

**The Hulme Hall Trust Foundation**  
**Financial Statements and Governors' Report**  
**for the Year Ended 30 June 2024**

# **The Hulme Hall Trust Foundation**

## **Financial Statements for the Year Ended 30 June 2024**

### **CONTENTS**

	<b>Page</b>
Governors and Advisors	1
Governors' Report and Statement of Responsibility	2 - 8
Report of the Independent Examiners	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12 - 17

## The Hulme Hall Trust Foundation

### Financial Statements for the Year Ended 30 June 2024

Registered Charity Number 526647

#### Governors and Advisors

Governors:	Appointing Body	Term Commencement	Length of term
<b>Richard Young Chairman</b>	Co-optative member	21 October 2024	5 years
<b>Susan Jee Treasurer</b>	Hulme Trust Estates (Educational)	15 October 2022	3 years
<b>Rt. Rev. Mark Davies Bishop of Middleton</b>	Bishop of Manchester	21 March 2024	3 years
<b>Canon Ian Gomersall</b>	Bishop of Manchester	15 October 2022	3 years
<b>Dr Gareth Hughes</b>	University of Manchester	21 October 2024	3 years
<b>Mike Mercer</b>	Hulme Trust Estates (Educational)	21 October 2024	3 years

The Governors are appointed for a term of three years with the exception of Co-optative Governors who are appointed for a five-year term.

**Clerk to the Governors:** Jonathan Aldersley

**Administrative address:** Butcher & Barlow, 3 Royal Mews, Gadbrook Park, Northwich, CW9 7UD

**Bankers:** Unity Trust Bank plc, Nine Brindley Place, Birmingham B1 2HB

**Investment Managers:** Rathbone Investment Management Ltd, Port of Liverpool Building, Pier Head, Liverpool L3 1NW

**Reporting Accountants:** Harts, Westminster House, 10 Westminster Road, Macclesfield SK10 1BX

## **The Hulme Hall Trust Foundation**

### **Financial Statements for the Year Ended 30 June 2024**

#### **Report of the Governors for the Year Ended 30 June 2024**

The Governors are pleased to present their annual report together with the financial statements of the charity for the year ended 30 June 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's trust deed, the Charities Act 2011 and the relevant version of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **Objectives and activities for the public benefit**

The Hulme Hall Trust Foundation ("the Foundation") is governed by a Scheme dated 13 July 1964, approved by the Charity Commission and varied with their consent by the Scheme of 23 January 1976 as amended by Resolution dated 9 April 2008.

Hulme Hall is a hall of residence of the University of Manchester, located in the Victoria Park campus, and houses some 300 students. The hall has seven blocks, the oldest dating from 1907 and the latest added in 1967.

The Foundation is managed by six Governors of whom two are appointed by the Trustees of the charity known as Hulme Trust Estates (Educational), two are appointed by the Lord Bishop of Manchester, one by the University of Manchester and one co-optative member appointed by the other Governors.

The objectives of the Foundation are:

- a) The provision of assistance for higher education by means of grants to be awarded to students at the University of Manchester, including post-graduate and research students, and with preference for residents of Hulme Hall.
- b) The provision of benefits in connection with Hulme Hall (which includes the chapel and chaplaincy).

Hulme Hall Trust Foundation uses the investment income from a permanent endowment fund to further its charitable purposes through giving grants both to individuals and institutions. These awards take the form of supporting accommodation costs for students who otherwise might not be able to experience life in hall and also broader awards to individuals and institutions including the hall itself to help support the life of the hall and encourage the personal development of its residents.

The Trust Deed of the Foundation restricts the benefits to the students of Manchester University and gives preference to the residents of Hulme Hall. Nevertheless, the Governors have considered the Charity Commission's guidance on public benefit and borne it in mind when shaping and planning our activities. When considering a grant, no person or body is discriminated against, or held in prejudice by reason of gender, age, disability, faith or belief, gender identity, sexual orientation, status or ethnicity. Through the Warden, Senior Student, Tutors and JCR and publication of available grants we ensure that students understand that the support we provide is open to all based only on need.

The Governors meet as appropriate to decide on investment policy, to monitor the performance of the investment portfolio, to shape our activities for the year and to approve grants and awards. Governors actively seek feedback from beneficiaries and input from student leadership to ensure that the focus of awards stays relevant to changing needs.

New Governors are selected to ensure that the Foundation has a broad range and balance of expertise and skills. Potential new Governors are identified through consultation with advisers and other professional contacts. Where Governors are appointed by other parties, suggestions are made to the appointing body via the Clerk to Governors. Governors are encouraged to read the Charity Commission guidance 'The Essential Trustee' and where requested provided with training.

## **The Hulme Hall Trust Foundation**

### **Financial Statements for the Year Ended 30 June 2024**

#### **Post Balance Sheet Events**

The 30 June 2023 Financial Statements reported that during 2022/23 Governors had considered the much-reduced level of support to the Hall required in recent years and recognised that activity was shrinking to solely providing bursaries through the Manchester University Widening Participation process. Reflecting on this, Governors had concluded that the governance cost and volunteer time in continuing as a standalone Charity did not represent value for beneficiaries. After considering options Governors decided to approach Hulme Trust Estates (Educational), who also support students through Manchester University, to explore transferring the Foundation's assets with an agreement that Hulme Trust Estates (Educational) would continue to support students living in Hulme Hall. During the latter part of the financial year discussions progressed positively and the drafting of the legal agreements to achieve this took place.

Following the June 2023 year-end, the legal agreements progressed to final form. These included both the important Transfer Agreement (which, in addition to normal legal requirements, sets out very clearly how the proportion of the post-merger income of the merged entity from our transferred funds will be determined in order to pay to Manchester University) and an Ongoing Support Agreement which commits the University to using those payments for bursaries on the same basis as we currently do. It is expected that Governors will approve them once Hulme Trust Estates (Educational) receive Charity Commission agreement to the change to their Trust deed. Interaction with the Charities Commission has continued during the year.

Once agreement is reached, we will, in an orderly fashion, settle the limited final expenses, transfer investment assets and remaining bank balances to Hulme Trust Estates (Educational) and then wind up the Foundation. Assets will transfer at the value they stand on the day of Transfer. No adjustments are made or required in these accounts in respect of this transaction as it is not yet finally agreed and dates of transfers are in the future and could not in any way be forecast. Further background is included in the Chairs report on page 4.

## **The Hulme Hall Trust Foundation**

### **Financial Statements for the Year Ended 30 June 2024**

#### **Chairman's Report**

Our work in the Foundation has always been conducted in the belief that a university education is about much more than qualification and accommodation costs, it is about maturing as an adult and taking responsibility for the environment we live in. That is why we have always placed emphasis on both parts of our objectives as set out on page 2 of this report. The provision of accommodation grants (bursaries) satisfies the first part but equally important has, in the past, been the funding of travel awards, rewarding contribution to hall life and funding elements of the social infrastructure of the hall.

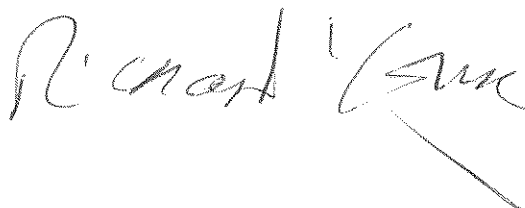
This year we have seen, yet again, no requests for support funding from the Hall. As in the last 6 years or so it seems that the more centralised management of halls of residence, changes in the ways students approach and experience university life post covid and the more general changes in social interaction has impacted demand for our funding.

Whilst the demand and need for bursaries continues, it was clear to us that the other 'value added' support to Hulme Hall was no longer needed and that we could not identify any valuable other non- bursary activity. Bursaries are a very important part of meeting our charitable objectives but the governance cost of maintaining this sole activity through a standalone charity seemed to us not best value. In considering other options, we decided to approach Hulme Trust Estates (Educational) who also make grants through Manchester University and indeed are part of the Charity family from which we were formed.

Discussions have progressed very well with Hulme Trust Estates (educational). In March 2023 the Charity Commission were consulted and said they had no objection to the merger as long as both Charities had similar aims and both Governing bodies took legal advice, which confirmed that. At the time of writing, we have two legal agreements in final draft stage to enact the merger but Charity Commission agreement has not yet been received.

As Chair, I am very proud of the support we have provided over many years both to supporting the enrichment of the living in hall experience for many students and providing bursaries to students who otherwise may not be able to afford to reside in hall at all. I am equally proud of the decision we have taken to try to merge and ultimately wind up the Foundation to reduce the cost of administering the benefits whilst securing the continuation of the very important accommodation bursaries .

**Richard Young**  
**Chairman**

A handwritten signature in black ink, appearing to read 'Richard Young', with a large, stylized flourish at the end.

**Date:** 20/2/25

## **The Hulme Hall Trust Foundation**

### **Financial Statements for the Year Ended 30 June 2024**

#### **Report of the Governors for the Year Ended 30 June 2024 Activities, Achievements and Performance**

Grants totalling £35,800 were made during the year (2023: £26,200). See note 4

- Accommodation grants amounting to £35,800 were made to five students in the year, these were full bursaries made in conjunction with the University of Manchester's Widening Participation Scheme. These awards give students from challenging socio-economic backgrounds an opportunity to benefit from residential university life by funding their first year's hall fees. Feedback from previous beneficiaries continues to emphasise the significance of these awards to both academic and personal development.
- There were no requests for funds to enhance the Hulme Hall social environment, travel, contribution or other awards in 2023/24.

#### **Financial Review**

The charity is 'permanently endowed' which means that Governors can use the interest or other investment income (the Income Fund) to make grants or awards but cannot spend the Permanent Endowment fund itself. The Foundation's work is mainly but not entirely reliant on the investment returns from the Permanent Endowment Fund. This income is added to the Income Fund from which grants are made and governance expenses paid.

#### **Income Fund**

Investment income was again at the high end of our expected range in 2023/2024 at £44,602 which is slightly higher than last year (2023: £43,325). The details of both income and expenditure are set out in the Statement of Financial Activities on page 10. Take-up of bursaries was less than we had budgeted, there were no travel awards or expenditure requests from the hall, and so our income exceeded expenditure by £1,523. Undistributed reserves are held within bank deposit balances and stand at £79,563. This reserve remains in excess of our minimum reserve.

## The Hulme Hall Trust Foundation

### Financial Statements for the Year Ended 30 June 2024

#### ***Permanent Endowment Fund***

The value of the Permanent Endowment Fund at 30 June 2024 stands at £1,462,788 (2023: £1,352,930). The valuation of non-cash investments at 30 June 2024 represents 137% of historical cost (2023: 126%). The mark-to-market valuation of the portfolio of assets at 30 June 2024 created an unrealised gain of £117,081 (2023: £27,962 loss). In the normal course of Rathbones management of our portfolio, trading generated a gain of £351 (2023: gain £10,209).

#### ***Investment policy and performance***

The policy objective is to preserve and if possible increase the value of the investment assets in real terms whilst allowing an annual withdrawal of income to support the activities of the Foundation. The policy objective seeks to maintain the longer-term purchasing power of returns by creating a more sustainable return over the medium to long term. The policy includes a detailed Statement of Investment Policy and a Strategic Asset Allocation for the investment portfolio. The policy as agreed by Trustees is implemented by our investment managers (whose investment results are reported in Note 5 to the Accounts).

In 2019/20 the strategy of the investment portfolio was adjusted following discussion between the Trustees and our Investment Adviser, Rathbone Investment Management, and considered the financial position of the charity, its long term investment horizon, endowed capital status and risk tolerance alongside the current economic and investment circumstances (notably the low interest environment) to review how best to invest to further the objectives of the charity. The conclusion to these discussions was to marginally increase the risk profile and thus the allowable range of equity investments to enhance returns over the medium to long term. The benchmarks used were also amended to ensure a continued appropriateness of performance measurement. The Investment Policy Review was approved by Trustees in March 2020.

Total Return for 2023/4 was:

Hulme Hall	12.2%
<i>Benchmarks:</i>	
MSCI PIMFA Growth	16.0%
ARC Charity Equity Risk	12.1%
CPI + 3%	5.0%

Markets enjoyed a strong year to 30th June. Inflationary pressures eased, allowing a less hawkish stance from central banks and this provided a supportive backdrop for markets, particularly in the second half of our financial year. This strength was most notable in growth-oriented investment and concentrated within a narrow cohort of USA Technology stocks, which performed particularly strongly. The portfolio increased by 12.2% from a combination of capital growth and income generation.

Relative to the MSCI PIMFA benchmark, the allocation to equities (overweight UK and underweight Overseas) detracted as overseas equities outperformed. This was primarily due the Technology sector in the USA. The "Magnificent 7" tech stocks accounted for 66% of the total market rise of the first half of 2024, underlining the concentrated nature of returns which is difficult to replicate in a sensibly risk managed portfolio. These stocks have been boosted by investor excitement over the potential of artificial intelligence (AI), and as a result some of these companies' valuations are beginning to look stretched, with expectations set very high and productivity and profitability gains yet to be realised. We continue to maintain a valuation discipline in relation to our exposure in this area. Notwithstanding this, the portfolio has performed strongly in absolute terms, is in line the peer group comparator (ARC index) over the period, and significantly ahead of the CPI+3% absolute measure of return.

Looking ahead, while the economic landscape has improved over the past year and the chances of a wider global recession have reduced, there is still a degree of market uncertainty and heightened volatility with geopolitical tensions remaining elevated (particularly in the Middle East), a US election on the horizon, a degree of economic slowdown anticipated and a potentially non-linear reduction in inflation impacting interest rate policy. We therefore continue to proceed selectively, adopting a balanced, well diversified approach to portfolio construction, actively monitoring these factors, and positioning accordingly to mitigate risks and take advantage of opportunities as they arise.

Investment Management charges are allocated 25% to Income and 75% to the Endowment Fund.



## **The Hulme Hall Trust Foundation**

### **Financial Statements for the Year Ended 30 June 2024**

#### ***Distribution and Reserves Policy***

The income from the Permanent Endowment Fund is distributed to appropriate grant applicants throughout the year after proper scrutiny of their applications. Whilst it is not the policy of the Governors to accumulate income for its own sake, we are mindful of the importance of having funds available to deal with the unplanned situations in which students find themselves from time to time. Via the warden, senior student, tutors, posters and social networking sites we ensure that students are informed of the availability of our grants and awards.

Governors reviewed the Reserves Policy in 2019/20 and agreed a revised policy in March 2020. The review confirmed that the principles of ensuring that any unexpected cases of need can be accommodated and that the Foundation could maintain activity in the event of any temporary short-term reduction in investment income remained appropriate. We also confirmed the Reserve should be set so that a normal level of activity could be preserved for a year in a 'stressed' scenario of a one year 50% drop in income, albeit this is considered to be a cautious assumption. The University has indicated that it will no longer support the previous pattern of invoicing towards the end of the year and expects payments in stages through the year. A more detailed cash flow analysis was reviewed and as a result, it was agreed that the minimum reserve was set to be at or around £25,000. An internally earmarked internal income reserve of £8,000 was previously held to ensure capability to fund one off projects or exceptional hardship cases, given the lack of any such demands in recent years and the high level of available funds in excess of the Minimum Reserve this internal earmarking has been released.

#### ***Risks***

The Governors review risks and have incorporated measures that they consider appropriate into the instructions given to their professional advisers. The primary risk is clearly investment risk, which is addressed by using professional investment managers, adopting a balanced strategy giving equal weight to capital preservation and stable income generation, being cautious in the assessment of future income streams and never committing expenditure in advance of income.

First year accommodation awards are made mainly via the University of Manchester Widening Participation Scheme and are thus subject to their structured application process. Grants other than these accommodation bursaries are considered only after a detailed review by the Warden of Hulme Hall and the Treasurer and in accordance with an agreed framework approved by Governors.

#### **Statement of Governors' Responsibilities in Respect of the Accounts**

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

Charity Law requires the Governors to prepare separate financial statements for each financial year, which give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources for the year.

In preparing these financial statements, Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 Foundation will continue in operation.

## **The Hulme Hall Trust Foundation**

### **Financial Statements for the Year Ended 30 June 2024**

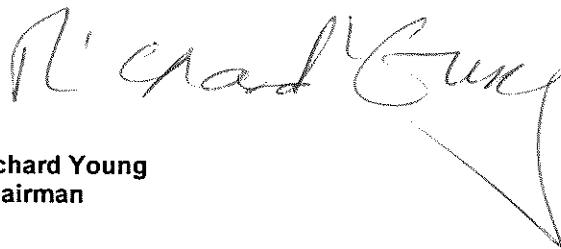
The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the Foundation's transactions and disclose with reasonable accuracy at any time the financial position of the Foundation and to enable them to ensure that the financial statements comply with the Charities Act 2011 and provisions of the Trust Deed.

They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Governors is aware at the time that the report is approved:

- there is no relevant accounting information of which the Foundation's Reporting Accountants are unaware and
- the Governors have taken all reasonable steps that they ought to have taken to make themselves aware of any relevant accounting information and to establish that the Reporting Accountants are aware of that information.

**Approved by Governors on .....**  
**and signed on their behalf by**

A handwritten signature in black ink, appearing to read 'Richard Young', is written over a horizontal line. The signature is cursive and fluid.

**Richard Young**  
**Chairman**

## The Hulme Hall Trust Foundation

### Financial Statements for the Year Ended 30 June 2024

#### Independent Examiners Report to the Governors of The Hulme Hall Trust Foundation

(A Trust and a Registered Charity) Registered Charity Number 526647

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 June 2024 which are set out on pages 9 to 17.

#### Responsibilities and basis of report

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

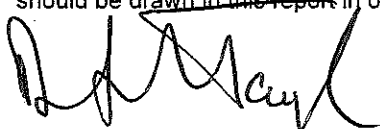
I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### Independent examiner's statement

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

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the accounts do not accord with those records ; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.



.....  
Mr David Taylor FCA (Independent Examiner)  
Harts Limited  
Westminster House  
10 Westminster Rd  
Macclesfield  
Cheshire  
SK10 1BX

Date: 20.2.25

**The Hulme Hall Trust Foundation**

**Financial Statements for the Year Ended 30 June 2024**

**Statement of Financial Activities – for the Year Ended 30 June 2024**

	Note	Unrestricted Accumulated Income Fund	Restricted Permanent Endowment	Total Funds 2024	Total Funds 2023
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and legacies: University of Manchester		1,400	-	1,400	1,400
Investment income	3	<u>44,602</u>	-	<u>44,602</u>	<u>43,325</u>
<b>Total</b>		<b>46,002</b>	<b>-</b>	<b>46,002</b>	<b>44,725</b>
<b>Expenditure on:</b>					
<i>Raising Funds</i>					
Investment Management charges		<u>2,525</u>	<u>7,574</u>	<u>10,099</u>	<u>9,750</u>
<i>Charitable Activities:</i>					
Accommodation grants		41,954	-	41,954	33,176
Contribution to hall & community		-	-	-	-
Travel and Conference		-	-	-	-
Chaplaincy		-	-	-	-
Amenities, equipment and hall activities		-	-	-	-
<b>Cost of Grant making</b>	4	<b>41,954</b>	<b>-</b>	<b>41,954</b>	<b>33,176</b>
<b>Total Expenditure</b>		<b>44,479</b>	<b>7,574</b>	<b>52,053</b>	<b>42,926</b>
<b>Net Income/expenditure and net movement of funds before gains and losses on investments</b>		<b>1,523</b>	<b>(7,574)</b>	<b>(6,051)</b>	<b>1,799</b>
<b>Other recognised gains and losses:</b>					
Realised gains on investments		-	351	351	10,209
Unrealised gains on investments		-	<u>117,081</u>	<u>117,081</u>	<u>(27,962)</u>
<b>Net movement in funds</b>		<b>1,523</b>	<b>109,858</b>	<b>111,381</b>	<b>(15,954)</b>
<b>Reconciliation of Funds</b>					
Total Funds brought forward		<u>78,040</u>	<u>1,352,930</u>	<u>1,430,970</u>	<u>1,446,924</u>
<b>Total Funds carried forward</b>		<b><u>79,563</u></b>	<b><u>1,462,788</u></b>	<b><u>1,542,351</u></b>	<b><u>1,430,970</u></b>

**The Hulme Hall Trust Foundation**

**Financial Statements for the Year Ended 30 June 2024**

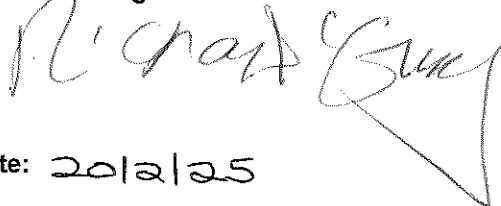
**Balance Sheet as at 30 June 2024**

	Notes	Unrestricted Accumulated Income Fund £	Restricted Permanent Endowment £	Total Funds 2024 £	Total Funds 2023 £
Investments	5	-	<u>1,455,152</u>	<u>1,455,152</u>	<u>1,347,626</u>
<b>Current Assets</b>					
Debtors	6	-	-	-	-
Cash at Bank and in hand	6	95,858	-	<b>95,858</b>	92,639
Due from Income to Permanent Fund		(10,255)	10,255	-	-
<i>Total current assets</i>		<u>85,603</u>	<u>10,255</u>	<u>95,858</u>	<u>92,639</u>
<b>Liabilities</b>					
Creditors falling due within one year	6	<u>(6,040)</u>	<u>(2,619)</u>	<u>(8,659)</u>	<u>(9,295)</u>
<i>Net Current Assets</i>		79,563	7,636	<b>87,199</b>	83,344
<b>Total Assets less Current Liabilities</b>		<u>79,563</u>	<u>1,462,788</u>	<u>1,542,351</u>	<u>1,430,970</u>
<b>Total net assets</b>		<u>79,563</u>	<u>1,462,788</u>	<u>1,542,351</u>	<u>1,430,970</u>
<b>The funds of the Charity</b>					
Unrestricted Income Fund	7	79,563	-	<b>79,563</b>	78,040
Permanent Endowment Fund	7	-	1,462,788	<b>1,462,788</b>	1,352,930
<b>Total Charity Funds</b>		<u>79,563</u>	<u>1,462,788</u>	<u>1,542,352</u>	<u>1,430,970</u>

**Approved by the Board of Governors**

Richard Young - Chairman

Susan Jee - Treasurer




Date: 20/2/25

Date: 20 February 2025

**Financial Statements for the Year Ended 30 June 2024**

**Notes to the Financial Statements**

**1. Accounting Policies**

**a) Basis of preparation**

The 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. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011, and UK Generally Accepted Accounting Practice. The Charity has taken advantage of the available exemption as a small charity from preparing a cash flow statement.

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 the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity is a public benefit entity as defined by FRS102.

The Trustees of the Charity have reviewed the level and nature of investments held by the Charity which is a Permanent Endowment Fund. The Charity is a grant making charity and the number and size of grants approved in any particular year is determined by the investment return available in that year. No significant future grants are committed and Trustees are able to reduce grants offered should there be a reduction on the return earned by investments. The Trustees therefore consider it appropriate to prepare the financial statements on the going concern basis.

**b) Income recognition**

All income is recognised once the Charity has entitlement to the income, when it is probable that the income will be received and the amount of income receivable can be measured reliably. 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. Income from the investment portfolio is recognised when it is credited to our Income account with Rathbones whether or not it has been paid over to the Charity.

**c) Expenditure recognition**

**1. Cost of Raising Funds**

This records direct expenditure on the management of investments. Investment management expenses are charged across both funds to recognise the cost to both income and capital.

**2. Cost of Charitable Activities**

**2.1 Grants Payable**

Grants payable are payments made to third parties in the furtherance of the Charity's objectives. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant awarded. The notification gives the recipient a reasonable expectation that they will receive grant. The Charity does not award multi-year grants. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Charity. Provisions for grants are made

# **The Hulme Hall Trust Foundation**

## **Financial Statements for the Year Ended 30 June 2024**

### **Notes to the Financial Statements (cont.)**

when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

#### **2.2 Governance and Support Costs**

Costs of governance are set out in the detailed notes to the accounts and have been allocated against each of the Charity's objects pro-rata to value. The Charity does not incur any support costs.

#### **d) VAT**

Transactions are shown gross of any irrecoverable VAT.

#### **e) Taxation**

The Trustees consider that requirements for the exemption from taxation set out in the Income and Corporation Taxes Act 2007 are met and, therefore, no provision is made for taxation.

#### **f) Funds structure**

The Charity has a single Permanent Endowment Fund. The income from this fund, after payment of costs, charges and expenses, is paid into the Unrestricted Income Fund.

The Unrestricted Income Fund comprises those funds which are available for Trustees to use for any purpose in furtherance of the charitable objects, subject to the Trustees' policy on maintaining reserves for the day to day running of the Charities.

Further details of each fund is set out in note 7 to the accounts

#### **g) 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.

#### **h) Fixed Asset investments**

The Charity has only financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Statement of Financial Activities includes the net realised and unrealised gains and losses arising on revaluation and disposals throughout the year.

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.

#### **i) Current Asset investments**

Current asset investments include cash and cash equivalents invested on a short-term basis with a maturity of twelve months or less from the date of acquisition. They are recognised initially at cost and subsequently at fair value at the reporting date. Any change in valuation between reporting dates is recognised in the statement of financial activities.

#### **j) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short-term deposits with a maturity of three months or less from the date of acquisition or opening of deposit or similar account.

## The Hulme Hall Trust Foundation

### Financial Statements for the Year Ended 30 June 2024

#### Notes to the Financial Statements (cont.)

##### k) Creditors and provisions

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.

#### 2. Related party transactions and trustees' expenses and remuneration

All Governors give their time voluntarily and receive no remuneration of any form nor have any of their expenses been reimbursed other than the reimbursement of actual expenditure they may have incurred for, and as an agent of, the Foundation.

The Charity is a small Charity and does not have debit or credit cards or any other ability to purchase items other than direct payment of invoices. Sometimes this is not logistically practical or cost effective. In such circumstances, a Trustee may purchase pre agreed items on behalf of the charity and upon production of invoices, receipts and other evidence be reimbursed for this expenditure. In the year ended June 2024 there were no reimbursements to any of the Trustees as they did not incur any expenditure on behalf of the Trust.

#### 3. Investment Income

	30 June 2024	30 June 2023
	£	£
Dividends-equities	37,061	37,651
Interest-fixed interest securities	4,899	3,873
Interest on cash deposits	<u>2,642</u>	<u>1,801</u>
	<u>44,602</u>	<u>43,325</u>

#### 4. Analysis of Grants and Allocation of Governance Costs

##### Governance costs:

	30 June 2024	30 June 2023
	£	£
Independent Examiner's fee	982	904
Clerk's fee	2,400	2,400
Legal fees re merger	<u>2,700</u>	<u>3,600</u>
	<u>6,082</u>	<u>6,904</u>



## The Hulme Hall Trust Foundation

### Financial Statements for the Year Ended 30 June 2024

#### Notes to the Financial Statements (cont.)

The Charity does not incur support costs. Governance costs are met entirely from the unrestricted income fund. The Charity undertakes its charitable activities through grant making and awarded grants to a number of individuals and institutions in furtherance of its charitable activity as set out below. All grants were paid from the Unrestricted Income Fund. Governance costs are allocated across activities based on the funds granted as shown in the table below

#### Analysis of charitable expenditure:

	Grant funded activity	Governance costs	Bank Charges	Total 2024	Total 2023
	£	£	£	£	£
<b>Grants to individuals</b>					
-Accommodation	35,800	6,082	72	<b>41,954</b>	33,176
-Travel & Conference	-	-	-	-	-
-Contribution to hall community	-	-	-	-	-
<i>Total to individuals</i>	<i>35,800</i>	<i>6,082</i>	<i>72</i>	<i><b>41,954</b></i>	<i>33,176</i>
<b>Grants to institutions</b>					
-None					-
<b>Total</b>	<b>35,800</b>	<b>6,082</b>	<b>72</b>	<b>41,954</b>	33,176

The lack of identified need or demand from Hulme Hall for anything other than the normal bursaries has continued thus limiting the charitable expenditure incurred. As set out on pages 3 and 4 we continue to pursue the merger with Hulme Trust Estates (Educational) as a more cost-effective way of providing bursaries thus providing more value for beneficiaries.

# The Hulme Hall Trust Foundation

## Financial Statements for the Year Ended 30 June 2024

### 5. Fixed Asset Investments

Permanent Endowment Fund	30 June 2024	30 June 2023
	£	£
<b>Market value at 1 July 2023</b>	<b><u>1,320,706</u></b>	<b><u>1,354,310</u></b>
<u>Changes in year</u>		
Additions to investments at cost	290,694	205,988
Disposals at carrying value	(293,378)	(211,630)
Add net unrealised gain/loss on revaluation	<u>117,081</u>	<u>(27,962)</u>
<b>Net change</b>	<b><u>114,397</u></b>	<b><u>(33,604)</u></b>
At 30 June 2024 Closing balance at cost	1,047,757	1,050,438
Unrealised gains/losses	<u>387,346</u>	<u>270,268</u>
<b>Market value as at 30 June 2024</b>	<b><u>1,435,103</u></b>	<b><u>1,320,706</u></b>
<b>Investments at fair value comprised:</b>		
UK Equities & Equity Funds	411,734	448,082
Global (exc. UK) Equities & Equity Funds	765,861	616,764
Fixed Interest (gilts) & Fixed Interest Funds	86,822	44,844
Alternatives	<u>170,686</u>	<u>211,016</u>
	<u>1,435,103</u>	<u>1,320,706</u>
Cash held within the investment portfolio	<u>20,049</u>	<u>26,920</u>
<b>Total</b>	<b><u>1,455,152</u></b>	<b><u>1,347,626</u></b>

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The difference in the portfolio valued at mid and bid prices is considered to be immaterial. Asset sales and purchases are recognised at the date of the trade at cost.

The Charity manages investment risks by retaining a professional and reputable investment manager and operating a well-diversified investment strategy. The Charity does not make use of derivatives and similar complex financial instruments.

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance section of the Trustees' Annual Report.

### 6. Analysis of Current Assets & Liabilities

Current assets	30 June 2024	30 June 2023
	£	£
Cash at bank	94,318	91,724
Cash in the income account with investment manager	<u>1,540</u>	<u>915</u>
<b>Total</b>	<b><u>95,858</u></b>	<b><u>92,639</u></b>

## The Hulme Hall Trust Foundation

### Financial Statements for the Year Ended 30 June 2024

Creditors	30 June 2024 £	30 June 2023 £
Independent Examiners fee	940	870
Investment Managers fee	2,619	2,425
Legal Costs re Merger	2,700	3,600
Clerk's fee	<u>2,400</u>	<u>2,400</u>
Total	<u>8,659</u>	<u>9,295</u>

#### 7. Funds

The Permanent Endowment Fund is a restricted fund as defined by the Trust Deed. Its purpose is to ensure that a suitable income stream is available to finance the on-going work of the Charity. It is represented by a portfolio of investments, which are managed by Rathbone Investment Management Ltd who have been given discretionary powers to acquire and dispose of investments within the policy set by the Governors. That policy has been explained in the Governors' report on page 5.

The Income Fund is an unrestricted fund, available to the Governors for distribution in accordance with the Trust Deed. This states that the Governors shall award Exhibitions and make grants to students of the University of Manchester in accordance with such rules as the Governors shall decide. Income may also be applied in the provision of benefits in connection with Hulme Hall, and the provision and maintenance of a Chaplaincy for the advancement of religion, provision of religious instruction and the pastoral care of students and staff of the University of Manchester.

#### Reconciliation of Funds

	Balance at 1 July 2023 £	Incoming Resources £	Resources Expended £	Investment Gains (Losses) £	Balance at 30 June 2024 £
Unrestricted Income Fund	78,040	46,002	(44,479)	-	79,563
Restricted Permanent Endowment	1,352,930	-	(7,574)	117,432	1,462,788
<b>Total Funds</b>	<b>1,430,970</b>	<b>46,002</b>	<b>(52,053)</b>	<b>117,432</b>	<b>1,542,351</b>

#### 8. Grant and Other Commitments

The Charity sets a budget each year based on the expected income and the level and type of awards it would like to make. The Charity makes no binding commitments in advance of cash availability and income receipt and only very rarely does the charity consider any binding commitment which relates to a future year.

At 30 June 2024 there had been no offers made for 2024/25 full or partial bursaries but the University of Manchester had been advised that 4 or 5 bursaries were provided for in the budget.