

## **Independent Examiner's Report to the Trustees of Earls High School Foundation Trust**

I report on the accounts of the Trust for the year ended 31<sup>st</sup> March 2009, which are set out on pages 1 to 4.

### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 43(3) (a) of the 1993 Act);
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7) (b) of the 1993 Act); and
- 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**

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with section 41 of the 1993 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Shaun Potter  
Dudley Audit Services  
Council House  
Dudley  
DY1 1HF  
28<sup>th</sup> September 2009

# **TRUSTEES ANNUAL REPORT FOR THE YEAR TO 31<sup>ST</sup> MARCH 2009**

## **History, Objectives and Activities of the Trust**

The Trustees present their Annual Report for the year ended 31<sup>st</sup> March 2009 for the Earls High School Foundation. The Trust is a registered charity, number 527585; set up under a scheme dated 1<sup>st</sup> April 1928 and amended by a scheme dated 23<sup>rd</sup> August 1989.

The Charity is established to use its net income for the following purposes:

- (1) In providing for the school such special benefits of any kind not normally provided by the local education authority as may be agreed between Trustee and the governors of the school.
- (2) In promoting the education (including social and physical training) of persons under the age of 25 years who are attending or have attended the school and who are in need of financial assistance.

## **Management and Governance Arrangements**

The Trustee of the charity is Dudley Metropolitan Borough Council which has delegated its power to the Halesowen Area Committee.

The charity's address is:

The Council House  
Priory Road  
Dudley  
West Midlands  
DY1 1HF

## **Procedures and Policy for Grant making**

Grant applications are reported to the Halesowen Area Committee which meets five times per year. These are considered as to their appropriateness & the available funds.

## **Financial Review**

The Trust has a permanent endowment and general funds, some of which are designated for future major repairs of the Trust property.

The investments were re-valued at 31<sup>st</sup> March 2009 to be shown at the market value to comply with the Charities SORP 2005. The resulting unrealised profit of £78.54 was added to the value of the permanent endowment fund.

During the year the charity continued to receive interest, dividends and rent.

The expenditure incurred during the year from the general fund was £2990.80 made up as follows:

Sundry repairs to trust property	£ 990.80
Grant to Kerry Coles	£2000.00

The Trustees have a reserves policy which allows for the transfer of £2250 from the general fund to the designated fund being for future major property repairs .

The surplus of £10738 was transferred to the appropriate funds and this together with transfers between funds leaves £132144 in general funds, £20250 in designated funds and £127397 in the permanent endowment fund.

The level of reserves was considered to be reasonable to respond to the requests which may be presented from the school and others during future years.

The Trustees considered the state of the affairs of the charity to be satisfactory.

## **Future Plans**

The Trustees intend to continue use the funds to maintain the assets of the Trust, to contribute to projects within the Earls High School as requested & consider any other suitable applications.

## **Statement of Trustees' Responsibilities**

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

- select suitable accounting policies and then apply them consistently;
- 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 departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

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 1993. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent Examiner**

The Trustees intend to ask Dudley Audit Services to undertake the independent examination of the Trust in the following year.

**Chairman** .....

**Date** .....

**Signed on behalf of the Trustees.**

**EARLS HIGH SCHOOL FOUNDATION**  
**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR**  
**TO 31<sup>ST</sup> MARCH 2009**

	<u>Note</u>	<u>Unrestricted Funds</u>		<u>Permanent Fund</u>	<u>Total Funds</u>	
		<u>General</u>	<u>Designated</u>		<u>2009</u>	<u>2008</u>
		£	£	£	£	£
Incoming Resources	(2)	13729	-	-	13729	15139
Resources Expended	(3)	2991	-	-	2991	4443
Net Incoming Resources		10738	-	-	10738	10696
Other Recognised Gains & Losses						
Gain(Loss) on revaluation of investments	(5)		-	78	78	(57)
Transfer of Funds	(6)	(2250)	2250		-	
Net Movement of Funds		8488	2250	78	10816	10639
Total Funds Brought Forward		123656	18000	127319	268975	258336
				-	-	-
Total Funds Carried Forward		132144	20250	127397	279521	268975

# EARLS HIGH SCHOOL FOUNDATION

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2009

	<u>Note</u>	<u>2009</u>	<u>2008</u>
		£	£
<b><u>Fixed Assets</u></b>			
<b><u>Land and Buildings</u></b>	(4)	73000	73000
<b><u>Investments</u></b>			
£1,510.43 Charinco Stock	(5)	2714	2636
Dudley MBC		14614	12249
COIF Charities Dep. Account		185030	176904
HSBC PLC Dep. Account		5140	4893
		<hr/>	<hr/>
		207498	196682
<b><u>Current Assets</u></b>			
HSBC PLC Current Account		508	508
Debtors – Rent due		0	0
		<hr/>	<hr/>
		508	508
<b><u>Current Liabilities</u></b>			
		0	0
Dudley MBC			
Creditors – rent in Advance		1215	1215
		<hr/>	<hr/>
<b><u>Net Current Assets/Liabilities</u></b>		(707)	(707)
<b><u>Net Assets</u></b>		<hr/>	<hr/>
		279791	268975
<b><u>Permanent Endowment Fund</u></b>		127397	127319
<b><u>Unrestricted Funds</u></b>			
General		132144	123656
Designated	(6)	20250	18000
		<hr/>	<hr/>
		152394	141656
		<hr/>	<hr/>
		279791	268975
		<hr/>	<hr/>

**Chairman** .....

**Date** .....

For and on behalf of the Trustees.

# EARLS HIGH SCHOOL FOUNDATION

## NOTES ON FINAL ACCOUNTS FOR YEAR TO 31<sup>ST</sup> MARCH 2009

### 1 Accounting Policies

In preparing the accounts the following accounting policies have been complied with:

- These accounts have been prepared under the historic cost convention with the exception that the investments are valued at market value. The accounts are in accordance with applicable accounting standards and the Charities SORP 2005 (Accounting and Reporting by Charities) and comply with the Charities (Accounts and Reports) Regulations 2005 issued under the Charities Act 1993.
- Investment Income is recorded when receivable
- Expenditure on grants is recorded once the Trust has made a commitment to pay the grant and this is communicated to the beneficiary or the grant paid, whichever is the earlier.
- Other expenditure is included in the accounts on an accruals basis.
- Quoted investments have been valued at market value at the balance sheet date.
- Unrealised and realised investment gains and losses are shown net in the statement of financial activities.
- Depreciation is not provided for in the accounts. This is in line with current Council policy that depreciation is not accounted for on land and buildings which are properly maintained.

### 2 Income

Income received was as follows:

	<b>2009</b>	<b>2008</b>
	£	£
Interest Received	8838	10248
Dividends	151	151
Rent	4740	4740
	<u>13729</u>	<u>15139</u>

### 3 Expenditure

The expenditure during the year was £2990.80 (£443 last year). This was made up of sundry property repairs (£990.80) and a grant to Kerry Coles (£2000.00)

### 4 Land & Buildings

The Land and Buildings were revalued as at 31<sup>st</sup> March 2005 by the Managements & Valuation section within the Law & Property Directorate of Dudley MBC. The valuation is on an existing use market value basis subject to the existing occupations of a secure tenant.

### 5 Investments

The investments are shown in the Balance Sheet at the market value for 31<sup>st</sup> March 2009 to comply with guidelines in the Charities SORP 2005. There was an unrealised gain from the increase in the valuation of the investment of £78.54

	<u>Cost</u>	<u>Market Value</u> <u>31/03/09</u>	<u>Market Value</u> <u>31/03/08</u>	<u>Unrealised Gain/(Loss)</u> <u>31/03/09</u>
	£	£	£	£
£1510.43 Charinco Stock	1908	2714	2636	78

- 6 The managing agents of the property (Dudley MBC, Legal & Property Services) have recommended that it would be prudent for the Trustees to make an annual provision of £2250pa in the Accounts for future major repairs. This was transferred from the General Unrestricted Funds to the Designated Unrestricted Funds at the end of the year.

Therefore, the amount in Designated Unrestricted Funds comprises:-  
£

Repairs Reserve	20250
<b>Total</b>	<b><u>20250</u></b>

- 7 The Foundation also owns land and buildings used by Earls High School.