

HITCHIN BOYS' SCHOOL CHARITABLE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

HITCHIN BOYS' SCHOOL CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr J McPhee (Governor)
Mrs D Ivory-Webb (Treasurer)
Mr M Cranfield (Chair and Hitchin
Boys' School former Students'
Association)
Mr C Job (Blueharts Hockey Club)
Mr C Maylin (Hitchin Boys' School
former Students' Association)

Charity number

801251

Principal address

Grammar School Walk
Hitchin
Herts
SG5 1JB

Independent examiner

UHY Hacker Young
PO Box 501
The Nexus Building
Broadway
Letchworth Garden City
Herts
SG6 9BL

Bankers

National Westminster Bank PLC
12 High Street
Hitchin
Herts
SG5 1BW

Yorkshire Bank
2/4 George Street
Luton
LU1 2AN

HITCHIN BOYS' SCHOOL CHARITABLE TRUST

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HITCHIN BOYS' SCHOOL CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The trustees present their report and accounts for the year ended 30 June 2021.

The Hitchin Boys' School Charitable Trust (HBSCT) was formally created on 1 February 1989, following the formation of a steering committee on 7 September 1988. The HBSCT is registered with the Charity Commission, number 801251.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The Trust's objective is to assist in the provision of facilities which will enable and encourage the pupils of Hitchin Boys' School to play games and sports. Also to assist in ensuring that due attention is paid to physical education and the development of their minds.

The Trust's initial project was to provide Hitchin Boys' School with an all-weather playing surface and the project was successfully completed in 1991.

The playing surface has an expected life service of 10 years, and during 2014, it had passed its 10 year anniversary. Having obtained external professional advice it was agreed that the playing surface was due for replacement. The refurbishment included the pitch surface, new fencing and dugout. The work was completed in March 2014 at a total cost of £231,392. The Trust's donation towards the cost was £200,000.

The current playing surface is again estimated to have a life service of 10 years and so the trust will continue to restrict the general funds by £20,000 per annum for 10 years until 2024 in order to be in a position to make a substantial donation to Hitchin Boys' School at the time of replacement.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake and considers itself to be a public benefit entity.

Achievements and performance

Financial review

The finances of the Trust remain on a sound footing and cash reserves, together with projected income, exceed future known commitments.

Provision for the cost of the next surface replacement is currently being made at a rate of £20,000 per annum. This fund is treated as a designated fund, the remaining funds are unrestricted. The reserve policy of the charity is therefore to ensure that the designated fund sufficiently covers the cost of the pitch refurbishment after a 10 year period, being the expected life span.

There are two main sources of income for the charity being rental of the school's astro turf sports facility and donations/grants. The resource expenditure is defined as either Direct Charitable activities or Governance costs. The allocation of Income and Expenditure is on a gross basis since the charity is not currently registered for VAT and therefore VAT is irrecoverable.

The charity incurred a deficit of £15,264 (2020 Surplus: £56,079) for the year. £20,000 was allocated to the designated fund to deal with astro turf maintained and the remaining amount was taken out of the unrestricted reserves. At 30 June 2021 the balance in the designated fund stood at £205,000 and £247,786 in the unrestricted reserve.

HITCHIN BOYS' SCHOOL CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

Reserves policy

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months' expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Risk assessment

The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Trust does not feel that the it is exposed to any significant risk.

Structure, governance and management

The trust is a an unincorporated charity, the Trustees that served during the period were:

Mr J McPhee (Governor)
Mrs D Ivory-Webb (Treasurer)
Mr M Cranfield (Chair and Hitchin Boys' School
former Students' Association)
Mr C Job (Blueharts Hockey Club)
Mr C Maylin (Hitchin Boys' School former
Students' Association)

New trustees are appointed by the existing trustees, subject to a minimum of three and maximum of five trustees serving at any one time.

The trustees' report was approved by the Board of Trustees.

Mrs D Ivory-Webb (Treasurer)

Trustee

Dated: 16 November 2021

HITCHIN BOYS' SCHOOL CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HITCHIN BOYS' SCHOOL CHARITABLE TRUST

I report on the financial statements of the trust for the year ended 30 June 2021, which are set out on pages 4 to 10.

Respective responsibilities of trustees and examiner

The trust's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

UHY Hacker Young

PO Box 501
The Nexus Building
Broadway
Letchworth Garden City
Herts
SG6 9BL

Dated: 18 November 2021

HITCHIN BOYS' SCHOOL CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2021

		Unrestricted funds	Unrestricted funds designated	Total 2021	Total 2020
	Notes	£	£	£	£
<u>Income from:</u>					
Charitable activities	3	42,308	-	42,308	82,518
Investments	4	8	-	8	211
Total income		<u>42,316</u>	<u>-</u>	<u>42,316</u>	<u>82,729</u>
<u>Expenditure on:</u>					
Charitable activities	5	<u>57,580</u>	<u>-</u>	<u>57,580</u>	<u>26,650</u>
Net (outgoing)/incoming resources before transfers		(15,264)	-	(15,264)	56,079
Gross transfers between funds		<u>(20,000)</u>	<u>20,000</u>	<u>-</u>	<u>-</u>
Net (expenditure)/income for the year/ Net movement in funds		(35,264)	20,000	(15,264)	56,079
Fund balances at 1 July 2020		<u>283,050</u>	<u>185,000</u>	<u>468,050</u>	<u>411,971</u>
Fund balances at 30 June 2021		<u><u>247,786</u></u>	<u><u>205,000</u></u>	<u><u>452,786</u></u>	<u><u>468,050</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

HITCHIN BOYS' SCHOOL CHARITABLE TRUST

BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	10	21,481		19,383	
Cash at bank and in hand		433,601		451,167	
		<u>455,082</u>		<u>470,550</u>	
Creditors: amounts falling due within one year	11	(2,296)		(2,500)	
Net current assets			452,786		468,050
			<u><u>452,786</u></u>		<u><u>468,050</u></u>
Income funds					
Endowment funds - designated			205,000		185,000
Unrestricted funds			247,786		283,050
			<u>452,786</u>		<u>468,050</u>
			<u><u>452,786</u></u>		<u><u>468,050</u></u>

The financial statements were approved by the Trustees on 16 November 2021

Mrs D Ivory-Webb (Treasurer)
Trustee

HITCHIN BOYS' SCHOOL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Charity information

Hitchin Boys' School Charitable Trust is an unincorporated charity. Its registered office is Hitchin Boys' School, Grammar School Walk, Hitchin, Herts, SG5 1JB.

1.1 Accounting convention

The accounts have been prepared in accordance with the trust's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2016). The trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The accounts have been prepared on a going concern basis. Since the period end trading conditions have been adversely affected by the coronavirus outbreak and the subsequent lockdown in the UK. However, the trustees have considered the position of the Charity in light of its ability to continue to trade through the lockdown period and the financial resources available to it. These factors, together with, if necessary, the available support for business provided by the government in the form of delayed payments, grants and loan support, lead the trustees to believe that the Charity can continue to carry on its business activities successfully for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The charity does not hold any restricted funds.

1.4 Incoming resources

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. It is recognised on an accruals basis.

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Resources expended

Expenditure is recognised when a liability arises from its charitable activities. Expenditure incurred relates to the charitable activities.

Support and governance costs are incurred in running the charity and are allocated fully to charitable activities. In the period there were no support costs incurred, governance costs incurred have been detailed within the notes to the accounts.

HITCHIN BOYS' SCHOOL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held with banks.

1.7 Financial instruments

The trust 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 trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

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.

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 trust 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 a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations 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 trust's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

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

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

HITCHIN BOYS' SCHOOL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

3 Charitable activities

	2021 £	2020 £
Covenanted income including gift aid	54,823	35,843
Pitch rental income and electricity fees	27,695	50,999
	<u>42,308</u>	<u>86,842</u>

4 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	<u>8</u>	<u>211</u>

5 Charitable activities

	2021 Unrestricted funds £	2020 Unrestricted funds £
Hire of sports centre	4,286	7,721
Management fees and reimbursed expenses	7,796	15,043
	<u>12,082</u>	<u>22,764</u>
Build a Brick Income to Hitchin Boys' School	42,496	-
Share of governance costs (see note 6)	3,002	3,886
	<u>57,580</u>	<u>26,650</u>

HITCHIN BOYS' SCHOOL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

6 Governance costs

	Governance costs £	2021 £	2020 £
Accountancy	3,886	3,886	4,200
	<u>3,886</u>	<u>3,886</u>	<u>4,200</u>
Analysed between Charitable activities	<u>3,886</u>	<u>3,002</u>	<u>3,886</u>

Governance costs includes payments to the independent examiner of £3,886 (2020: £3,886).

Governance costs are attributed entirely to charitable activities.

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year.

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

9 Taxation

Tax recoverable relates to an estimate of tax recoverable on income received between 1 July 2018 and 30 June 2021 from deeds of covenant, but as at the present time its recoverability is dependant upon acceptance by HM Revenue and Customs as to whether all or only part of this amount is refundable.

10 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Gift aid recoverable	21,481	17,957
Prepayments and accrued income	-	1,426
	<u>21,481</u>	<u>19,383</u>

HITCHIN BOYS' SCHOOL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	2,296	2,500

12 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

The current surface replacement took place in 2014 and is expected to have a life of 10 years and, as done previously with the first pitch surface, the trustees decided to allocate funds towards the eventual replacement of the current pitch surface. This will be achieved by means of a surface replacement fund and £20,000 per annum is currently being transferred to this reserve.

13 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £
Fund balances at 30 June 2021 are represented by:						
Current assets/ (liabilities)	281,477	185,000	452,786	246,971	165,000	468,050
	<u>281,477</u>	<u>185,000</u>	<u>452,786</u>	<u>246,971</u>	<u>165,000</u>	<u>468,050</u>

14 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).