

**THE SMITH FOUNDATION  
ANNUAL REPORT AND  
FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2021**

The Smith Foundation  
Boothroyd  
BRIGHOUSE  
West Yorkshire  
HD6 3JW  
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## **THE SMITH FOUNDATION**

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**THE SMITH FOUNDATION**  
**TRUSTEES' ANNUAL REPORT**

**For the year ended 31 March 2021**

**Administrative Details, Trustees and Advisers**

The Smith Foundation (529132) is governed by a Charity Commission Scheme dated 4 August 1998 amended by resolution 20 June 2000 and 5 July 2011.

**The office** for all correspondence is:-

William Henry Smith School, Boothroyd, Brighouse, West Yorkshire, HD6 3JW.

**Present trustees of the Foundation are:-**

Roger Tilbrook, Chair

Brendan Heneghan, Vice Chair

Andrew Fairbairn, Treasurer

Grant McIntosh

David Duncan (Appointed 24 November 2020)

Michelle Cuffe (Appointed 6 July 2021)

Trevor Iles, former trustee, retired 10 July 2020

**Key officers**

Trust Secretary: Vanessa Talbot

**William Henry Smith School**

Sue Ackroyd, Principal

Caroline Booth, Deputy Principal

Damien Talbot, Deputy Principal

Rajinder Randhawa, Deputy Principal

Karl Adamski, Vice Principal

Steve Morris, Vice Principal

**Trust Advisers and Agents:-**

**Bankers**

Lloyds Bank plc  
6/7 Park Row  
LEEDS  
LS1 1NX

**Solicitors**

Weightmans LLP  
Westgate Point  
Westgate  
LEEDS  
LS1 2AX

**Auditors**

Firth Parish, Chartered Accountants  
1 Airport West  
Lancaster Way  
Yeadon  
LEEDS  
LS19 7ZA

**Land Surveyors**

Carter Jonas  
Manor House  
Nabbs Lane  
Slaithwaite  
HUDDERSFIELD  
HD7 5AU

**Property Consultants**

Carter Jonas  
13-15 Albert Street  
HARROGATE  
HG1 1JX

**THE SMITH FOUNDATION**  
**TRUSTEES' ANNUAL REPORT (CONTINUED)**

**For the year ended 31 March 2021**

**Health & Safety Consultants**

Senior H & S Advisor  
Calderdale H & S Department  
Calderdale MBC

**Chartered Surveyors**

PSK Building Surveyors Limited  
Batley Business Centre  
513 Bradford Road  
BATLEY  
WF17 8LL

**Historical Context**

The Smith Foundation originates from a trust established on the 16<sup>th</sup> of August 1916 by William Smith. The main purpose of that trust was to establish a Home for orphan girls. This was changed to a home for boys and girls under a scheme of 1923 just after William died in 1922. The bulk of his estate had been intended for his cousin's adopted son William Henry Smith but unhappily he was killed in the 1914-18 war so this money too was passed to the trust. The homes continued through the 1920's, 1930's and through the 1939-45 war. During the war they took in children from The Sailors' Orphan Home in Hull and also this school was used as a transit home for children from Sheffield.

In 1951 a scheme changed the name of the trust to The Smith Homes. This came about following an approach by the Ministry of Education after the enactment of the 1948 Children's Act. The revised scheme allowed the continuance of the Homes for a limited time but added an authority for the trustees to make grants to Special schools and to establish Special schools of their own.

Grants were made to Breckenborough and Chaigley Schools and Holly Bank House was purchased by the trust to convert into a Special School for Physically disabled children. This School was opened in 1953 and was run by the trust until 1998 when it was handed over to the newly formed Holly Bank Trust.

By the end of 1959 the last of the children left the Homes and by then plans were in hand to open a further residential special school in the buildings. The William Henry Smith School opened in September 1961 for 48 boys. In December of the following year the Charity Commission made a scheme that changed the name of the Trust to The Smith Foundation.

Over the next 30 years the school developed its education and social provision becoming recognised as a specialist school for very difficult and challenging boys, becoming very much a part of the national spectrum of special needs provision. During this period the trustees with the help of the DfES provided a new science building, new kitchen and then portable classrooms and a Gymnasium. In the early 1990's it became clear that the residential accommodation needed to be replaced and the trustees provided two new houses using some of their capital and money raised from trusts.

In 1994 the trustees commissioned a feasibility study that identified a plan to maximise the use of existing buildings through conversion and refurbishment to create new teaching facilities to allow the school to meet the challenges of the new millennium.

Since that time each summer there has been building work to fulfil the plan as money has allowed. This has seen the whole site transformed with derelict buildings becoming teaching and communal facilities, single en-suite bedrooms for all the boys and recreation improvements in the houses on the Care side of the school. On the Education side all the original temporary classrooms have been rebuilt to provide permanent accommodation; an IT suite, Assembly Hall, Design and Technology Rooms, Art Room, Music Room, Sports Hall, Life Skills Kitchen and a new therapy suite have been provided.

In the current financial year, the trust has continued to transform the site with the addition of a new building for Commissioned Services known as Bespoke Education, Support and Tuition (BEST).



**THE SMITH FOUNDATION**  
**TRUSTEES' ANNUAL REPORT (CONTINUED)**

**For the year ended 31 March 2021**

A final scheme was established by the Charity Commission in 1998 that revised the membership requirements for trustees and the objects of the charity. The instruments and articles of the governing body of the school were revised at that time and approved by the DfES in 1999. The governing body was reconstituted during the academic year 1999/2000.

**Structure, Governance and Management**

**Constitution**

The trust is governed by a Charity Commission Scheme dated 4 August 1998, as varied by a resolution of the trustees dated 20 June 2000 and a further resolution dated 5 July 2011. Trustees serve for a period of five years.

All trustees are nominated by current trustees. In making appointments to the trust, trustees "shall have regard to the desirability of appointing persons who are members of a church associated with Churches Together in England". When vacancies arise the local secretary of Churches Together in Brighouse is asked to notify member churches seeking expressions of interests. So far this approach with prospective trustees suggested by the present trust body had provided a representative and active group of trustees, although more recently this route has not proved as successfully as previously. When looking at vacancies the trust consider the skills and experience gap in their body.

All prospective trustees are informally interviewed by the chairman, who at that time makes verbal checks on the eligibility of trustees. Each new trustee is given an induction pack containing the charity's governing document, the Instruments and Articles of the school, the previous two sets of charity accounts and annual reports, together with previous meeting minutes of the trust and Governing body. They are given a tour of the School by pupils of the school and meet senior members of the school management as well as the trust secretary. DBS and the other relevant checks are initiated before a trustee is finally accepted. At the first meeting of the trust they attend they formally sign the minutes book declaration.

The Trustees are actively considering the optimum number of trustees and examining their method of recruitment, induction and training.

The Trust secretary has reported that all trustees had completed DBS checks in relation to trustee's eligibility to fill a regulated position in accordance with the Criminal Justice and Court Services Act 2000, adding that since the Commission's Scheme sealed on 4<sup>th</sup> August 1998 all trustees have signed a statement as follows:- "I the undersigned hereby declare that I am willing to accept the office and appointment of Trustee of The Smith Foundation and of acceptance and willingness to act in the trusts of the scheme approved and established by the Charity Commission on the 4<sup>th</sup> August 1998".

**Organisational structure**

The trustees delegate the running of the school to the governing body. They operate under Instruments and Articles approved by the DfES in 1999. The establishment of the governing body is up to 14 members: 7 trustees, the Principal, 1 parent representative, 2 teaching staff representatives, 1 non-teaching staff representative, 1 representative Yorkshire and Humberside LA's and 1 other LA representative.

**THE SMITH FOUNDATION**  
**TRUSTEES' ANNUAL REPORT (CONTINUED)**

**For the year ended 31 March 2021**

The Governing body in turn delegate the day to day running of the school to the Principal. In practice this means that the Trustees have final responsibility for the school staffing complement, audit and banking, insurance and security. They have joint responsibility with the governors and Principal for Admissions, Terms and Holiday dates, financial budgeting in the school, School Prospectus, the use of the school premises, all statutory policies such as Health & Safety, Religious Education and Sex Education. The Governors and Principal are jointly responsible for Staffing, Curriculum policy, welfare and child protection. The Principal is solely responsible for the organisation of the curriculum and the day-to-day running of the school.

The Governors fulfil these functions through three sub committees for Finance, School and Premises.

**Risk Assessment**

During the year the Trustees have carried out a review of the risk assessment and confirm that all major risks have been reviewed and action plans are in place to mitigate these risks. The Emergency Plan and Business Continuity Plan are subject to regular review.

**Objectives and Activities**

**Objective**

- (a) To promote the education of children who have special educational needs, and in particular but in no way limiting the generality of the foregoing by the provision of a special school within the meaning of the education acts; and
- (b) To promote the general welfare of children and young persons requiring assistance who have or have had special educational needs, with preference for pupils and former pupils of the school of the charity.

**Mission Statement**

The Trust fulfils its objects by providing a renowned and highly effective Non-Maintained Residential Special School for boys experiencing Social, Emotional and Mental Health Challenges. The Trustees recognise their three principal functions as:-

- i) Overseeing the working and development of the William Henry Smith School through the work of the Governing Body;
- ii) The safeguarding of the assets including finance, building and grounds in their care, and;
- iii) Planning for the future use of property, school and other assets.

**Activities**

To meet these objectives the trustees, the Governors of the school, the Principal as Chief Executive Officer and senior members of staff have worked together on the continued development of the school. The trustees for their part have continued to provide finance for capital development and have worked alongside the senior staff in developing a 5 year strategic plan covering all areas of the school. The return on investment has been carefully forecast.

Once again a principal activity of trustees this year has been that of critical friends, being active members of the school's governing body and working alongside the Principal and the senior staff in examining and promoting the School Self-Evaluation and Improvement Plan.

Staff training continues to be a vital part of school operation. The school actively aids all staff development to the long term benefit of the school.

**THE SMITH FOUNDATION**  
**TRUSTEES' ANNUAL REPORT (CONTINUED)**

**For the year ended 31 March 2021**

**Achievement & Performance**

The school was awarded an 'Outstanding' rating by Ofsted in all eight areas of the schools operation, including the fifteenth consecutive outstanding rating for 'Care'. A splendid achievement for which we are all immensely proud.

**Financial**

The pension liability at 31 March 2021 was £3,630,000, an increase from the previous year of £1,220,000. To control this liability no further entrants have been taken into this defined benefit scheme and all new employees now enter The Peoples Pension. Further investigation into a subsumption agreement with one or more of the Local Authorities in the West Yorkshire Pension Fund (WYPF) is being investigated to further reduce the liability.

**Reserves Policy**

The level of capital investment required in the 5-year strategic plan continues to be balanced against the need to maintain reserves at 50% of school running costs. This is continually monitored.

**Plans for Future Periods including impact of Covid-19**

Future plans, subject to reserves, have included purchasing a 52-week provision to purchase a local bed and breakfast for which planning permission has been granted. This purchase took place in August 2020. The masterplan has also been reviewed and updated and subject to Budgets and planning permission the Trustees have a five year plan to increase car parking provision on site, undertake capital replacement to Heating plant in addition to converting Lowry House into a new Therapy building and converting the existing therapy facility into accommodation with ensuite facilities.

Provision of additional outdoor learning areas for all students has taken place this summer in respect of recovery planning in light of Covid-19 and guidance published by the DfE in June 2020 for full opening in Autumn 2020. It is anticipated additional further costs will be incurred in light of Covid-19 in the coming year such as IT related investment, Outreach Support, PPE, transport (2 more vehicles), cleaning, Food Vouchers for families, to name a few. Some of these costs will be offset by savings/reduced costs in other areas, some will be funded by additional funding by the DfE. However, it is expected there will be a slight increase in net expenditure as a result of this.

During the first Quarter of 2020, the spread of the Covid 19 virus caused and has continued to cause disruption to financial markets. The potential impact on the three pension schemes used by the school are as of yet unknown but we receive regular communications and updates from providers. The Trustees will continue to assess and monitor the ever evolving situation in the months ahead. In the meantime, there are no immediate concerns about the school being able to continue trading as a result of Covid restrictions and no concerns about the pension schemes being able to continue to operate successfully. For all providers they are maintaining business as usual with a number of staff working from home and we believe it is reasonable to conclude that we are not concerned about the ability of any provider to continue to pay pensioners, process contributions etc in a timely manner and services will continue to operate uninterrupted. In terms of the WYPF, there has been a lot of news lately about the fall in stock markets and the potential resultant impact on defined benefit pensions. Local Government Pension Scheme (LGPS) defined benefit pensions are not linked to stock market performance and are set out in statute. Although short term investment values may vary, the LGPS as a long-term investor is securely managed to address any longer term impacts. WYPF has therefore advised that LGPS Scheme members can therefore be assured that both their contributions and their pension, whether in payment or built up to date, will be unaffected.

We will continue to invest in the development and well-being of all students and staff.

**THE SMITH FOUNDATION**  
**TRUSTEES' ANNUAL REPORT (CONTINUED)**

**For the year ended 31 March 2021**

**Future Prospects**

The trustees are confident for the future. This confidence is bolstered by a strong school management team with excellent leadership and a balanced achievable strategy to deliver excellent results in ensuring boy numbers are maintained and a high level of success in education and care. This is further supported by recent changes such as a reduction in the lower age range to incorporate Key Stage 1 and a temporary increase in the maximum pupil admission number from 70 to 75. Other income streams such as BEST and 52-week will further supplement income, along with possible VAT refunds with regards to disabled bathroom relief which are anticipated to be in the region of £100k.

Confidence is further enhanced by the possibility of Calderdale MBC releasing some of the trustees' land from Green Belt building restrictions.

**Further Information & News**

The school management team under the leadership of Sue Ackroyd has produced excellent results in the further development of the school in teaching, care and learning to bring out the full potential of the boys in the school. This success is further recognised in the finances of the trust and gives us confidence to pursue further our improvement plans.

Please visit our new website at [www.whssschool.org.uk](http://www.whssschool.org.uk)

**Statement of Disclosure to Auditors**

So far as the trustees are aware, there is no relevant audit information of which the charity's auditors is unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charity's auditors are aware of that information.

**Public Benefit**

In identifying the activities that the charity will undertake, the trustees complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

**Statement of Trustees' Responsibilities**

Charity law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of its financial activities for that period. In preparing those financial statements the trustees are required to:

- a) Select suitable accounting policies and then apply them consistently;
- b) Make judgements and estimates that are reasonable and prudent;
- c) State whether the policies adopted are in accordance with the Charities (Accounts & Reports) Regulations 2008 and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- d) Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

**THE SMITH FOUNDATION**  
**TRUSTEES' ANNUAL REPORT (CONTINUED)**

**For the year ended 31 March 2021**

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Approved on behalf of the Board of Trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'R. J. Tilbrook', followed by a period.

Roger J Tilbrook MRICS  
Chair of Trust

23 November 2021

## THE SMITH FOUNDATION

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SMITH FOUNDATION

#### Opinion

We have audited the financial statements of The Smith Foundation (the "Charity") for the year ended 31 March 2021 which comprise of the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements. 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 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The trustees are 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

#### 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 trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.



## THE SMITH FOUNDATION

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SMITH FOUNDATION

#### **Responsibilities of the trustees**

As explained more fully in the statement of the trustees responsibilities set out on page 6, the trustees are 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 they determine 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 trustees are 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 members of the executive committee either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 auditor's 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 extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

The extent to which the audit is capable of detecting irregularities, including fraud, is affected by the inherent difficulties in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities resulting from fraud usually are inherently more difficult to detect than irregularities that result from error.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered: the nature of the industry and sector, control environment and business performance including the charity's remuneration policies; the results of our enquiries of management about their own identification and assessment of the risks or irregularities; any matters we identified having reviewed the charity's procedures relating to identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance, detecting and responding to the risks of fraud and whether they have any knowledge of any actual, suspected or alleged fraud and the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations. We also considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

We assessed the effectiveness of the internal control environment for minimising the incidences of irregularities and considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for irregularities including fraud to be in the following areas: the completeness of income, the operation and accounting for cut off around the year end date and the ability of management to override controls.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts in the financial statements. The key laws and regulations we considered in this context included the Charity Act 2011 and pensions legislation. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate to avoid a material penalty.

## THE SMITH FOUNDATION

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SMITH FOUNDATION

#### Audit response to risks identified

We tested the operation of the sales system by checking that a sample of pupils resulted in the recognition of corresponding income. We addressed the risk of management override of internal controls including testing journals and evaluation whether there was evidence of bias by the Board that represented a risk of material misstatement due to fraud.

In addition to the above, our procedures to respond to risks identified included the following: reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements; enquiring of management concerning actual and potential litigation and claims; performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and in addressing the risk of fraud through management override of controls, assessing whether the judgements made in making accounting estimates were indicative of a potential bias and evaluating the business rationale of any significant transactions that were unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [[www.frc.org.uk/auditorsresponsibilities](http://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 trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustees 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Firth Parish is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



23 November 2021

**Firth Parish**  
**Chartered Accountants**  
**Statutory Auditor**

1 Airport West  
Lancaster Way  
Yeadon  
Leeds  
West Yorkshire  
LS19 7ZA



**THE SMITH FOUNDATION**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
for the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	Endowment £	2021 Total £	2020 Total £
<b>Income and endowments from:</b>						
Charitable activities	4	6,905,826	92,182	-	6,998,008	6,523,167
Investments	3	9,497	-	-	9,497	12,967
<b>Total income</b>		6,915,323	92,182	-	7,007,505	6,536,134
<b>Expenditure on:</b>						
<b>Charitable activities:</b>						
Salaries	14	4,471,852	-	-	4,471,852	4,173,242
Establishment costs	5	591,560	-	-	591,560	570,323
Education & welfare	6	775,202	99,722	-	874,924	867,652
		5,838,614	99,722	-	5,938,336	5,611,217
Support and governance costs:						
Interest payable - pension		50,000	-	-	50,000	30,000
Depreciation		113,805	3,919	-	117,724	116,078
Professional fees		13,454	-	-	13,454	2,674
Clerk charges & subscriptions		9,381	-	-	9,381	8,254
Auditor remuneration		11,820	-	-	11,820	9,516
Actuary fees		786	-	-	786	816
<b>Total expenditure</b>		6,037,860	103,641	-	6,141,501	5,778,555
Net income before investment gains/(losses)		877,463	(11,459)	-	866,004	757,579
Net gains/(losses) on investments		-	-	10,261	10,261	(777)
<b>Net income/(expenditure)</b>	2	877,463	(11,459)	10,261	876,265	756,802
Transfers between funds		18,386	(18,386)	-	-	-
Actuarial (losses) on defined benefit pension scheme		(1,270,000)	-	-	(1,270,000)	(770,000)
Net movement in funds		(374,151)	(29,845)	10,261	(393,735)	(13,198)
<b>Reconciliation of funds:</b>						
Total funds brought forward		3,405,030	189,283	702,963	4,297,276	4,310,474
Total funds carried forward	12	3,030,879	159,438	713,224	3,903,541	4,297,276

All incoming resources and resources expended derive from continuing activities.

The comparative figures are analysed by funds in note 18 of the accounts

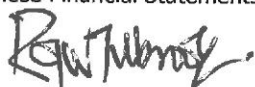
**THE SMITH FOUNDATION**

**BALANCE SHEET**

**as at 31 March 2021**

	Note	£	2021 £	£	2020 £
<b>Fixed assets</b>					
Land & buildings	7		3,930,067		3,656,267
Furniture & equipment	7		85,698		-
Investments	8		55,979		45,719
			<hr/>		<hr/>
			4,071,744		3,701,986
<b>Current assets</b>					
Stocks		53,974		55,909	
Debtors	10	1,100,572		630,808	
Cash at bank and in hand		2,669,014		2,591,634	
		<hr/>		<hr/>	
		3,823,560		3,278,351	
<b>Liabilities</b>					
Creditors falling due within one year	11	(361,763)		(273,061)	
		<hr/>		<hr/>	
<b>Net current assets</b>			3,461,797		3,005,290
			<hr/>		<hr/>
<b>Net assets before pension liability</b>			7,533,541		6,707,276
Defined benefit pension scheme liability	15	(3,630,000)		(2,410,000)	
		<hr/>		<hr/>	
<b>Total net assets</b>			3,903,541		4,297,276
			<hr/>		<hr/>
<b>The funds of the charity:</b>					
Endowment funds			713,224		702,963
Restricted income funds			159,438		189,283
Unrestricted income funds:					
Unrestricted funds			6,425,971		5,712,707
Pension reserve	15	(3,630,000)		(2,410,000)	
School Improvement Plan designated fund			234,908		102,323
			<hr/>		<hr/>
<b>Total charity funds</b>	12		3,903,541		4,297,276
			<hr/>		<hr/>

These Financial Statements were approved by the Trustees on 23 November 2021 and signed on their behalf by



Roger J Tilbrook MRICS  
Chair of Trust

**THE SMITH FOUNDATION**

**STATEMENT OF CASH FLOWS**

**for the year ended 31 March 2021**

<b>Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>	<b>2021 £</b>	<b>2020 £</b>
Net income for the year (as per the statement of financial activities)	876,265	756,802
Add back depreciation charge	117,724	116,078
Deduct interest income shown in investing activities	(9,497)	(12,967)
Net (gains)/losses on investments	(10,261)	777
Decrease/(increase) in stocks	1,935	(10,962)
(Increase) in debtors	(469,763)	(263,131)
Increase in creditors	88,702	12,476
FRS102 pension adjustment	(50,000)	150,000
<b>Net cash provided by operating activities</b>	<b>545,105</b>	<b>749,073</b>
<b>Cash flows from investing activities:</b>		
Interest and dividends	9,497	12,967
Purchase of property, plant and equipment	(477,222)	(389,840)
<b>Net cash used in investing activities</b>	<b>(467,725)</b>	<b>(376,873)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>77,380</b>	<b>372,200</b>
Cash and cash equivalents brought forward	2,591,634	2,219,434
Cash and cash equivalents carried forward	2,669,014	2,591,634

**THE SMITH FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

**1 Accounting Policies**

**Charity Information**

The Smith Foundation is an unincorporated charity registered with the Charity Commission in England & Wales. The public address is William Henry Smith School, Boothroyd Lane, Brighouse, West Yorkshire, HD6 3JW.

**Basis of preparation and assessment of going concern**

These financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), with FRS 102, with the requirements of the Charities Act 2011 and under the historical cost convention as modified by the revaluation of investments assets.

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

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

The Trustees believe that the Foundation is a going concern because it has a strong balance sheet, good leadership and management to ensure boy numbers are maintained at a satisfactory level. The more recent addition of Commissioned Services (Bespoke Education, Support and Tuition) extends the school offering and makes a welcome financial contribution.

**Stocks**

Stocks are valued at the lower of cost and net realisable value.

**Pensions**

The charity contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the school. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme.

The charity also contributes to a Defined Benefits pension scheme for non-teaching staff. Rates are set by the scheme Actuary and advised to the School by the Scheme Administrator. This scheme is now being accounted for under FRS102, with the annually calculated notional surplus or deficit on the funding of the Scheme shown in the accounts as a designated fund entitled "Pensions Reserve", which is deducted from Unrestricted Funds in the balance sheet. The trustees believe that the scheme currently meets statutory minimum funding requirements. The Trustees note that the calculated notional deficit or surplus calculated under FRS102 can vary greatly from year to year depending on the assumptions made at the valuation date, but with normally little or no effect on short term cashflows.

**Income recognition**

All income is recognised when the charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.

Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities and sale of goods, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

**THE SMITH FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

**1 Accounting Policies (continued)**

**Expenditure recognition**

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for it. All costs have been directly attributed to one of the functional categories of resources expended in the SOFA. The charity is not registered for VAT and accordingly expenditure is shown including the irrecoverable VAT.

**Capital expenditure:**

**Freehold property** will be capitalised and depreciated over 50 years. Regular valuations, other than for insurance purposes, are not considered to be of any benefit to the Trustees.

**Fixtures & equipment** will be capitalised and depreciated at 20% per annum on a straight line basis. Any single item costing £1,000 or less will be written off.

**Computer equipment** is depreciated at 100% on a straight line basis.

**Fixed asset investments**

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 mid market value. The increase or decrease in fair value is credited or charged to the endowment fund in the statement of financial activities as unrealised gains or losses on investments. Income from the endowment fund is unrestricted.

**Donations, legacies and grants**

Donations, legacies and grants are credited to income as they are received.

**Designated funds**

The trustees set aside amounts within unrestricted funds for designated expenditure. The designated fund balances do not affect the statement of financial activities.

**Leasing**

Rentals payable under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

**Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments.

**Financial instruments**

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

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

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

**Basic financial assets**

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

**THE SMITH FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
for the year ended 31 March 2021

**1 Accounting Policies (continued)**

**Impairment of financial assets**

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original interest rate. The impairment loss is recognised in the statement of financial activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of financial activities.

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Basic financial liabilities**

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

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

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

**Derecognition of financial liabilities**

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

<b>2 Net income/(expenditure)</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) is stated after charging:		
Depreciation of tangible assets	117,724	116,078
Operating lease rentals	68,092	57,639
Auditors remuneration - audit	4,600	4,500
- other services	7,220	5,016
	<hr/>	<hr/>
<b>3 Investment income</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Interest received	8,670	12,156
Dividends	827	811
	<hr/>	<hr/>
	9,497	12,967
	<hr/>	<hr/>

**THE SMITH FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
for the year ended 31 March 2021

<b>4</b>	<b>Income from charitable activities</b>	<b>2021</b> £	<b>2020</b> £
	Fees : Standard	4,597,463	4,294,185
	: Additional services	1,119,060	1,012,067
	: Off roll/off site provisions	356,565	345,782
	: EFA funding grant	530,841	516,206
	Other grants	377,727	319,653
	Other generated income	16,352	35,274
		<hr/> 6,998,008	<hr/> 6,523,167
	Grants comprise mainly of EFA funding towards education.		
<b>5</b>	<b>Establishment costs</b>	<b>2021</b> £	<b>2020</b> £
	Cleaning	113,086	103,966
	Maintenance and security	214,585	203,492
	Heat and light	73,545	75,122
	Water	20,455	16,104
	Insurance	65,026	53,229
	Office costs	71,646	79,423
	Professional fees	28,675	38,987
	52 Week pension	4,542	-
		<hr/> 591,560	<hr/> 570,323
<b>6</b>	<b>Education and Welfare Costs</b>	<b>2021</b> £	<b>2020</b> £
	Education costs	127,407	95,205
	ICT	68,905	59,265
	Catering	104,664	114,384
	Housekeeping and laundry	39,406	30,645
	Motor and travel	55,365	53,165
	Training	67,693	72,542
	Care	121,637	131,279
	Therapy	14,145	7,223
	Other	4,635	4,080
	School Improvement Plan – designated fund expenditure	171,511	227,986
	Other restricted and designated fund expenditure	99,556	71,878
		<hr/> 874,924	<hr/> 867,652

THE SMITH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2021

7 Tangible Fixed Assets

	Freehold Land & Buildings £	Computers £	Fixtures & Equipment £	Total £
<b>Cost</b>				
1 April 2020	5,214,083	52,269	355,518	5,621,870
Additions	382,329	-	94,893	477,222
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2021	5,596,412	52,269	450,411	6,099,092
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
1 April 2020	1,557,816	52,269	355,518	1,965,603
Charge for year	108,529	-	9,195	117,724
Eliminated on disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2021	1,666,345	52,269	364,713	2,083,327
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net Book Value</b>				
31 March 2021	3,930,067	-	85,698	4,015,765
	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2020	3,656,267	-	-	3,656,267
	<hr/>	<hr/>	<hr/>	<hr/>

8 Investments

	Cost B/d & C/d £	Market Value B/d £	Unrealised Investment Gain/(Loss) £	Market Value C/d £
<b>Charities Official Investment Fund</b>				
1,579.56 Income Shares	3,210	23,467	4,848	28,315
<b>Charities Official Investment Fund</b>				
133.55 Accumulation Shares	3,868	22,252	5,412	27,664
	<hr/>	<hr/>	<hr/>	<hr/>
	7,078	45,719	10,260	55,979
	<hr/>	<hr/>	<hr/>	<hr/>



**THE SMITH FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**for the year ended 31 March 2021**

<b>9</b>	<b>Financial instruments</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	<b>Carrying amount of financial assets</b>		
	Debt instruments measured at amortised cost	1,086,095	612,307
		<hr/>	<hr/>
	<b>Carrying amount of financial liabilities</b>		
	Measured at amortised cost	288,440	208,353
		<hr/>	<hr/>
<b>10</b>	<b>Debtors</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Trade debtors	1,081,600	610,849
	Other debtors	4,494	1,458
	Prepayments	14,478	18,501
		<hr/>	<hr/>
		1,100,572	630,808
		<hr/>	<hr/>
<b>11</b>	<b>Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Trade creditors	163,003	91,745
	Other taxes and social security	73,323	64,708
	Other creditors	97,298	86,125
	Accruals and deferred income	28,139	30,483
		<hr/>	<hr/>
		361,763	273,061
		<hr/>	<hr/>

**THE SMITH FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**for the year ended 31 March 2021**

**12 Reserves**

	<b>Unrestricted £</b>	<b>Restricted Endowment £</b>	<b>Total £</b>
Brought forward	3,405,030	189,283	4,297,276
Surplus/(deficit) for year	827,463	(11,459)	816,004
Increase/(decrease) in valuations	-	10,261	10,261
Pension movement	(1,220,000)	-	(1,220,000)
Transfers between funds	18,386	(18,386)	-
	<u>3,030,879</u>	<u>159,438</u>	<u>3,903,541</u>

Restricted funds represent grants and donations invested in buildings of £119,474 and the unspent portion of other grants totalling £39,964.

**Analysis of Net Assets between Funds**

	<b>2021 Unrestricted £</b>	<b>2021 Restricted £</b>	<b>2021 Endowment £</b>	<b>2020 Unrestricted £</b>	<b>2020 Restricted £</b>	<b>2020 Endowment £</b>
Fixed assets	3,239,046	119,474	657,245	2,875,630	123,393	657,244
Investments	-	-	55,979	-	-	45,719
Stock and debtors	1,154,546	-	-	686,717	-	-
Cash and bank	2,629,050	39,964	-	2,525,744	65,890	-
Creditors	(361,763)	-	-	(273,061)	-	-
Pension liability	(3,630,000)	-	-	(2,410,000)	-	-
	<u>3,030,879</u>	<u>159,438</u>	<u>713,224</u>	<u>3,405,030</u>	<u>189,283</u>	<u>702,963</u>

**13 Transactions with Trustees**

During the financial year the Smith Foundation was invoiced £114,380 (2020: £104,679) by MTM Environment Care Limited, as cleaning contractors and £14,047 (2020: £12,848) by Trevor Iles Limited, as cleaning provisions providers, under normal trading conditions. Mr T Iles was a trustee of the Smith Foundation and is a director and shareholder of MTM Environment Care Limited and Trevor Iles Limited. A balance of £9,826 (2020: £7,173) was due to MTM Environment Care Limited and £1,317 (2020: £1,144) to Trevor Iles Limited at the year end date.

During the financial year the Smith Foundation was invoiced £43,642 (2020: £63,160) by PSK Building Surveyors Limited for property consultancy. Mr R Tilbrook is trustee of the Smith Foundation and a director and shareholder of PSK Building Surveyors Limited. A balance of £13,920 (2020: £4,550) was due to PSK Building Surveyors Limited at the year end.

**THE SMITH FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**for the year ended 31 March 2021**

<b>14 Expenditure</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Staff costs</b>		
Wages and salaries	3,546,813	3,181,380
Social security costs	288,888	254,062
Pension costs (see note 15)	636,151	737,800
	<hr/>	<hr/>
	4,471,852	4,173,242
	<hr/>	<hr/>
<b>Staff earning over £60,000</b>	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Employees with emoluments falling within the following bands:		
£60,001 to £70,000	2	1
£70,001 to £80,000	2	2
£80,001 to £90,000	-	1
£90,001 to £100,000	1	-
	<hr/>	<hr/>

Pension costs were £130,414 (2020: £75,948). One employee (2020: 1) was accruing benefits under defined contribution schemes and 4 employees (2020: 3) were accruing benefits under defined benefit schemes.

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Average number of employees:</b>		
Senior Leadership Team	5	5
Teaching Department	42	41
Care	24	23
Administration	12	11
Maintenance	7	6
Domestic	7	7
Education Support ISIP	54	45
	<hr/>	<hr/>
	151	138
	<hr/>	<hr/>

No remuneration was paid to any of the trustees, nor were any expenses reimbursed to any of the trustees, during the year (2020: none).

The key management team received remuneration of £383,613 (2020: £358,029).

**THE SMITH FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
for the year ended 31 March 2021

**15 Pensions**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Contributions payable by the Foundation for the employees:		
Teachers Pension	121,431	93,834
West Yorkshire Pension Fund	454,085	610,065
Peoples Pension	60,635	33,901
	<hr/>	<hr/>
	636,151	737,800
	<hr/>	<hr/>
Contributions outstanding at the year end:		
Teachers Pension	14,848	12,869
West Yorkshire Pension Fund	50,502	38,196
Peoples Pension	8,132	13,460
	<hr/>	<hr/>
	73,482	64,525
	<hr/>	<hr/>

**Teachers Pension**

The school contributes to the Teachers Pension Scheme (England & Wales) for the teaching staff. The assets of these funds are held separately from The Smith Foundation.

The Teachers Pension Scheme is a multi-employer defined benefits scheme, to which the school pays contributions at the rate set by the Scheme Actuary (currently 23.68% of pensionable earnings). The school has no responsibility for or benefit from any deficit or surplus of this Scheme. It is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the school and it is therefore accounted for as a defined contribution scheme. Contributions to the Scheme are accounted for when they fall due.

**West Yorkshire Pension Fund**

The West Yorkshire Pension Fund is also a multi-employer defined benefits scheme but in this case the school are required to make up the deficit of the Scheme relating to their employees and former employees. At the last valuation of the West Yorkshire Pension Fund made on 31 March 2019 the scheme was assessed to have a deficit. This deficit is set to be made up over a period of 22 years from 1 April 2020. The rate for contributions as set by the Fund Actuary for 2020/21, 2021/22 and 2022/23 was 36.4% of pensionable earnings.

The trustees recognise that action was being taken by the fund managers to recover the deficit over the next 22 years. The trustees believe that the school has sufficient reserves to meet any demands which may be made upon them in the future. In the meantime the trustees address the issue by considering it within their budgeting and reserves policies.

Pension contributions for the West Yorkshire Pension Fund are determined by the scheme actuary on the basis of triennial valuations using the projected unit method. The most recent full actuarial valuation was on 31 March 2019 and was carried out by a qualified independent actuary. This has been updated by the actuary as at 31 March 2021.

The scheme was closed to new members during the year ended 31 March 2018.

**THE SMITH FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**for the year ended 31 March 2021**

**15 Pensions (Continued)**

**The key assumptions used by the actuary were:**

	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<b>% p.a.</b>	<b>% p.a.</b>	<b>%p.a.</b>
Discount rate	2.1	2.3	2.5
Rate of inflation (CPI)	2.7	1.9	2.1
Rate of increase in salaries	4.0	3.2	3.4
Rate of increase to pensions	2.7	1.9	2.1
Pension accounts revaluation rate	2.7	1.9	2.1

**Mortality assumptions**

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below:

	<b>2021</b>	<b>2020</b>
	<b>Years</b>	<b>Years</b>
<b>Males</b>		
Member aged 65 at accounting date	21.9	21.8
Member aged 45 at accounting date	22.6	22.5
<b>Females</b>		
Member aged 65 at accounting date	24.7	24.6
Member aged 45 at accounting date	25.8	25.7

**The major categories of assets in the scheme as a percentage of total plan assets are as follows:-**

	<b>2021</b>	<b>2020</b>
	<b>%</b>	<b>%</b>
Equities	79.7	77.5
Corporate Bonds	4.6	5.1
Government Bonds	8.3	9.6
Property	3.8	4.5
Cash	2.0	1.9
Other	1.6	1.4

**THE SMITH FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

for the year ended 31 March 2021

**15 Pensions (Continued)**

**Analysis of the amount recognised in the SOFA:**

	<b>2021</b> £	<b>2020</b> £
Current service cost	460,000	510,000
Contributions already paid by the employer	(560,000)	(490,000)
Past service cost	-	100,000
Net interest charge	50,000	30,000
<b>Actuarial gains/(losses) on defined benefit pension scheme</b>		
Asset (gains)/losses arising during the period	(1,640,000)	790,000
Liability (gains)/losses arising during the period	2,910,000	(20,000)
	<hr/>	<hr/>
Movement in pension scheme deficit	1,220,000	920,000
	<hr/>	<hr/>

	<b>2021</b> £	<b>2020</b> £
Actual return on assets:		
Interest income on assets	190,000	210,000
Gains/(losses) on assets	1,640,000	(790,000)
	<hr/>	<hr/>
	1,830,000	(580,000)
	<hr/>	<hr/>

**Changes to the present value of the plan liabilities**

	<b>2021</b> £	<b>2020</b> £
Opening scheme liabilities	10,380,000	9,710,000
Current service cost	460,000	510,000
Past service cost	-	100,000
Interest expense	240,000	240,000
Actuarial gains/(losses) on liabilities	2,910,000	(20,000)
Contributions by the participants	100,000	100,000
Net benefits paid out	(250,000)	(260,000)
	<hr/>	<hr/>
Closing scheme liabilities	13,840,000	10,380,000
	<hr/>	<hr/>

**THE SMITH FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
for the year ended 31 March 2021

**15 Pensions (Continued)**

<b>Changes to the fair value of the plan assets:</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Opening fair value of assets	7,970,000	8,220,000
Interest income	190,000	210,000
Remeasurement (loss)/gain on assets	1,640,000	(790,000)
Contributions by the employer	560,000	490,000
Contributions by the participants	100,000	100,000
Net benefits paid out	(250,000)	(260,000)
	<hr/>	<hr/>
Closing fair value of assets	10,210,000	7,970,000
	<hr/>	<hr/>
<b>Net scheme liabilities</b>	<b>3,630,000</b>	<b>2,410,000</b>
	<hr/>	<hr/>
<b>Peoples Pension</b>		

The charity also operates a defined contribution scheme for qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. The charity contributes a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the charity with respect to the scheme is to make the specified contributions.

**16 Financial Commitments**

At 31 March 2021 the charity was committed to making the following payments under non-cancellable operating leases:-

	<b>Plant &amp; Machinery</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Leases expiring in:-		
< 1 year	18,113	12,482
2-5 years	67,807	59,615
	<hr/>	<hr/>

**THE SMITH FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

for the year ended 31 March 2021

**17 Comparative Statement Of Financial Activities**

	Note	Unrestricted	Restricted	Endowment	2020 Total
		£	£	£	£
<b>Income and endowments from:</b>					
Charitable activities	4	6,455,793	67,374	-	6,523,167
Investments	3	12,967	-	-	12,967
<b>Total income</b>		<b>6,468,760</b>	<b>67,374</b>	<b>-</b>	<b>6,536,134</b>
<b>Expenditure on:</b>					
<b>Charitable activities:</b>					
Salaries	14	4,173,242	-	-	4,173,242
Establishment costs	5	570,323	-	-	570,323
Education & welfare	6	804,397	63,255	-	867,652
		5,547,962	63,255	-	5,611,217
Support and governance costs:					
Interest payable - pension		30,000	-	-	30,000
Depreciation		112,159	3,919	-	116,078
Professional fees		2,674	-	-	2,674
Clerk charges & subscriptions		8,254	-	-	8,254
Auditor remuneration		9,516	-	-	9,516
Actuary fees		816	-	-	816
<b>Total expenditure</b>		<b>5,711,381</b>	<b>67,174</b>	<b>-</b>	<b>5,778,555</b>
Net income before investment gains/(losses)		757,379	200	-	757,579
Net gains/(losses) on investments		-	-	(777)	(777)
<b>Net income/(expenditure)</b>	<b>2</b>	<b>757,379</b>	<b>200</b>	<b>(777)</b>	<b>756,802</b>
Transfers between funds		(20,500)	20,500	-	-
Actuarial (losses) on defined benefit pension scheme		(770,000)	-	-	(770,000)
Net movement in funds		(33,121)	20,700	(777)	(13,198)
<b>Reconciliation of funds:</b>					
Total funds brought forward		3,438,151	168,583	703,740	4,310,474
Total funds carried forward	<b>12</b>	<b>3,405,030</b>	<b>189,283</b>	<b>702,963</b>	<b>4,297,276</b>

All incoming resources expended derive from continuing activities.