

TRUSTEES ANNUAL REPORT FOR THE YEAR TO 31ST MARCH 2010

History, Objectives and Activities of the Trust

The Trustees present their Annual Report for the year ended 31st March 2010 for the Earls High School Foundation. The Trust is a registered charity, number 527585; set up under a scheme dated 1st April 1928 and amended by a scheme dated 23rd 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 31st March 2010 to be shown at the market value to comply with the Charities SORP 2005. The resulting unrealised profit of £31.72 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 £65 for reimbursement of boiler service costs.

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 £6,373 was transferred to the appropriate funds and this together with transfers between funds leaves £136,267 in general funds, £22,500 in designated funds and £127,429 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 31ST MARCH 2010

	<u>Note</u>	<u>Unrestricted Funds</u>		<u>Permanent</u>	<u>Total Funds</u>	
		<u>General</u>	<u>Designated</u>	<u>Fund</u>	<u>2010</u>	<u>2009</u>
		£	£	£	£	£
Incoming Resources	(2)	6,438	-	-	6,438	13,729
Resources Expended	(3)	65	-	-	65	2,991
Net Incoming Resources		6,373	-	-	6,373	10,738
Other Recognised Gains & Losses						
Gain(Loss) on revaluation of investments	(5)		-	32	32	78
Transfer of Funds	(6)	(2,250)	2,250		-	
Net Movement of Funds		4,123	2,250	32	6,405	10,816
Total Funds Brought Forward		132,144	20,250	127,397	279,791	268,975
				-	-	-
Total Funds Carried Forward		136,267	22,500	127,429	286,196	279,791

EARLS HIGH SCHOOL FOUNDATION
BALANCE SHEET AS AT 31ST MARCH 2010

	<u>Note</u>	<u>2010</u>		<u>2009</u>	
		£	£	£	£
<u>Fixed Assets</u>					
<u>Land and Buildings</u>	(4)		73,000		73,000
<u>Investments</u>					
£1,510.43 Charinco Stock	(5)	2,746		2,714	
Dudley MBC		19,510		14,614	
COIF Charities Dep. Account		186,503		185,030	
HSBC PLC Dep. Account		5,144		5,140	
			213,903		207,498
<u>Current Assets</u>					
HSBC PLC Current Account		508		508	
Debtors – Rent due		0		0	
		508		508	
<u>Current Liabilities</u>					
Dudley MBC		0		0	
Creditors – rent in Advance		1,215		1,215	
			(707)		(707)
<u>Net Current Assets/Liabilities</u>			286,196		279,791
<u>Net Assets</u>					
<u>Permanent Endowment Fund</u>			127,429		127,397
<u>Unrestricted Funds</u>					
General		136,267		132,144	
Designated	(6)	22,500		20,250	
			158,767		152,394
		286,196		279,791	

Chairman

Date

For and on behalf of the Trustees.

EARLS HIGH SCHOOL FOUNDATION

NOTES ON FINAL ACCOUNTS FOR YEAR TO 31ST MARCH 2010

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:

	2010	2009
	£	£
Interest Received	1,547	8,838
Dividends	151	151
Rent	4,740	4,740
	<u>6,438</u>	<u>13,729</u>

3 Expenditure

The expenditure during the year was £65 (£2,991 last year). This was for reimbursement of boiler service fees.

4 Land & Buildings

The Land and Buildings were revalued as at 31st 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 31st March 2010 to comply with guidelines in the Charities SORP 2005. There was an unrealised gain from the increase in the valuation of the investment of £31.72

	<u>Cost</u>	<u>Market Value</u> <u>31/03/10</u>	<u>Market Value</u> <u>31/03/09</u>	<u>Unrealised Gain/(Loss)</u>
	£	£	£	£
£1510.43 Charinco Stock	1908	2,746	2,714	32

- 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:-
£

Brought forward balance	20,250
Additional contribution 09/10	2,250
Total (repairs reserve)	<u>22,500</u>

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