

# **TRUSTEES ANNUAL REPORT FOR THE YEAR TO 31<sup>ST</sup> MARCH 2008**

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

The Trustees present their Annual Report for the year ended 31<sup>st</sup> March 2008 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 2007 to be shown at the market value to comply with the Charities SORP 2005. The resulting unrealised loss of £135.93 was deducted from 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 £2565.50 for sundry repairs to trust property .

The Trustees have introduced a reserves policy which has been implemented during the financial year. This policy allows for the transfer of £2250 from the general fund to the designated fund being for future major property repairs to be continued .

The surplus of £10326 was transferred to the appropriate funds and this together with transfers between funds leaves £115210 in general funds, £15750 in designated funds and £127376 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 2008**

	<u>Note</u>	<u>Unrestricted Funds</u>		<u>Permanent Fund</u>	<u>Total Funds</u>	
		<u>General</u>	<u>Designated</u>		<u>2008</u>	<u>2007</u>
		£	£	£	£	£
Incoming Resources	(2)	15139	-	-	15139	12891
Resources Expended	(3)	4443	-	-	4443	2565
Net Incoming Resources		10696	-	-	10696	10326
Other Recognised Gains & Losses						
Gain(Loss) on revaluation of investments	(5)		-	(57)	(57)	(136)
Transfer of Funds	(6)	(2250)	2250		-	
Net Movement of Funds		8446	2250	(57)	10639	10190
Total Funds Brought Forward		115210	15750	127376	258336	248146
				-	-	-
Total Funds Carried Forward		123656	18000	127319	268705	258336

# EARLS HIGH SCHOOL FOUNDATION

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2008

	<u>Note</u>	<u>2008</u>	<u>2007</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)	2636	2693
Dudley MBC		12249	11165
COIF Charities Dep. Account		176904	167292
Midland Bank PLC Dep. Account		4893	4893
		<hr/>	<hr/>
		196682	186043
<b><u>Current Assets</u></b>			
Midland Bank Current Account		508	508
Debtors – Rent due		0	0
		<hr/>	<hr/>
		508	508
<b><u>Current Liabilities</u></b>			
Dudley MBC		0	0
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/>
		268975	258336
<b><u>Permanent Endowment Fund</u></b>		127319	127376
<b><u>Unrestricted Funds</u></b>			
General		123656	115210
Designated	(6)	18000	15750
		<hr/>	<hr/>
		141656	130960
		<hr/>	<hr/>
		268975	258336
		<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 2008

### 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>2008</b>	<b>2007</b>
	£	£
Interest Received	10248	8000
Dividends	151	151
Rent	4740	4740
	<hr/> 15139	<hr/> 12891

### 3 Expenditure

The expenditure during the year was £443 (£2565 last year). This was made up of sundry property repairs.

### 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 2007 to comply with guidelines in the Charities SORP 2005. There was an unrealised loss from the decrease in the valuation of the investment of £135.93

	<u>Cost</u>	<u>Market Value 31/03/08</u>	<u>Market Value 31/03/07</u>	<u>Unrealised Gain/(Loss) 31/03/08</u>
	£	£	£	£
£1510.43 Charinco Stock	1908	2636	2693	57

- 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	18000
<b>Total</b>	<b><u>18000</u></b>

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