

W G S TRUST
Charity Number: 505207
ANNUAL REPORT
YEAR ENDED 31 AUGUST 2018

W G S TRUST

CONTENTS

	Page
REFERENCE AND ADMINISTRATIVE INFORMATION	2
TRUSTEES' ANNUAL REPORT	3-10
STATEMENT OF TRUSTEES' RESPONSIBILITIES	11
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES	12-14
STATEMENT OF FINANCIAL ACTIVITIES	15
BALANCE SHEET	16
CASH FLOW STATEMENT	17
NOTES TO THE FINANCIAL STATEMENTS	18-23

W G S TRUST

REFERENCE AND ADMINISTRATIVE INFORMATION

TRUSTEES

Lord Lee of Trafford (Chairman) DL, FCA
Mr R Bailey BA, ACA
Mr A Beardsworth MA (Cantab) ACA CTA
Mrs SJ Haslam BA
Mr DJ Illingworth BA, FCA
Mr IO Goulty MA (Oxon)
Mrs SE Marks, MA (Oxon) MA (Nott) FRSA
Mrs J D Pickering BSc

There were no movements of Trustees during the year.

Clerk to the Trustees

Mrs S Senn BSc (Econ), ACA

ADVISERS

Auditors

Crowe U.K. LLP
(previously Crowe Clark Whitehill LLP)
3rd Floor, The Lexicon
Mount Street
MANCHESTER
M2 5NT

Stockbrokers

Brown Shipley
3 Hardman Street
Manchester
M3 3HF

Bankers

Bank of Scotland
224 Ingram Street
Glasgow
G1 1DR

Lloyds Bank
223 Finney Lane
Heald Green
Cheshire
SK8 3PY

Registered and principal office

Withington Girls' School
Wellington Road
Fallowfield
Manchester
M14 6BL

Charity Number

505207

Constitution

The charity is unincorporated and is governed by a Trust Deed executed in 1976.

W G S TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 AUGUST 2018

The Trustees of the W G S Trust present their Annual Report and audited accounts for the year ended 31 August 2018 and confirm they comply with the requirements of the Charities Act 2011, as amended by the trust deed and the Charities SORP 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees determine the general policy adopted by the Trust and work with professional advisers to deal with the day to day management of investments. Administration of the Trust including management of bursaries is undertaken by staff of Withington Girls' School (Charity Number 1158226) ('the School').

Objectives and activities for the public benefit

The objects of the Trust, as set out in the Trust Deed, are as follows:

- the advancement of the educational work of the School
- charitable purposes (whether educational or not) of or associated with the School
- the advancement of education in any part of the world

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives.

Provision of means-tested bursaries

The key way in which the Trust supports the advancement of the educational work of the School is by providing means-tested bursaries to girls who have performed well in the entrance examination and might otherwise be unable to take up places offered to them by the School. Bursaries are also awarded to pupils whose family circumstances change, to enable them to continue to attend the School. Bursaries are made solely on the basis of parental means or to relieve hardship where a pupil's education would otherwise be at risk for example in the case of redundancy. In assessing means a number of factors are taken into consideration including family income, investments, savings, opportunity to generate additional income and family circumstances, for example dependent relatives.

The bursary awards range from 10% to 100% remission of fees. Information about fee assistance through bursaries is provided to all parents of girls applying to the Senior School and also to parents of junior girls, as a limited number of bursaries have been available for girls entering Years 5 and 6 in the Junior School from September 2015. The availability of means-tested bursaries is publicised through School advertisements in the press and promotional materials at local libraries. Details of the bursary policy and how to apply are also on the School website.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2018

Support for Capital Projects at the School

The other major way in which the Trust supports the educational advancement of the School is by providing financial assistance, in the form of grants and repayable loans, to enable a programme of capital development to take place.

The Trust provided a capital grant of £2m to the School for a £4.3m project to construct a purpose-built Junior School building and a central 'Hub' in the year to 31 August 2015. Work started on the project in August 2014 and the project was completed in time for the start of the 2015/2016 academic year.

The School completed the £2m Sports Development Project during the year. This was the next phase of the Master Plan for the ongoing development of the School. Work started in August 2017 and was completed at Easter 2018.

The School was delighted to welcome Paralympian athlete Dame Sarah Storey DBE to the official opening in July 2018. This new facility, which includes a brand new, state-of-the-art Fitness Studio on the first floor, new changing facilities, an updated 'Mind & Body Studio', a welcoming reception and hospitality area, and improvements to our existing Sports Hall, marks the completion of a year-long project, a key part of the School's Development Plan. A Festival of Sport took place on the day of the official opening which involved the whole School community of pupils, staff, alumnae, Governors and invited guests.

The Development Office launched a Capital Appeal in the year ended 31 August 2017 with a target of £500,000 for the Sports Development project. As at 31st August 2018, donations received were £153,888 (2017: £192,716). The overall sum receivable, including pledged income, is £367,980. While this sum is less than the target of £500,000, Trustees are delighted with the work of the Development Office in securing these donations. The Trust has provided a capital grant to the School of £332,116 for the year, in respect of donations received for this project, and a further £14,488 is included in designated reserves.

The School is extremely grateful to the Trust for offering to provide a repayable loan to the School of up to £600,000 for this project. The School was able to finance the project from the capital donations described above and its own reserves and did not therefore need to call upon the Trust for any additional financial support.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2018

Recruitment and Training of Trustees

The statutory power of appointing new Trustees is vested in the Governors of Withington Girls' School. This power is to be exercised so that immediately after any appointment, at least one of the Trustees is not a Governor, and the power shall cease to have effect upon being released in writing by the Governors or if the School shall be discontinued or shall become a maintained school or if the power of appointing all or a majority of the Governors shall be vested in a local or other public authority and/or any officer or department of the Government. However, if the power of appointing new Trustees as indicated above shall cease to have effect, the statutory power of appointing Trustees shall be vested in the surviving or continuing Trustee or Trustees for the time being, or the personal representative of the last surviving or continuing Trustee.

New Trustees are selected to provide the Trust with an appropriate breadth of abilities and experience. New Trustees are inducted into the workings of the Charity by the Chairman of the Trust, the Headmistress of the School and the Clerk to the Trust.

Risk Management

The Trustees are responsible for the management of the risks faced by the Trust. The principal risk faced by the Trust is the performance of the investment portfolio.

Trustees of the Charity manage the portfolio under the guidance of the Chair of the Trust. The Trustees bring a diverse range of skills and experiences to the Charity. The fund is administered by external stockbrokers. Trustees actively monitor the performance of the investment portfolio, mainly through quarterly reports from the stockbrokers. The investment policy of the Trustees is to aim to achieve an above average dividend yield to provide the income for means-tested bursaries, with a view to long-term capital appreciation of the holdings, consistent with an acceptable level of risk. Trustees have taken the decision to invest primarily in smaller UK quoted companies and no one holding should normally represent appreciably more than 7.5% of the overall portfolio in order to ensure a suitable spread of risk.

The key controls used by the Charity include:

- Formal agendas and supporting papers for all Trust work
- Consideration of regulatory compliance at all Trust meetings
- Comprehensive budgeting, management accounting, and reports on investment performance
- Clear authorisation and approval levels
- Use of a Risk Register to assess the likelihood and impact of the major risks together with the steps taken in mitigation
- Regular meetings of Trustees, a standing item of which is Conflicts of Interest and/or Conflicts of Loyalty
- Active monitoring of the investment portfolio and mechanisms to effect transactions at short notice

The Trustees are satisfied that the major risks identified have been adequately managed where necessary. It is recognised that systems can only provide reasonable but not absolute assurance.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2018

OBJECTIVES AND ACTIVITIES

Charitable Objects

The objects of the Charity, which are set out in the Trust Deed, are the advancement of the educational work of Withington Girls' School, charitable purposes of, or associated with, the School and the advancement of education. The School is a separate charity which provides a day school for girls from the ages of seven to eighteen.

In setting and planning our objectives our Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

A specific aim of the Charity is to maintain and enhance the level of means-tested bursary support to safeguard the diversity of the school community. The School has never offered financial support on a non-means-tested basis, such as academic scholarships. The School is committed to providing public benefit as is evidenced in its published Annual Report.

ACHIEVEMENTS AND PERFORMANCE

REVIEW OF THE YEAR

The Trust has generated incoming resources of £886,319 (2017: £1,052,765) for the year.

The Development office continues to raise funds for means-tested bursaries. One of the aims of the School is to maintain and increase the level of Governors' means-tested bursary support to secure the diversity of the school community, with the ultimate aim of needs-blind admission. The Bursary Appeal reached its target of £2m in January 2011 and has now grown to over £3m.

Donations received by the WGS Trust for the bursary fund amount to £96,052 (2017: £211,207). This includes a donation of £22,000 from the Beaverbrooks Charitable Trust. A similar amount was received from this Charitable Trust last academic year.

This amount excludes £70,000 received from the Zochonis Charitable Trust (2017: £70,000) the terms of which are that this money must be spent on bursaries in the 2018/19 year. As a result, this donation has been included within Withington Girls' School's accounts as a payment on account for the year to 31 August 2018.

As mentioned earlier, a major focus of the Development Office in the current year has been the Capital Appeal for the Sports Development Project the aim of which was to raise £500k (a quarter of the overall project cost of £2m). The total amount raised in the year to 31 August 2018 was £153,888 (2017: £192,716). The overall sum receivable, included pledged income, is £367,980. While this sum is less than the target of £500,000, the School is delighted with the work of the Development Office in securing these donations.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2018

The Trust paid the School £250,000 in September 2017 based on cumulative donations for the Sports Development project at this point and a further £82,116 in July 2018. A further £14,448 is due to be received by the School in the 2018/19 year based on cumulative donations received by the Trust.

The annual Emily Simon Society Lunch was held on 20th September 2017. This provided an opportunity for Patrons of the Society to visit the School, meet some current bursary recipients, and to be entertained by music and drama performances. An updated legacy brochure has been distributed to alumnae.

The Enhancing Opportunities Annual Fund aims to raise money for educational activities and items of equipment that provide the best possible learning opportunities for pupils during their time at the School. The projects that the Development Office fundraises for are identified by pupils and members of staff.

Projects selected for the 2018/19 Annual Fund are a Greek Theatre Workshop (£1,700), equipment for the new Mind & Body Studio (£3,300) and funding for a bursary to the Senior School for a year (£12,000).

The School paid £358,147 (2017: £344,088) into the Trust. This equates to 4% of fee income plus an additional sum of £50,000 for the year to 31st August 2018 (the same calculation as the previous seven years).

Bursaries were awarded to 93 girls (2017: 88 girls): 89 in the Senior School and 4 from the Junior School. This equates to over 16% of girls in the Senior School and over 5% of girls in the Junior School receiving bursary support, of whom 17 benefited from full remission of fees. Thirty-three girls in the Senior School obtained a bursary worth 80% or more of fees. The total cost of these bursaries was £615,855 (2017: £555,573). The bursaries enabled gifted girls, whose families would not otherwise have been able to afford the fees, to attend the School.

Bursaries were awarded in the Junior School (Years 5 and 6) for the first time in 2015/16. The Junior School bursaries were made possible by the legacy from Miss Connell, a former teacher of the School. The introduction of these bursaries coincided with the opening of the new Junior School which provided additional places for girls in Years 5 and 6 from September 2015.

The pupils in receipt of bursaries may also receive support with the purchase of school uniform, individual music/drama lessons, curriculum-related school trips and similar expenses.

W G S TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 AUGUST 2018

The overall result for the investment portfolio for the year was a loss of (£42,255) (2017: £1,088,284) of which the realised position for 2018 was a gain of £42,900 (2017: gain of £496,465).

For the last eleven years, the direct running costs of the Development Office have been shared equally between the Trust and the School. The total costs were £67,423 (2017: £64,496) for each Charity of which £59,735 (2017: £59,066) relate to fundraising.

Trustees ensure that the portfolio is invested in a diverse range of sectors while at the same time ensuring that no single holding is appreciably more than 7.5% of the investment portfolio. Trustees compare the performance of the portfolio with the FTSE Small Cap (ex-Investment Trust) Index at each of their meetings.

For the year ended 31st August 2018 the capital return of the portfolio posted a positive capital return of 1.6% compared with a rise in the benchmark index of 4.8%. For the same period last year the capital return for the portfolio was a positive 20.7% whilst the benchmark index rose by 10.1% on a total return basis.

The overall result for the year was a loss of £180,061 (2017: surplus of £1,500,799).

The fundraising approach

The School employs an in-house Development Team to carry out fundraising on its behalf. This is led by a Development Director who has experience in fundraising and follows best practice. The Development Director reports directly to the Headmistress of the School who is also a Trustee of the Trust. A professional fund-raiser is engaged specifically to assist with the biennial telephone campaign. As mentioned earlier, all running costs of the Development Office are shared equally between the Trust and the School.

The Trust registered as a member of the Fundraising Regulator in October 2017. Registration is optional for charities which spend less than £100,000 on fundraising each year and, as a result, there was no requirement for the Trust to register. The Trust's voluntary registration is evidence of its desire to follow best practice. The Development Director is a member of the Institute of Fundraising which also has a code of practice.

W G S TRUST

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 AUGUST 2018

The Development Team can confirm that there have been no instances in which the School or the Trust has failed to comply with the requirements of the Fundraising Regulator. In addition, the Development Director has not failed to comply with the Institute of Fundraising's Code of Practice.

Careful monitoring of the activities of the Development Office is carried out by Governors of the School and Trustees of the WGS Trust. The Development Director submits a report on fundraising activities for each Governors' meeting and each Trustees' meeting and attends the meetings to answer any questions raised.

There have been no complaints about fundraising activities in the year to 31 August 2018.

The Trust and the School have taken all the necessary steps to comply with the General Data Protection Regulations (GDPR) which came into effect from May 2018. Over recent years, the Development Team has requested and recorded communication preferences for contacts and a consent campaign is currently being run. All consent information is all retained on a specialist database (Raiser's Edge). The Development Office carefully considers who is being approached for support, how the approach is made and how often this is done, to ensure that our fundraising is not unreasonably intrusive or persistent.

W G S TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 AUGUST 2018

INVESTMENT POWERS

These are governed by the Trust Deed which permits the Trustees to invest in a manner that they see fit. The Trustees have a policy designed to achieve an above average dividend yield, with a view to long term capital appreciation, consistent with acceptable risk.

In order to achieve this high yield combined with longer term capital growth the Trustees have decided to invest predominantly in a broad range of smaller UK quoted companies. The Trustees are minded to avoid exposure to investments which are deemed to be unsuitable in the context of the objectives and interests of the WGS Trust and Withington Girls' School, when considering the portfolio as a whole. This includes preference to avoid sectors or companies involved in the following activities: tobacco and pay day lending.

The Trustees seek to maintain a conservative approach to funds and at their meeting on 24th April 2015 it was agreed that no single holding should normally represent appreciably more than 7.5% of the investment portfolio. The level of liquidity depends on anticipated financial support for future School projects.

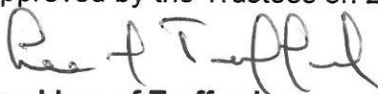
The Trustees monitor the investment performance against the FTSE Small Cap (ex Investment Trust) Index.

RESERVES

In formulating their reserves policy the Trustees are concerned that the Trust has a sufficient level of reserves to enable it to meet its objects and policies, which have been described earlier in this report. In particular the Trustees consider that the Trust should have adequate capital to provide income up to the level required to support Junior and Senior pupils throughout their school career, and the provision of financial assistance for the building programme of the School.

Mindful of the increased demand for bursary funding together with financial support for the School's building and maintenance programme, the Trustees and the professional advisers consider that generation of reserves of a minimum of £10 million is required to meet these demands. This will enable both an active bursary outreach programme to continue to be developed and future building/maintenance projects to be financed. Achievement of this aim can only happen over a period of time and Trustees are encouraged by the resilience of the investment portfolio in the current year which has generated a small loss of (£42,255) (2017: gain of £1,088,284) and a small decrease in the overall level of reserves as at 31st August 2018 to £8,963,399 (2017: £9,143,460). Free reserves as at 31st August 2018 are £7,934,717 (2017: £7,936,550).

Approved by the Trustees on 29th March 2019 and signed on its behalf by:


Lord Lee of Trafford

WGS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and 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 accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, as amended by the trust deed and the Charities SORP 2015. 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.

WGS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES YEAR ENDED 31ST AUGUST 2018

Opinion

We have audited the financial statements of WGS Trust for the year ended 31 August 2018 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

WGS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES YEAR ENDED 31ST AUGUST 2018

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's

WGS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES YEAR ENDED 31ST AUGUST 2018

report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Vicky Szulist

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

The Lexicon
Mount Street
Manchester
M2 5NT

8th April 2019

WGS TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR YEAR ENDED 31st AUGUST 2018

	Notes	Unrestricted Funds 2018	Capital Appeal 2018	Restricted Funds 2018	Total 2018	Unrestricted Funds 2017	Capital Appeal 2017	Restricted Funds 2017	Total 2017
		£	£	£	£	£	£	£	£
INCOME AND EXPENDITURE									
INCOMING RESOURCES									
Donations		96,052	153,888	0	249,940	211,207	192,716	0	403,923
Contributions from fees of Withington Girls' School pupils		358,147	0	0	358,147	344,088	0	0	344,088
Investment Income	2	277,384	0	0	277,384	304,534	0	0	304,534
Income generating activities	3	848	0	0	848	220	0	0	220
Incoming resources from charitable activities		732,431	153,888	0	886,319	860,049	192,716	0	1,052,765
RESOURCES EXPENDED									
Costs of generating funds									
Fundraising costs	4	59,735	0	0	59,735	59,066	0	0	59,066
Costs of generating voluntary income		59,735	0	0	59,735	59,066	0	0	59,066
Charitable expenditure									
Bursaries paid to pupils of Withington Girls' School	5	615,855	0	0	615,855	555,573		0	555,573
Capital Grant to Withington Girls' School	6	0	332,116	0	332,116	0	0	0	0
Annual Fund	7	1,686	0	0	1,686	15,493	0	0	15,493
Other Charitable Expenditure	8	14,733	0	0	14,733	10,119	0	0	10,119
Total Charitable Activities Expenditure		632,274	332,116	0	964,390	581,185	0	0	581,185
Total expenditure		692,009	332,116	0	1,024,125	640,251	0	0	640,251
Net income before gains on investment		40,422	(178,228)	0	(137,806)	219,799	192,716	0	412,515
Net (loss)/gain on investments		(42,255)	0	0	(42,255)	1,088,284	0	0	1,088,284
NET MOVEMENT IN FUNDS FOR THE YEAR	13	(1,833)	(178,228)	0	(180,061)	1,308,083	192,716	0	1,500,799
TOTAL FUNDS BROUGHT FORWARD	13	7,936,550	192,716	1,014,194	9,143,460	6,628,467	0	1,014,194	7,642,661
TOTAL FUNDS CARRIED FORWARD	13	7,934,717	14,488	1,014,194	8,963,399	7,936,550	192,716	1,014,194	9,143,460

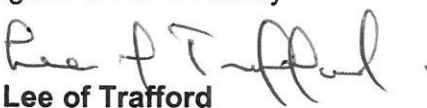
The notes on pages 18 to 23 form part of these accounts.
All amounts relate to continuing operations.

WGS TRUST

BALANCE SHEET AS AT 31st AUGUST 2018

	Notes	2018 £	2017 £
INVESTMENTS	9	8,558,174	8,592,778
CURRENT ASSETS			
Debtors	10	53,331	51,220
Cash	11	<u>353,894</u>	<u>502,818</u>
		407,225	554,038
CREDITORS			
Amounts falling due within one year	12	<u>(2,000)</u>	<u>(3,356)</u>
NET CURRENT ASSETS		405,225	550,682
NET ASSETS		<u>8,963,399</u>	<u>9,143,460</u>
ACCUMULATED FUNDS			
Restricted	13	1,014,194	1,014,194
Unrestricted - designated	13	14,488	192,716
Unrestricted - not designated	13	<u>7,934,717</u>	<u>7,936,550</u>
		<u>8,963,399</u>	<u>9,143,460</u>

Approved by the Board of Trustees on 29th March 2019
and signed on its behalf by


Lord Lee of Trafford



Mrs S J Haslam

WGS TRUST
STATEMENT OF CASH FLOWS
FOR YEAR ENDED 31 AUGUST 2018

	2018	2017
	£	£
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	(180,061)	1,500,799
Deduct interest income shown in investing activities	(211)	(632)
Add/(deduct) net loss/(gain) on investment portfolio	42,255	(1,088,284)
(Increase) in debtors	(2,111)	(24,815)
(Decrease) in creditors	(1,356)	(256,632)
Net cash used in operating activities	<u>(141,484)</u>	<u>130,436</u>
Cash flows from investing activities		
Interest income	211	632
Purchase of investments	(370,696)	(637,180)
Disposal of investments	191,235	804,591
Cash used in investing activities	<u>(179,250)</u>	<u>168,043</u>
(Decrease)/Increase in cash and cash equivalents in the year	(320,734)	298,479
Cash and cash equivalents at the beginning of the year	677,460	378,981
Total cash and cash equivalents at the end of the year	<u>356,726</u>	<u>677,460</u>
Breakdown of Cash and Cash Equivalents	£	£
Bank of Scotland Current Account	0	101,800
Lloyds Bank Current Account	<u>353,894</u>	<u>401,018</u>
	353,894	502,818
Cash held by Stockbrokers	2,832	174,642
Total cash and cash equivalents at the end of the year	<u>356,726</u>	<u>677,460</u>

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2018

1. ACCOUNTING POLICIES

(a) **Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011 and 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 (FRS 102) - effective 1 January 2015.

The functional currency of the Charity is considered to be GBP because that is the currency of the primary economic environment in which the Charity operates.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The Charity is a Public Benefit Entity registered as a charity in England and Wales. Its charity number is 505207 (England and Wales).

(b) **Incoming resources**

All income is included within the Statement of Financial Activities ('SOFA') on a receivable basis.

(c) **Bursaries**

Bursaries are accounted for on a paid basis.

(d) **Resources expended**

All expenditure is accounted for on an accruals basis and allocated directly to the category to which it relates. Governance costs comprise those costs incurred complying with constitutional and statutory requirements. Capital grants are accounted for when the Charity has made an obligation to pay the monies.

(e) **Investments**

Investments are stated at market value.

(f) **Fund accounting**

Funds held by the charity are either:

Unrestricted funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when the funds are raised for particular restricted purposes.

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2018

1. ACCOUNTING POLICIES CONTINUED

(g) Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

(h) Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

(i) Going Concern

Trustees consider that the WGS Trust is a Going Concern. Trustees monitor the School's requirement for bursary funding and capital projects at each of their meetings to ensure that this can be funded.

2. INVESTMENT INCOME

	2018	2017
	£	£
Bank interest	211	632
Dividends on UK listed investments	277,173	303,902
	<u>277,384</u>	<u>304,534</u>

3. INCOME GENERATING ACTIVITIES

	2018	2017
	£	£
Alumnae networking events	848	220
	<u>848</u>	<u>220</u>

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2018

4. FUNDRAISING COSTS

	2018	2017
	£	£
Staff costs recharged from Withington Girls' School	51,020	49,997
Promotional materials	4,271	9,042
Telephone Campaign	0	(1,140)
Consent Campaign	2,489	0
Other fundraising costs	1,955	1,167
	<u>59,735</u>	<u>59,066</u>

5. BURSARIES

	2018	2017
	£	£
Bursaries paid for pupils of Withington Girls' School	<u>615,855</u>	<u>555,573</u>

The total number of bursaries paid during the year was 93 pupils (2017: 88).

6. CAPITAL GRANT TO WITHINGTON GIRLS' SCHOOL

	2018	2017
	£	£
Capital grant re donations received for the Sports Project	332,116	0
	<u>332,116</u>	<u>0</u>

7. ANNUAL FUND

	2018	2017
	£	£
Purchase of equipment for Withington Girls' School	1,686	15,493
	<u>1,686</u>	<u>15,493</u>

8. OTHER CHARITABLE EXPENDITURE

	2018	2017
	£	£
Sundry expenses	677	1,151
Subscriptions	460	517
Clerk to the Trust	2,500	2,500
Stockbroking fee	684	600
Postage	1,927	2,358
Recruitment costs	1,680	0
Office expenses	145	776
Database software	3,600	(113)
Governance Costs		
Audit Fees	3,060	2,330
	<u>14,733</u>	<u>10,119</u>

The Trustees received no remuneration or reimbursement of expenses during the year (2017 £NIL).

There are no employees of the Charity.

There are no employees who received employee benefits (excluding pension costs) of more than £60,000.

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2018

9 INVESTMENTS

The movements on this account during the year were as follows:

	2018 £	2017 £
UK quoted investments		
At valuation:		
At 1 September 2017	8,418,136	7,497,263
Additions at cost	370,696	637,180
Disposal proceeds	(191,235)	(804,591)
Changes in market value	(42,255)	1,088,284
At 31 August 2018	<u>8,555,342</u>	<u>8,418,136</u>
Cash held by stockbrokers	2,832	174,642
	<u>8,558,174</u>	<u>8,592,778</u>

All investments are held for charity use.

The historical cost of investments held is £3,777,475 (2017: £3,564,046).

10 DEBTORS

	2018 £	2017 £
Income tax recoverable	13,371	51,220
Amount receivable from Withington Girls' School	39,960	0
	<u>53,331</u>	<u>51,220</u>

11 CASH AT BANK

	2018 £	2017 £
Bank of Scotland Deposit Account	0	101,800
Lloyds Bank Current Account	353,894	401,018
	<u>353,894</u>	<u>502,818</u>

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2018

12 CREDITORS

	2018 £	2017 £
Amounts falling due within one year		
Accruals	2,000	2,000
Amount due to Withington Girls' School	0	1,356
	<u>2,000</u>	<u>3,356</u>

13 ACCUMULATED FUNDS

	2018 £	2017 £
Restricted		
At 1 September 2017	1,014,194	1,014,194
At 31 August 2018	<u>1,014,194</u>	<u>1,014,194</u>

	2018 £	2017 £
Unrestricted - not designated		
At 1 September 2017	7,936,550	6,628,467
(Deficit)/Surplus for the year	(1,833)	1,308,083
At 31 August 2018	<u>7,934,717</u>	<u>7,936,550</u>

	2018 £	2017 £
Unrestricted - designated		
At 1 September 2017	0	0
Surplus for the year	14,488	192,716
At 31 August 2018	<u>14,488</u>	<u>192,716</u>

Total	<u>8,963,399</u>	<u>9,143,460</u>
--------------	-------------------------	-------------------------

Within the Unrestricted Reserves above is a Designated Fund representing donations received to date for the Sports Development Project. The value as at 31st August 2018 is £14,488 (2017: £192,716).

The Restricted Funds represent a fund specifically for bursaries.

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Investments £	Other assets £	Total £
Restricted funds	1,014,194	0	1,014,194
Unrestricted funds	7,543,980	405,225	7,949,205
	<u>8,558,174</u>	<u>405,225</u>	<u>8,963,399</u>

WGS TRUST

NOTES ON THE FINANCIAL STATEMENTS YEAR ENDED 31st AUGUST 2018

15 RELATED PARTY

The Governors of Withington Girls' School (Charity Number 1158226) appoint the Trustees of WGS Trust. Transactions with Withington Girls' School have been identified and disclosed within the accounts as appropriate.

Donations received from Trustees during the year were £11,547 plus gift aid of £1,120.
The comparative figure was £3,083 plus gift aid of £21.

16 FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets measured at amortised cost (a)	407,225	554,038
Financial assets measured at fair value (b)	8,558,174	8,592,778
Financial liabilities measured at amortised cost (c)	(2,000)	(3,356)
Net financial assets measured at amortised cost	<u>8,963,399</u>	<u>9,143,460</u>
(a) Financial assets include cash, trade and fee deposits and other debtors		
(b) Financial liabilities include deposits, trade creditors and other creditors		
(c) Financial liabilities include other creditors		