Charity to make appropriate and effective grants is enhanced by the Grant-Making Panel which includes members directly involved in primary, secondary and higher education provision in the area of benefit. In addition, the skills and experience of the Charities Committee, to whom the Grant-Making Panel reports, and the Court together with well-defined terms of reference reduces the risk of ineffective grant-making.

Statement of trustee responsibilities

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2021

Statement of trustee responsibilities (continued)

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102)
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustee is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable it 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. The Trustee is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the opinion of the Trustee the Charity is adequately resourced to continue to benefit those in need of assistance, in accordance with its objects. The financial statements have been prepared on a going concern basis.

Objectives and activities for the public benefit

The object of The Thomas Howell's Education Fund for North Wales is to promote the education of young people under the age of 25 who are resident in or undergoing education in the area of benefit in such ways as the Trustee decides. The area of benefit is North Wales which the Trustee defines as being formed by the six Districts of Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd and Wrexham.

The Charity aims to support a broad range of educational initiatives within the area of benefit by the award of grants to institutions and organisations. It strives to increase student inclusiveness across primary, secondary, further and higher education, particularly in areas of high deprivation.

The objectives for the year are shaped by these aims with a view to distributing available income in an efficient and effective way in order to maximise the educational benefit to young people.

The Trustee has complied with the Charities Act 2011, having due regard for the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives, setting the grant-making policy and in awarding grants.

Grant-making policy

The Thomas Howell's Education Fund for North Wales invites applications for funding from institutions in the most marginalised areas of North Wales by using the knowledge and expertise of Panel members to target those most in need. It welcomes unsolicited appeals from organisations and institutions whose projects or initiatives meet the policy guidelines. Grants awarded are either one-off payments or recurring grants for up to three years subject to specific performance conditions. Further appeals from organisations will not normally be considered for three years from the date of the final grant award. Regular contact is maintained with recipients of grants, including an annual evaluation report, for monitoring purposes. Details of the policy guidelines and the application procedure are available on the Company's website.

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2021

Grant-making policy (continued)

The following policy guidelines are set by the Trustee for the award of grants:

- 1 Grants will normally be made to schools, institutions and organisations, not to individuals.
- 2 Grants will usually be directed towards the public sector of education, although particularly deserving cases within the private sector may also be supported.
- 3 Small capital projects that enhance education or enrich the learning experience of pupils and students are supported.
- 4 Funding will be provided for projects that make the most of the outstanding North Wales countryside, build leadership and personal qualities and raise environmental awareness.
- 5 Grants can be used to fill gaps in educational provision or resources that are not funded by the Local Education Authority or other public body.
- 6 Grants can be used to enrich the learning experience of pupils who need encouragement.
- 7 Grants can be used to support initiatives that broaden perspective on subjects taught at secondary school.
- 8 Grants are provided to improve literacy and numeracy at primary school.
- 9 Grants can be used to broaden the horizons of young people within their local communities.
- 10 Initiatives to improve school governance may be supported.

Achievements and performance

Grants totalling £278,348 were distributed from unrestricted funds to 35 organisations and institutions during the year from The Thomas Howell's Education Fund for North Wales.

Of the 35 grants awarded, 29 were to primary and secondary schools to support pupils in disadvantaged communities. These awards included 17 grants, mainly to primary schools to provide outdoor classrooms and adventure play equipment or for the development of forest school provision, nature gardens or other green areas within school grounds. Grants were also provided to support curriculum extension programmes and other initiatives which presented pupils with opportunities to take part in activities which would normally be beyond the means of the school and contributed to the personal development of pupils or enriched their learning experience.

A block grant of £30,000 was awarded to Glyndŵr University which was used to make small grants to individual students in their first year of study mainly for course equipment and travel costs. This proved to be the most efficient and effective means of providing financial assistance to a large number of students experiencing financial hardship.

Opportunities for young people, particularly those from disadvantaged backgrounds, to develop their musical education and talent were supported by a number of grants. The Aloud Charity was awarded £10,000 to support its four boys' choirs in North Wales. Opra Cymru, a Welsh-language opera company, received £5,340 towards the commissioning of a new children's opera, based on the *March ap Meirchion* legend. Vic Studios in Wrexham received £10,000 towards its work in building confidence and skills through music particularly with young girls.

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2021

Financial Review

Total incoming resources decreased from £356,061 to £343,963. Governance costs were £5,150 (2019/20: £4,936). Expenditure on charitable activities increased from £286,846 to £297,816 reflecting an increase in the level of grants awarded from unrestricted funds from £267,992 to £278,348. Net outgoing resources from unrestricted funds of £46,147 resulted in a year end balance on unrestricted funds to £292,890.

Investment Policy and Performance

There are no restrictions on the Charity's power to invest. The investment objective of the Trustee is to combine income and capital growth in a conservative manner. In keeping with this aim, the Trustee regularly reviews the allocation of investment assets of those charities for which it has responsibility. The Charity's investments at 31 July 2021 consist of holdings in The Drapers' Charities Pooling Scheme (Registered Charity Number 1061675). The Trustee does not take any specific social, environmental or ethical considerations when carrying out the investment objective.

The Charity's investment consists of holdings in the Drapers' Charities Pooling Scheme and whilst the current Covid-19 pandemic has had a minor negative impact on the underlying investments, it has not had any impact during the reporting period on the Charity or its grant making operations.

Reserves

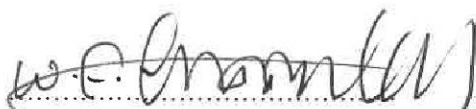
The Trustee reviews the reserves policy on an annual basis. Trustee has considered the level of general free reserves which are appropriate for the Charity and will hold the minimum unrestricted reserve necessary to fund working capital requirements. This is not expected to exceed 10% of the Charity's unrestricted income. Reserves at the year end were £292,890 and therefore in excess of this policy. This Charity will expend surplus unrestricted reserves over the medium term until the minimum level is reached.

The Trustee reviews the reserves policy on an annual basis. No change to the reserve policy has been required as a result of the Covid-19 pandemic.

Plans for future periods

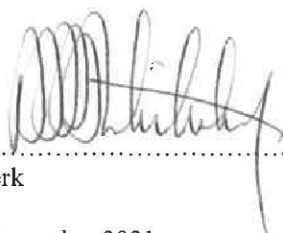
The grant-making policy remains as set out in this Report. The Trustee, through the Grant-Making Panel, will continue to carefully monitor and evaluate grants awarded to ensure effective support for a wide range of educational institutions and organisations in the area of benefit.

Signed for and on behalf of The Drapers' Company as Trustee


Master
Chairman, Finance & General Purposes Committee

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

**REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 31 JULY 2021**

A handwritten signature in dark ink, appearing to be 'M. H. H. H.', written over a dotted line.

Clerk

9 December 2021

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2021

Opinion

We have audited the financial statements of Thomas Howell's Education Fund for North Wales for the year ended 31 July 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Other information

The trustee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2021

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustee's Responsibilities Statement set out on pages 2-3, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with representatives of the trustee, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with representatives of the trustee and updating our understanding of the sector in which the charity operates.

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE FOR THE YEAR ENDED 31 JULY 2021

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustee in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE
FOR THE YEAR ENDED 31 JULY 2021

Saffery Champness LLP

Saffery Champness LLP

Chartered Accountants

Statutory Auditors

71 Queen Victoria Street
London EC4V 4BE

Date: *14 January 2022*

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021

	Note	Unrestricted Fund £	Endowment Fund £	Total 2020/21 £	Total 2019/20 £
Income and endowments from:					
Donations and legacies	2	318,582	-	318,582	330,327
Investments	3	25,381	-	25,381	25,734
Total		343,963	-	343,963	356,061
Expenditure on:					
Charitable activities	4, 5	297,816	-	297,816	286,846
Total		297,816	-	297,816	286,846
Net investment gains / (losses)	10	-	87,300	87,300	(11,097)
Net movement in funds		46,147	-	133,447	58,118
Balances at 1 August (restated)		246,743	836,320	1,083,063	1,024,945
Balances at 31 July		292,890	923,620	1,216,510	1,083,063

All of the above results derive from continuing activities

There are no other gains and losses other than those noted above.

The notes on page 13 to 20 form part of these financial statements.

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

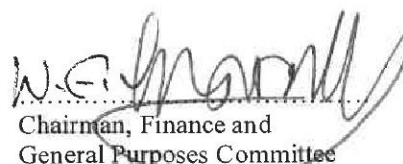
BALANCE SHEET AS AT 31 JULY 2021

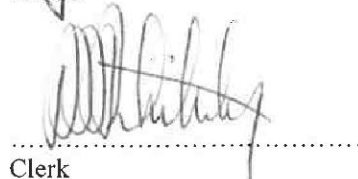
		31.07.21		31.07.20	
	Note	£	£	£ (restated)	£
Fixed assets					
Investments	6		923,620		836,320
Current assets					
Debtors	7	62,082		74,327	
Cash at bank		232,324		212,670	
		<u>294,406</u>		<u>286,997</u>	
Liabilities					
Creditors: amounts falling due within one year	8	(1,516)		(40,254)	
		<u>(1,516)</u>		<u>(40,254)</u>	
Net current assets			292,890		246,743
Total net assets	10		<u>1,216,510</u>		<u>1,083,063</u>
Represented by:					
Capital funds					
Endowment Fund	10		923,620		836,320
Income Funds					
Unrestricted Fund	10		292,890		246,743
			<u>1,216,510</u>		<u>1,083,063</u>

Approved by the Trustee on 9 December 2021

Signed for and on behalf of The Drapers' Company as Trustee.


Master


Chairman, Finance and
General Purposes Committee


Clerk

The notes on pages 13 to 20 form part of these financial statements.

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1 Accounting Policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention, as modified by the revaluation of certain fixed asset investments, and applicable accounting standards in the United Kingdom. The financial statements have been prepared in accordance with the Second edition of the Statement of Recommended Practice: Accounting and Reporting by Charities applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following 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) effective 1 January 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has now been withdrawn.

1.2 Going concern

The Trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with estimating the final quarter's dividend income from the Charity's equity holdings in The Drapers' Charities Pooling Scheme. With respect to the next reporting period, 2021-22, the most significant areas of uncertainty that affect the carrying value of assets held by the Charity are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the Trustee's annual report for more information).

1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Voluntary income

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

1.4 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

Expenditure (continued)

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable headings.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Charity that would permit the Charity to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which grant award is made. This discount rate is regarded by the Trustee as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Charity.

1.5 Investments

Investments are a form of basic financial instrument representing shares in The Drapers' Charities Pooling Scheme and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet using the proportionate amount of net asset value of the Scheme pool as at 31 July 2019. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub-sectors.

1.5 Funds

The Charity maintains two types of fund:

Permanent Endowment Fund - where the capital is held in perpetuity to generate income for furtherance of the Charity's objects. This income and its application are accounted for in the Charity's unrestricted fund as there are no restriction on its use.

Unrestricted Fund - where the fund is not restricted as to use, within the Charity's objects.

1.6 Contingent liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustee's control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably

1.7 Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

4	Charitable activities: Cost of grants awarded	2020/21		2019/20
		£	£	£
	Grants awarded from Unrestricted Funds:			
	Glyndŵr University	30,000		25,000
	Ysgol Babanod Mochdre	13,225		-
	Ysgol Maes Hyfryd	10,150		5,000
	Christchurch CP School	10,000		-
	The Aloud Charity	10,000		-
	Vic Studios	10,000		-
	Ysgol Black Lane	10,000		-
	Ysgol y Foryd	10,000		-
	Flint High School	9,986		-
	Ysgol Gynradd Llanrug	9,747		-
	Ysgol Cynfran	9,019		-
	Ysgol Glan y Mor	8,918		-
	Ysgol Llanddulas	8,590		-
	Ysgol Sant Elfod	8,423		-
	Ysgol Caer Drewyn	8,238		-
	Ysgol yr Holl Saint	8,008		-
	Ysgol y Gwernant	7,810		-
	Tsgol Cefn Meiriadog	7,745		-
	Ysgol Carrog	7,725		-
	Argeid High School	7,575		-
	Gwersyllt Primary School	7,491		-
	Ysgol Dyffryn Conwy	7,478		-
	Canolfan Addysg Conwy	7,125		-
	Ysgol Bro Hedd Wyn	7,112		-
	Ysgol Henllan	6,279		-
	Ysgol John Bright	5,739		-
	Ysgol Gynradd Llandegfan	5,500		-
	Opra Cymru	5,340		-
	Ysgol Bryn Alyn	4,235		-
	Ysgol Bryn Elian	4,135		-
	Ysgol Dyffryn Ogwen	3,869		-
	Black Park Chapel Trust	3,754		-
	Denbigh High School	2,500		-
	Battle of Ideas Charity	1,500		-
	Ysgol Plas Cefndy	1,132		-
	Other awards			237,992
	Total from Unrestricted Funds	278,348		267,992
	Support Costs (allocated to unrestricted funds)			
	Management Costs : Administration	5,124		5,027
	Office	2,035		1,932
	Finance Costs: Administration	5,124		5,027
	Office	2,035		1,932
	Governance costs (see Note 5)	5,150		4,936
		297,816		286,846

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

Critical accounting judgements and key sources of estimation uncertainty (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Unlisted investments – based on the share of the net assets of the Pooling Scheme.

2 Donations

	Total 2020/21 £	Total 2019/20 £
Income allocation from Thomas Howell's Trust	302,082	314,327
Donation from The Drapers' Company	16,500	16,000
	<u>318,582</u>	<u>330,327</u>
	Total 2019/20 £	Total 2018/19 £
Income allocation from Thomas Howell's Trust	314,327	303,982
Donation from The Drapers' Company	16,000	16,000
	<u>330,327</u>	<u>319,982</u>

3 Investment income

	Total 2020/21 £	Total 2019/20 £
Dividends receivable from:		
The Drapers' Charities Pooling Scheme	25,310	25,310
Bank interest receivable	71	424
	<u>25,381</u>	<u>25,734</u>
	Total 2019/20 £	Total 2018/19 £
Dividends receivable from:		
The Drapers' Charities Pooling Scheme	25,310	25,310
Bank interest receivable	424	458
	<u>25,734</u>	<u>25,768</u>

All investment income is unrestricted

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

5 Charitable activities: Governance costs

	2020/21 £	2019/20 £
Administration staff costs	2,561	2,514
Office costs	1,017	967
Audit fees	1,572	1,455
	<u>5,150</u>	<u>4,936</u>

The average number of employees during the year was 2 (2020: 2) with all employee time involved in providing either support to the governance of the charity or support services to charitable activities.

The Charity considers its key management personnel comprise the members of the Court of Assistants. The total employment benefits including employer pension contributions of the key management personnel were £0 (2020: £0). No employees had employee benefits in excess of £60,000 (2020: none).

6 Investments

	Total 2020/21 £	Total 2019/20 £
Market value at 1 August	836,320	847,417
Acquisitions	-	-
Net investment (losses)/gains	87,300	(11,097)
Market value at 31 July	<u>923,620</u>	<u>836,320</u>
Historical cost at 31 July	<u>143,148</u>	<u>143,148</u>

All investment assets are held within the United Kingdom.

7 Debtors

	31.07.21 £	31.07.20 £
Amount due from Thomas Howell's Trust	62,083	74,327
	<u>62,082</u>	<u>74,327</u>

8 Creditors: Amounts falling due within one year

	31.07.21 £	31.07.20 £
Sundry creditors	1,516	40,254
	<u>1,516</u>	<u>40,254</u>

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

9 Analysis of total net assets

	Unrestricted Funds £	Endowment Fund £	Total 31.07.21 £	Total 31.07.20 £ <i>restated</i>
The Drapers' Charities Pooling Scheme	-	923,620	923,620	836,320
Total investments	-	923,620	923,620	836,320
Net current assets	292,890	-	292,890	246,743
Total net assets	292,890	923,620	1,216,510	1,083,063
	Unrestricted Funds £	Endowment Fund £	Total 31.07.20 £ <i>restated</i>	Total 31.07.19 £
The Drapers' Charities Pooling Scheme	-	836,320	836,320	847,417
Total investments	-	836,320	836,320	847,417
Net current assets	246,743	-	246,743	177,528
Total net assets	246,743	836,320	1,083,063	1,024,95

10 Funds

	Opening Balance 01.08.20 £ <i>restated</i>	Incoming resources £	Resources expended £	Transfers £	Gain/ (losses) £	Closing Balance 31.07.21 £
Endowment Fund						
Permanent Endowment Fund	836,320	-	-	-	87,300	923,620
	836,320	-	-	-	87,300	923,620
Unrestricted Fund	246,743	343,963	(297,816)	-	-	292,890
Total funds	1,083,063	343,963	(297,816)	-	87,300	1,216,510

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

Funds (continued)

	Opening Balance 01.08.19 £	Incoming resources £	Movements of Funds			Closing Balance 31.07.20 £
			Resources expended £ restated	Transfers £	Gain/ (losses) £	
Endowment Fund						
Permanent						
Endowment Fund	847,417	-	-	-	(11,097)	836,320
	847,417	-	-	-	(11,097)	836,320
Unrestricted Fund	177,528	356,061	(286,846)	-	-	246,743
Total funds	1,024,945	356,061	(286,846)	-	(11,097)	1,083,063

In 2015, with the approval of the Charity Commission, four restricted funds of the charity were wound up and their assets transferred to be used for the charity's general purposes. In the preparation of the 2021 accounts, it was noted that following this transaction investment gains had been incorrectly credited to the unrestricted funds since 2016, and that as a result, the opening balance between endowment funds and unrestricted funds was incorrect. The overall funds of the charity remain unchanged, but the funds held in endowment and unrestricted funds have been corrected to reflect the appropriate accounting treatment.

11 Transactions with related parties

During the year, the Trustee of the Charity, The Drapers' Company, acted as Trustee for six other charities, details of which are provided in Appendix C to the Trustees Report. The Charity is a beneficiary of one of these six charities, Thomas Howell's Trust, receiving a prescribed percentage of the available annual income of that Charity, details of which are shown in Notes 2 and 8. Details of dividend income received from The Drapers' Charities Pooling Scheme is shown in Note 3. The Charity also received a donation from the Drapers' Company details are shown in Note 2.

12 Trustee remuneration

The members of the Drapers' Company Court of Assistants, as Trustee, give freely their time and expertise without any form of remuneration or other benefit in cash or kind, or the reimbursement of any expenses by the Charity (2020: £nil).

THE THOMAS HOWELL'S EDUCATION FUND FOR NORTH WALES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

13. Prior year SOFA

	Unrestricted Fund £	Endowment Fund £	Total 2019/20 £
	<i>(restated)</i>		
Income and endowments from:			
Donations and legacies	330,327	-	330,327
Investment	25,734	-	25,734
Total	356,061	-	356,061
Expenditure on:			
Charitable activities	286,846	-	286,846
Total	286,846	-	286,846
Net investment gains/(losses) (restated)	-	(11,097)	(11,097)
Net movement in funds	69,215	-	58,118
Balances at 1 August	177,528	847,417	1,024,945
Balances at 31 July	246,743	836,320	1,083,063