

Registered Charity No.: 1059251

Highfield Park Trust
(Limited by Guarantee)

Trustees' Report and Financial Statements

for the year ended 31st March 2018

Company No.: 03193779 (England & Wales)

Highfield Park Trust

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Highfield Park Trust
Trustees' Report
Year ended 31st March 2018

The Trustees present their report together with the financial statements for the year ended 31 March 2018.

Reference and Administrative Details

Charity Number:	1059251
Company Number:	3193779
Principal Office:	Highfield Park Visitor Centre, Hill End Lane, St. Albans, Herts., AL4 0RA
Auditors:	Gowers Limited, The Old School House, Kings Langley, Herts., WD4 8SZ
Bankers:	Lloyds Bank plc, 36 Chequer Street, St. Albans, Herts., AL1 3YQ
Investment Managers:	CCLA, Senator House, 85 Queen Victoria Street, London, EC4V 4ET
Solicitors:	Debenhams Ottaway, Ivy House, 107 St Peter's Street, St Albans, Herts., AL1 3EW

Directors and Trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the Board of Management. Members of the Board of Management are elected as set out in the Articles of Association.

The trustees serving during the year and since the year-end were as follows:

T Abbott - Chairman
K Barnes (representing Colney Heath Parish Council)
B Coates
J Crisp
M Curtis – Treasurer
I Day (representing St Albans City & District Council)
S Gaylard
S Graham
A Grant (resigned 9 October 2017)
A Guest
M Johnson
R Thomas
H Turner (resigned 8th August 2018)

Secretary R Bull

Park Manager R Bull

Structure and Governing Document

Highfield Park Trust is a Company Limited by Guarantee and a registered charity governed by its Memorandum and Articles of Association dated April 1996, as amended by special resolution on 17th September 2013. It is registered as a charity with the Charity Commission.

Appointment of Trustees

As set out in the Articles of Association Colney Heath Parish Council and St Albans City and District Council are each entitled to appoint one Trustee. The Trustees may appoint additional Trustees providing that the total number of Trustees does not exceed 13.

Trustees who are elected District or Parish Councillors appointed by their respective Councils shall retire if they are removed from their elected office or fail to gain re-election or their employment with their appointee ceases.

Highfield Park Trust
Trustees' Report
Year ended 31st March 2018

Trustee Induction and Training

All new trustees are given a trustee induction pack including the Charity Commission Trustee guide and a personal introduction and tour of the Park by the Park Manager or a Trustee.

Organisation and Governance

The Board of Trustees administer the Charity. The Charity is organised so that the Trustees meet regularly to manage its affairs and there are sub-committees covering Finance and General Purposes, Park Management and Community, Events and Publicity which meet as required. Task and Finish working groups are set up for specific projects. A Park Manager is appointed by the Trustees to manage the day to day operations of the Charity. To facilitate effective operations, the Park Manager has authority, within the terms of delegation approved by the Trustees, for operational matters including finance, employment and management of the Park. The Trust employs an accountancy firm who undertake book keeping on behalf of the Trust; the remaining staff are employed in maintaining and developing the park.

Risk Management

The Trustees consider risks within the Trust's committee structure and ensure that robust policies, procedures, systems and training are in place to deal with risk and these are designed to mitigate or manage any potential impact on the charity should those risks materialise. The Trust has recognised its reliance on investment and current property income and as a consequence continues to developing its income generation strategy including fund raising events, and hiring out the park.

Purpose, Objectives and Aims

The Charity was formed in 1997 and was granted a 150-year lease over part of the former Hill End and Cell Barnes Hospital sites.

The stated aim of the Trust is to provide a diverse rural park for the benefit of the local community with the following specific objectives

- 1 Manage the Park to
 - Provide and promote recreational and other leisure facilities in a safe and sustainable environment for the benefit of the local community
 - Preserve, protect and enhance features which benefit the landscape, environment, flora and fauna and encourages wildlife
 - Preserve, protect, develop and improve features of historic or public interest
- 2 Use resources effectively to ensure financial viability, good governance, compliance with relevant legislation and good practice guidelines.

Ensuring our Work delivers our Aims

The Chairman's report at the AGM reviews activities, what was achieved and the outcomes of our work in the previous 12 months.

The review looks at the success of each key activity and the benefits they have brought to those groups of people we accommodate. The review also helps us to ensure our aim, objectives and activities remain focussed on our stated purposes.

The Board of Trustees are complying with their duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The Focus of our Work

The primary object of the Trust, as stated in its governing documents, is the establishment and maintenance of a rural park in the Parish of Colney Heath. There has been continuing research into the history of the hospitals formerly on the site.

Highfield Park Trust
Trustees' Report
Year ended 31st March 2018

Activities, Achievements and Performance: Who used and Benefited from our Services

The Trust provides local residents living in the parish of Colney Heath and surrounding areas easy access to the park for leisure and recreational activities. In the region of 350 football matches were played, with girls, boys and disability teams using the pitches over the course of the year, this includes a very successful 'small-sided' tournament. A number of organised and ad hoc groups, local clubs and associations use the park as appropriate to their needs. These include walkers and wheelchair users, archery, boot camps, health walks, joggers, dog walkers, cyclists, bird watchers, local historians.

The Trust has an allotment site within the park boundaries containing approximately 100 local allotment holders who produce fruit, vegetables and flowers. Links continue with the Community Development Association to establish a community garden on part of the allotment site.

The Trust continues its partnership with Watford YMCA, who lease and manage the Highfield Park Centre. The Trestle Arts Base lease the former Hill End Chapel from the Trust and deliver a comprehensive range of cultural activities. The Trust also lease property to a children's nursery, an accountancy firm, and a charity working with adults with learning difficulties, this lease came to an end on 21 May 2018.

The Trust has continued to organise a number of public events, including an apple day and guided walks around the park, an autumn 'bug' hunt and spring bunny hunt for children. The Trust also organised more 'educational' events including a 'Bat Night' building on the success of the previous year and 'Mini-beast' Safari in conjunction with experts from Rothamsted Research. All of the events have been successful in terms of attendees and income generated for the Trust. The Trust also hosted the St Albans Town and Country Festival and two Luna open air cinema screenings, which again were very successful. Ideas to introduce other events are being considered.

Volunteers

The Trust relies on help from volunteers to deliver its work. Regular volunteering days are run weekly for individuals, normally a group of about 10, who help with park maintenance. As part of Corporate Social Responsibility programmes, over 100 people have taken part in park maintenance sessions. Volunteers also help to run some of the fund raising events organised by the Trust. These activities benefit the companies, through team building, individuals and the park as well as helping to raise awareness of what the park has to offer. In line with SORP 2015 (FRS 102), the contribution of volunteers has not been included in the Statement of Financial Activities, because the value of their contribution to the organisation cannot easily be quantified in financial terms.

Financial Review

The net expenditure for the year was £67,448, which compares to £33,615 for 2017. Excluding depreciation, our net expenditure was £15,897, compared with £28,690 in 2017.

The main sources of income for the Trust are returns from an investment portfolio managed by CCLA, rental income from four properties owned by the Trust, the hire of the park facilities to external organisations and fund raising events organised by the Trust.

The capital value of the portfolio continues to fluctuate but showed positive growth throughout the year. The fluctuations are to be expected in view of the current volatility of the World markets as a result of negative geopolitical news but investment advisors have confirmed that they still believe that the portfolio is the right one for the Trust. These investments and the rental properties continue to provide the main source of the Trust's income.

The Trust received a number of grants to deliver specific projects within the park; these include £4,424 from the forestry commission for the maintenance of the new wood, £1,252 from Colney Heath Parish Council to support the Wassailing event, £3,343 from St Albans District Council for the maintenance and planting at Hither Wood and £500 from Hertfordshire County Council Locality budget for the purchase of a park bench.

Highfield Park Trust
Trustees' Report
Year ended 31st March 2018

Financial Review (cont'd)

Taking into account the surplus on the general running of the Trust, the General Reserve, which represents the monies available to run the Trust on a day to day basis, has increased to £89,162 (from £83,044 in 2017). However, our actual working capital has increased by £64,464 (2017: increased by £3,176) due to increased bank balances.

Investment Powers and Policy

Under the Memorandum and Articles of Association, the Charity has the power to make any investments, which the Trustees see fit.

The Trustees have decided that in view of the Trust's charitable status that they should include an element of "Ethical Investments" and that they will not invest in companies which are likely to have a detrimental effect on the environment. They have also decided that in order to achieve a reasonable compromise between the need for income and the benefits of capital growth that the majority of the portfolio should be in equities and the rest in property funds.

Reserves Policy

The Trustees are aware of their responsibility to continue to develop and maintain the Park over the term of the lease. The opportunities for the Trust to generate income are limited and although it is fortunate in having four properties, which can be let commercially, it is dependent upon the income from its investments to continue to maintain the Park.

The Trustees aim is to have free reserves of about £30,000, which represents about two months operating costs, excluding depreciation. Our current reserves are £89,162.

The major part of the Trust's reserves comprises the value of its properties and its investments, which generate nearly all of its income. As such these reserves, although substantial, are necessary for the continuation of the Trust.

The Trust has completed construction of the new Visitor Centre. This has been financed by drawing down funds from its investments. The previous Trust office at West Lodge has been refurbished as a residential dwelling and will be let on the private rental market; the income generated will replace the income lost from drawing down capital from the investment. The Visitor Centre also houses an additional office which has been let to Colney Heath Parish Council.

Plans for Future Periods

The Trustees continue to review the activities of the park; this activity will be undertaken on an annual basis. The Trust continues to manage the Park with limited resources.

The Trust is looking to consolidate its financial position such that it can operate with more freedom to achieve its objectives. The focus to replace older equipment in a planned manner will continue, along with repairs required by Health and Safety to enable the grounds staff to maintain the Park to the same high standard.

The Trust will also maintain and improve many of the existing features and strive to provide opportunities for minority group users of the park; it will continue to review opportunities to develop additional projects to enhance the current facilities.

The Trust will continue to enhance and spread the good reputation that the park has established recently as a place for members of the community to visit and enjoy and continue to work towards the aims and objectives of Highfield Park with an environmental and sustainable development approach.

The Trust will continue to focus on events which have community links directly to the park e.g. the St Albans Festival, Bunny & Bug hunts, guided walks and Apple Day. The Trust will continue to investigate the organisation of other events to help promote the park's amenities and to encourage more people to enjoy it e.g. Luna Cinema.

Highfield Park Trust
Trustees' Report
Year ended 31st March 2018

Trustees' Responsibility for Preparing the Financial Statements

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the financial activities of the Charity and of its financial position at the end of that period.

In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles set out in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements State whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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 Companies Act 2006. 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.

Audit Information

In accordance with company law, as the Charity's Trustees, we certify that

- so far as we are aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- as the Trustees of the Charity we have taken all the steps that we ought to have in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors are aware of this information.

The Board of Trustees are complying with their duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

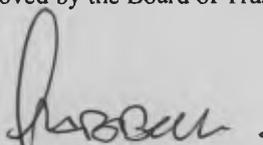
Related Party Disclosures

Trustees are required to disclose all relevant interests and register them with the board of trustees and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises. Also, no trustee has received a gift or hospitality worth £50 or more as a result of their relationship with the Trust or parties connected with the Trust in the year. Any such benefit is required to be reported to the board and disclosed. No transaction which would need to be disclosed has been notified by any trustee, in relation to the year, nor any balance outstanding from previous years.

Auditors

A resolution proposing Gowers Ltd be re-appointed as auditors of the charity will be put to the Annual General Meeting.

Approved by the Board of Trustees on 25th September 2018 and signed on its behalf.



.....
T Abbott - Trustee

Highfield Park Trust
Independent Auditors' Report to the Members of Highfield Park Trust

We have audited the financial statements of Highfield Park Trust for the year ended 31st March 2018 which, comprise of the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

This report is made solely to the Company's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's Members those matters we are required to state to them in an auditors' 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 Company and the Company's Members as a body, for our audit work, for this report, or the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As described in the Statement of Trustees' Responsibilities, the Charity's Trustees (who are also the Directors of Highfield Park Trust for the purposes of company law) are responsible for the preparation of the Trustees' Annual Report and for being satisfied that the charities financial statements give a true and fair view.

We have been appointed as auditor under the Companies Act 2006 and section 144 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on the accounts

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2018 and of the incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- the financial statements have been prepared in accordance with the Companies Act 2006 and Charities Act 2011;

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Highfield Park Trust
Independent Auditors' Report to the Members of Highfield Park Trust

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.


Ian A Carter (Senior Statutory Auditor)

For and on behalf of Gowers Limited, Statutory Auditor
The Old School House
Bridge Road
Hunton Bridge
Kings Langley
Herts WD4 8SZ

 **GOWERS**
Limited
Chartered Accountants and Registered Auditors

28th September 2018

Gowers Limited is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006

Highfield Park Trust
Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31st March 2018

	Notes	<u>General Funds</u> £	<u>Restricted & Designated Funds</u> £	<u>Total 2018</u> £	<u>Total 2017</u> £
Incoming Resources					
<i>Donations and legacies</i>					
Donations		1,518	-	1,518	2,958
Grants	2	-	9,519	9,519	17,058
<i>Income from Investments</i>					
Income from Investments		57,817	-	57,817	64,521
Interest Received		34	-	34	27
<i>Income from charitable activities:</i>					
Rent of Aerial Mast Site		11,752	-	11,752	12,179
Rents Receivable		90,405	-	90,405	92,034
Sports and Sundry Income		28,115	-	28,115	38,593
Events Income		6,148	-	6,148	6,080
Total Incoming Resources		195,789	9,519	205,308	233,450
Resources expended					
<i>Costs of raising funds:</i>					
Fundraising and Publicity		2,072	-	2,072	5,380
Legal and Consultancy Fees		294	-	294	1,860
Property Depreciation & Maintenance		-	75,064	75,064	65,928
<i>Charitable Activities</i>					
Expenditure on Charitable Activities		187,307	8,019	195,326	193,897
Total Resources Expended	3	189,673	83,083	272,756	267,065
Net Income/(Expenditure) for the Year	4	6,116	(73,564)	(67,448)	(33,615)
Realised gains on Investments	8	-	-	-	-
Unrealised gains/(losses) on					
Long Leasehold Properties	7	-	-		
Investment Assets – Investment Properties	7	-	115,143	115,143	77,243
Listed Investments	8	-	30,120	30,120	191,626
Transfers between Funds		-	-	-	-
Net Movement in Funds		6,116	71,699	77,815	235,254
Reconciliation of funds					
<i>Fund Balances brought forward</i>		83,046	8,729,690	8,812,736	8,577,481
Total funds carried forward	11 – 14	89,162	8,801,389	8,890,551	8,812,735

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

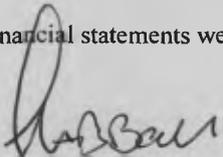
Highfield Park Trust
Balance Sheet
as at 31st March 2018

Company no.: 3193779

		2018		2017	
	Notes	£	£	£	£
Fixed Assets					
Tangible Assets	7		7,365,972		7,032,740
Investments	8		1,392,697		1,712,577
			8,758,669		8,745,317
Current Assets					
Debtors	9	22,304		22,783	
Deposit Account with Investment Managers		50,001		1	
Bank Deposit and Grant Accounts		129,029		63,071	
Bank Current Account and in Hand		3,459		4,300	
			204,793		90,155
Liabilities					
Creditors: Amounts falling due within one year	10	(72,911)		(22,737)	
Net Current Assets			131,882		67,418
Total Assets less Current Liabilities			8,890,551		8,812,735
Capital and Reserves					
Restricted Income Funds					
Highfield Pavilion Reserve	11		105,825		108,933
Grant income	11		1,500		-
Designated Income Funds					
Capital Reserve	12	4,405,496		4,447,332	
Property Revaluation Reserve	12	4,288,568		4,173,426	
			8,694,064		8,620,758
Unrestricted Income Funds					
General Reserve	13		89,162		83,044
Total Trust Funds	14		8,890,551		8,812,735

The Trustees have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the provisions of FRS 102 (effective January 2015) for circulation to members of the company.

The financial statements were approved by the Board of Trustees on 25th September 2018 and signed on its behalf.


.....
T ABBOTT – TRUSTEE


.....
M. CURTIS – TRUSTEE

The notes on pages 10 to 18 form part of these financial statements

Highfield Park Trust
Notes to the Financial Statements
for the year ended 31st March 2018

1. **Accounting Policies**

a. **Basis of Preparation**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit company for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

FRS 102 has been adopted for the first time when preparing these financial statements. The transition date to FRS 102 was 1st April 2015 and the last financial statements prepared under the previous financial reporting framework were prepared for the year ended 31st March 2018. An explanation of how the transition has affected the reported financial position and financial performance is provided in note 15 to the financial statements.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's budgets, forecasts and projections. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements. There were no material uncertainties during the year.

b. **Provisions Available for Smaller Entities**

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

c. **Company Status**

The Trust is a company limited by guarantee, registered in England and Wales. The guarantors are the Members, who are the Trustees of the Trust. The liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per member of the Trust. The Trust has availed itself of Paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the Trust's activities.

d. **Fund Accounting**

General funds are available for use at the discretion of the Directors in furtherance of the general objectives of the Trust.

Restricted funds are funds subject to specific restrictive conditions imposed by donors or by the purpose of the appeal. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Designated funds are funds, which the Trustees have allocated to specific projects or purposes.

All income and expenditure is shown in the Statement of Financial Activities.

e. **Income**

Voluntary income and donations is included in full in the Statement of Financial Activities in the year in which they are receivable.

Grants and Endowments, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable except where the donors specify that they must be used in future accounting periods or donors conditions have not been fulfilled, then the income is deferred.

Highfield Park Trust
Notes to the Financial Statements
for the year ended 31st March 2018

1. **Accounting Policies (cont'd)**

e. **Income (cont'd)**

Investment income is included when receivable. Investment income includes investment portfolio dividends, interest and rental of premises.

Income from other trading activities include event income, fruit juice sales and sundry income and are included in the year in which they are receivable.

f. **Expenditure**

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT, which cannot be recovered.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of generating ancillary income.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. Where costs are attributable to more than one activity, they have been apportioned across the cost categories on a basis consistent with the use of these resources.

g. **Investment Properties**

These are properties held for rental income. Investment properties are included in the Balance Sheet at their insurance rebuild cost (as assessed in 2014), adjusted for index linked variations.

h. **Park Landscaping Costs**

Park landscaping costs are charged to the General Reserve as incurred.

i. **Investments**

Distinction is made on the face of the Statement of Financial Activities between valuation adjustments relating to sales and those relating to continuing holdings although they are together treated as changes in the investment portfolio. The analysis of investment gains is found in Note 8 and realised gains are calculated as the difference between historic cost and market value. This departure from the Statement of Recommended Practice is considered appropriate and is the way investment gains/losses are reported by our investment managers.

Investments are stated at market value less any provision for permanent diminution in value. Market value is taken to be the middle market price ruling at the Balance Sheet date.

j. **Value Added Tax**

Value added tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

k. **Tangible Fixed Assets**

Individual fixed assets costing more than £500 are capitalised at cost.

The original endowment value of the Chapel has not been capitalised because the building is historic and forms part of the original endowment which means that it cannot be sold but must be held for the term of the Trust's lease. It is now held at insurance rebuild value in line with the other leasehold assets.

The building was in need of major repairs and refurbishment and lottery funding was obtained for this by the prospective tenants. In consideration for repairing and refurbishing the Chapel these prospective tenants were granted a 99-year peppercorn rent.

Highfield Park Trust
Notes to the Financial Statements
for the year ended 31st March 2018

1. **Accounting Policies (continued)**

l. **Depreciation**

Depreciation is provided on all tangible fixed assets in order to write off their cost, less estimated residual value over their estimated useful lives, on the following basis:

Long Leasehold Properties	-	2%	Straight-line basis or revaluation
Plant and Machinery	-	20%	Straight-line basis
Office Equipment	-	20%	Straight-line basis
Motor Vehicles	-	25%	Reducing balance basis
Fixtures and Fittings	-	20%	Straight-line basis

Long-leasehold properties are included in the Balance Sheet at their insurance rebuild cost, less depreciation.

No depreciation is charged on investment properties in accordance with SSAP 19.

m. **Leasing and Hire Purchase Contracts**

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets and are depreciated over their useful lives. The corresponding hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the agreement is charged to the profit and loss account over the term of the agreement and represents a constant proportion of the capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease.

n. **Pensions**

The Company operates defined contribution, externally funded pension schemes covering some employees. The pension cost charge represents contributions payable by the Company to the fund and amounted to £15,071 (2017: £16,353).

o. **Expenditure on Governance of the Charity**

Governance expenditure includes all expenses not directly related to the charitable activity or fundraising ventures. This includes costs of running office premises, staff salaries for administrative staff and audit fees.

p. **Statement of Cash Flows**

The company has claimed exemption from preparing a Statement of cash flows under section 7 of Financial Reporting Standard 102 (small entity exemption).

2. **Grants and Endowments Received**

During the year the Trust received grants of £9,519 (2017: £17,058).

Highfield Park Trust
Notes to the Financial Statements
for the year ended 31st March 2018

3. **Total Expenditure**

	<u>Staff</u> <u>Costs</u> £	<u>Depreciation &</u> <u>Profit on</u> <u>Sale</u> £	<u>Other</u> <u>Costs</u> £	<u>Total</u> <u>2018</u> £	<u>Total</u> <u>2017</u> £
Costs of raising Funds:					
Fundraising and Publicity:	-	-	-	-	
Event Costs	-	-	1,738	1,738	3,922
Equipment Leasing	-	-	-	-	-
Other Fundraising and Publicity	-	-	334	334	1,458
	-	-	2,072	2,072	5,380
Legal & Consultancy Fees	-	-	294	294	1,859
Property Depreciation and Maintenance Costs		75,064	-	75,064	65,928
Charitable Activities	102,196	8,281	84,849	195,326	193,897
	102,196	83,345	87,215	272,756	267,065

	<u>2018</u> £	<u>2017</u> £
Charitable Activities – Other Costs		
Allotment Expenses	40	105
Park Maintenance	15,127	44,009
Park Equipment Repairs	7,651	4,800
Building Maintenance & Repairs	19,675	3,266
Play area	479	8,540
Other	5,544	5,153
Audit Fees and bookkeeping	6,726	6,720
Legal & Consultancy Fees	1,620	1,148
Insurance	24,597	22,761
Rates and Utilities	4,494	5,464
Software, Support and Other Office Costs	3,586	3,779
Bad Debts	(4,690)	(4,690)
	84,849	101,056

4. **Net Income for the Year**

This is stated after charging/(recovering):

	<u>2018</u> £	<u>2017</u> £
Depreciation of Tangible Fixed Assets	83,345	77,845
Profit on sale of fixed asset	-	(15,540)
Hire Purchase Interest	-	-
Auditors' Remuneration – Audit Services	2,000	1,950

Highfield Park Trust
Notes to the Financial Statements
for the year ended 31st March 2018

5. **Staff Costs and Numbers**

No remuneration was paid to Trustees in the year. The staff costs of the remaining staff were:

	<u>2018</u>	<u>2017</u>
	£	£
Wages and Salaries	79,872	76,030
Social Security Costs	7,253	4,081
Pension Costs	15,071	16,353
	<hr/>	<hr/>
	102,196	96,464
	<hr/>	<hr/>

Reimbursements: No employee earned £60,000 p.a. or more.

The average number of employees, expressed as full time equivalents, analysed by function was: -

	<u>2018</u>	<u>2017</u>
	£	£
Direct Charitable Expenditure	3	3
Management and Administration	1	1
	<hr/>	<hr/>
	4	4
	<hr/>	<hr/>

The Trust is an admitted member of the Local Government Pension Scheme, a multi-employer defined benefit final salary scheme where the share of the assets and liabilities applicable to each employer is not identifiable. Retirement benefits were also accruing to 1 (2017: 1) member of staff in respect of defined contribution pension schemes.

6. **Taxation**

As a charity, Highfield Park Trust is exempt from tax on income and gains falling within section 505 of the Income and Corporation Taxes act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these have been applied to its charitable objects. No tax charges have arisen in the Charity.

Highfield Park Trust
Notes to the Financial Statements
for the year ended 31st March 2018

7. Tangible Fixed Assets

	<u>Investment Properties</u> £	<u>Long Leasehold Properties</u> £	<u>Plant and Machinery</u> £	<u>Furniture and Equipment</u> £	<u>Motor Vehicle</u> £	<u>Total</u> £
Cost or Valuation						
At 1st April 2017	3,838,083	3,451,784	87,120	74,592	9,388	7,460,967
Additions	-	301,434	-	-	-	301,434
Disposals	-	-	-	-	-	-
Revaluations	115,143	-	-	-	-	115,143
At 31st March 2018	3,953,226	3,753,218	87,120	74,592	9,388	7,877,544
Depreciation						
At 1st April 2017	-	287,692	56,847	74,299	9,388	428,226
Charge for year	-	75,064	8,183	98	-	83,345
Disposals	-	-	-	-	-	-
At 31st March 2018	-	362,756	65,030	74,397	9,388	511,571
Net Book Values						
At 31st March 2018	3,953,226	3,390,462	22,090	195	-	7,365,973
At 31st March 2017	3,838,083	3,164,092	30,273	293	-	7,032,741

8. Investments

	<u>2018</u> £	<u>2017</u> £
At 1st April 2017	1,712,577	1,520,951
Acquisitions during year	-	-
Disposals proceeds	(350,000)	-
Realised net losses	-	-
	1,362,577	1,520,951
Increase/(decrease) in Market Value	30,120	191,626
At 31st March 2017	1,392,697	1,712,577

Highfield Park Trust
Notes to the Financial Statements
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8. **Investments (cont'd)**

The investments comprise entirely of investments listed on International Stock Exchanges and are listed in the UK. The cost at 31st March 2018 amounted to £977,728 (2017: £1,218,143).

Included within investments are the following material holdings (over 5% of the portfolio value):

	<u>2018</u>	<u>2017</u>
	£	£
COIF Charities Ethical Investment Fund	213,817	263,594
COIF Charities Investment Fund	660,908	807,752
COIF Charities Equity Fund	358,398	447,790
COIF Charities Properties Fund	159,573	193,441
	<hr/>	<hr/>

9. **Debtors**

	<u>2018</u>	<u>2017</u>
	£	£
Investment Income Receivable	13,738	16,345
Rent Receivable	6,715	5,940
Other Debtors and Prepayments	1,851	498
	<hr/>	<hr/>
	22,304	22,783
	<hr/>	<hr/>

10. **Creditors: Amounts falling due within one year**

	<u>2018</u>	<u>2017</u>
	£	£
Income in Advance	20,850	11,272
Trade Creditors	38,463	349
PAYE and Other Taxes	3,145	1,795
Accruals and deferred income	10,453	3,360
Other Creditors	-	5,961
	<hr/>	<hr/>
	72,911	22,737
	<hr/>	<hr/>

11. **Analysis of Restricted Funds Movements**

	<u>At 31st March</u>	<u>Income</u>	<u>Expenditure</u>	<u>Depreciation</u>	<u>At 31st March</u>
	<u>2017</u>				<u>2018</u>
	£	£	£	£	£
Pavilion Reserve	108,933	-	-	(3,108)	105,825
Grant income	-	9,519	(8,019)		1,500
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	108,933	9,519	(8,019)	(3,108)	107,325
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Pavilion Reserve

As disclosed in Note 1(k), the properties are included in the Balance Sheet at the Trustees valuations based on the insurance re-build valuation. This reserve represents the difference between this value and their original value represented by grants and monies received under the original S106 agreement for the building of a Sports Pavilion in the Park.

Highfield Park Trust
Notes to the Financial Statements
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12. **Analysis of Designated Funds Movements**

	<u>At 31st March</u> <u>2017</u> £	<u>Income</u> £	<u>Expenditure</u> £	<u>Gains on</u> <u>Investments</u> £	<u>At 31st March</u> <u>2018</u> £
Capital Reserve	4,447,332	-	(71,956)	30,120	4,405,496
Property Revaluation Reserve	4,173,426	-	-	115,142	4,288,568
	<u>8,620,758</u>	<u>-</u>	<u>(71,956)</u>	<u>145,262</u>	<u>8,694,064</u>

Capital Reserve

The Capital Reserve represents the original endowment received by the Trust from the Health Authority on its formation to enable it to establish and maintain the park. As well as cash sums the Trust has also received four buildings one of which is currently used as the Trust's offices and the others are let.

The Trustees allocated £500,000 of the original endowment to cover the initial costs of setting up the Trust and, the establishment of the Park. The balance of the endowment will be invested to provide sufficient income for the maintenance and upkeep of the Park.

Property Revaluation reserve

As disclosed in Note 1(g), the investment properties are included in the Balance Sheet at the Trustees valuations based on the insurance re-build valuation. This reserve represents the difference between this value and their original transfer value and the expenditure incurred in bringing them up to a useable condition.

13. **Analysis of Unrestricted Funds Movements**

	<u>At 31st March</u> <u>2017</u> £	<u>Income</u> £	<u>Expenditure</u> £	<u>At 31st March</u> <u>2018</u> £
General Reserve	83,044	195,791	(189,673)	89,162
	<u>83,044</u>	<u>195,791</u>	<u>(189,673)</u>	<u>89,162</u>

Highfield Park Trust
Notes to the Financial Statements
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14. **Analysis of Net Assets between Funds**

	<u>Restricted Reserves</u> £	<u>Designated Reserves</u> £	<u>General Reserve</u> £	<u>Total</u> £
Tangible Fixed Assets	105,825	7,231,018	29,129	7,365,972
Investments	-	1,392,697	-	1,392,697
Cash at Bank and in Hand	1,500	-	180,989	182,489
Current assets (net)	-	70,349	(120,956)	(50,607)
	<hr/> 107,325	<hr/> 8,694,064	<hr/> 89,162	<hr/> 8,890,551