

**TRURO SCHOOL (ENDOWMENT FUND) LIMITED**  
**ACCOUNTS AND REPORT**  
**FOR THE YEAR ENDED 31ST AUGUST 2011**



**The charitable company is a registered charity no. 1070969  
and the registered company no. is 3582642**

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# **TRURO SCHOOL (ENDOWMENT FUND) LIMITED**

**Year ended 31 August 2011**

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## **TRURO SCHOOL (ENDOWMENT FUND) LIMITED**

### **TRUSTEES AND ADVISORS**

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#### **TRUSTEES**

The Trustees, who are also the Directors of the Company for the purposes of the Companies Acts, who served during the year were

Mr P K Smith	(Headmaster of Truro School)
Mr R R Cowie	(Governor of Truro School)
Mr G Russell	(Governor of Truro School)

Clauses 29, 30 and 32 of the Articles of Association provide that at each annual general meeting one-third of the Trustees shall retire but may be reappointed and that the retiring Trustee shall be the one who has been longest in office. Accordingly Mr G Russell will retire at the next annual general meeting but offers himself for reappointment.

#### **ADVISORS**

<b>Auditors</b>	haysmacintyre Fairfax House 15 Fulwood Place London WC1V 6AY
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<b>Bankers</b>	HSBC plc 17 Boscawen Street Truro Cornwall TR1 2Q7
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<b>Solicitors</b>	Rickerbys Ellenborough House Wellingtons Street Cheltenham Gloucestershire GL50 1YD
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<b>Registered Office</b>	Truro School Trennick Lane Truro Cornwall TR1 1TH
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## **TRURO SCHOOL (ENDOWMENT FUND) LIMITED**

### **TRUSTEES' REPORT**

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The Trustees present their annual report together with the accounts and auditors report. These have been prepared under the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" revised 2005. The financial statements comply with all statutory requirements and the requirements of the charity's governing document.

#### **OBJECTS**

The objects as set out in the Memorandum of Association are the provision of education or the grant of educational bursaries for pupils attending, or to attend, Truro School. More specifically the Trustees' policy is to build up a designated fund ('Bursaries Fund') from donations from Truro School, alumni and others and use the income accruing on the investments of the fund as General Fund income to provide bursaries for children who, with the demise of the Government Assisted Places Scheme, could not otherwise attend Truro School.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Trustees of the Company are appointed in accordance with the Articles of Association. It has been agreed by the First Trustees that the minimum number of Trustees shall for the time being, be and remain at three. The Trustees ongoing training is addressed in conjunction with the operation of Truro School, a connected charity.

#### **FINANCIAL ACTIVITIES AND RESULTS**

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

In line with the objectives as stated above, the charity continued its efforts during the year to attract further donations and made a contribution of £12,695 to help fund the bursaries provided by Truro School in the same year.

The financial results for the year are set out in the Statement of Financial Activities on page 5.

#### **RESERVES POLICY**

At 31 August 2011, the charity had unrestricted funds of £612,352. These included investments valued at £512,886 and deposits with Methodist Church CFB amounting to £51,786. The Trustees aim to increase the reserves so as to provide more income to enable the charity to fulfil its objects.

The policy will be reviewed by the Trustees on an annual basis.

#### **GRANTS POLICY**

The Trustees' policy is to donate the majority of the investment income to Truro School to help it meet the cost of bursaries awarded to pupils under its own assisted places scheme.

#### **INVESTMENT POWERS, POLICY AND PERFORMANCE**

The investment powers are derived from the Trustee Investment Act 2000. The policy of the charity is to invest in the investment funds of the Methodist Church Central Finance Board so as to ensure professional management and to provide returns in line with the relevant indices. During the year the investments performed in line with this policy.

#### **RISK REVIEW**

The Trustees have complied with the requirements of the Charities SORP 2005 and confirm that the major risks to which the charity is exposed have been reviewed and steps taken to mitigate them.

## **TRURO SCHOOL (ENDOWMENT FUND) LIMITED**

### **TRUSTEES' REPORT (continued)**

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#### **CONNECTED CHARITY**

Truro School (Endowment Fund) Ltd is closely related to Truro School. Two Governors and the Headmaster of the school serve as Trustees of the Company. The two charities are also administered by the same staff.

#### **ASSETS COVER FOR FUNDS**

The Charity's assets are sufficient to meet its obligations.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also the directors of Truro School (Endowment Fund) Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including income and expenditure, of the Charitable Company for that period. In preparing these financial statements, the Trustees are required to

- Select suitable accounting policies and then apply them consistently,
- Observe the methods and principles in the Charities SORP,
- Make judgements and estimates that are reasonable and prudent,
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the Trustees is aware

- There is no relevant audit information of which the Charitable Company's auditor is unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **AUDITORS**

haysmacintyre offer themselves for reappointment and a resolution will be put to the general meeting.

Approved by the Trustees at their meeting on 21 March 2012 and signed on their behalf by



Robert Cowie  
(Trustee)

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRURO SCHOOL (ENDOWMENT FUND) LIMITED

We have audited the financial statements of Truro (Endowment Fund) Limited for the year ended 31 August 2011, which comprise the Statement of Financial Activities, the Balance Sheet and 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).

This report is made solely to the charitable 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 charitable 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

### Respective responsibilities Trustees and Auditor

As explained more fully in the Trustee's Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company'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 financial statements. In addition, we read all the financial, and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2011 and of its 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, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matter prescribed by the Companies Act 2006

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

### 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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the 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.

David Sewell (Senior Statutory Auditor)  
for and on behalf of Haysmacintyre, Statutory Auditors

23 March

2012

Fairfax House  
15 Fulwood Place  
London, WC1V 6AY

**TRURO SCHOOL (ENDOWMENT FUND) LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
INCORPORATING INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 AUGUST 2011**

	<b>General £</b>	<b>Designated £</b>	<b>Restricted £</b>	<b>Total 2011 £</b>	<b>Total 2010 £</b>
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generating funds</b>					
Donations and legacies	-	26,558	-	26,558	25,852
Investment income	14,352	-	1,638	15,990	15,162
<b>Total incoming resources</b>	<u>14,352</u>	<u>26,558</u>	<u>1,638</u>	<u>42,548</u>	<u>41,014</u>
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>					
Grants made – Truro School Assisted Places Scheme	12,695	-	-	12,695	16,270
<b>Governance costs</b>	2,033	-	-	2,033	893
<b>Total resources expended</b>	<u>14,728</u>	<u>-</u>	<u>-</u>	<u>14,728</u>	<u>17,163</u>
<b>NET INCOMING/(OUTGOING) RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>	(376)	26,558	1,638	27,820	23,851
Unrealised gains on investment assets	-	8,320	949	9,269	28,455
<b>MOVEMENT IN FUNDS</b>	<u>(376)</u>	<u>34,878</u>	<u>2,587</u>	<u>37,089</u>	<u>52,306</u>
<b>Balances brought forward at 1 September 2010</b>	<u>12,695</u>	<u>565,155</u>	<u>65,933</u>	<u>643,783</u>	<u>591,477</u>
<b>Balance carried forward at 31 August 2011</b>	<u>12,319</u>	<u>600,033</u>	<u>68,520</u>	<u>680,872</u>	<u>643,783</u>

All amounts are derived from continuing activities

The company had no recognised gains or losses other than those disclosed in the Statement of Financial Activities

There was no difference between the net incoming resources as stated above and their historical cost equivalent


The notes on pages 7 to 8 form part of these accounts

**TRURO SCHOOL (ENDOWMENT FUND) LIMITED**Company number  
3582642**BALANCE SHEET****AS AT 31 AUGUST 2011**

	Notes	2011 £	2010 £
<b>FIXED ASSETS</b>			
Investments	2	581,406	403,743
<b>CURRENT ASSETS</b>			
Debtors	3	63,771	27,202
Methodist Church CFB Deposit Fund		51,786	215,482
Cash in bank		15,473	14,338
		<u>131,030</u>	<u>257,022</u>
<b>CREDITORS: amounts due within one year to Truro School</b>		<u>31,564</u>	<u>16,982</u>
<b>NET CURRENT ASSETS</b>		<u>99,466</u>	<u>240,040</u>
<b>TOTAL NET ASSETS</b>		<u><u>680,872</u></u>	<u><u>643,783</u></u>
<b>REPRESENTED BY:</b>			
Unrestricted funds - General		12,319	12,695
Unrestricted funds - Designated – Bursary Fund		600,033	565,155
Total unrestricted funds		<u>612,352</u>	<u>577,850</u>
Restricted funds – William Andrew Fund		68,520	65,933
		<u><u>680,872</u></u>	<u><u>643,783</u></u>

Approved and authorised for issue by the Trustees at their meeting on 21 March 2012 and signed on their behalf by

  
----- Trustee  
Robert Cowie

  
----- Trustee  
Paul Smith

The notes on pages 7 to 8 form part of these accounts



# TRURO SCHOOL (ENDOWMENT FUND) LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2011

### 1. ACCOUNTING POLICIES

#### a) Basis of Preparation

The financial statements have been prepared under the Companies Act 2006 on the historical cost convention as modified by the revaluation of investment assets and in accordance with applicable accounting standards and the Statement of Recommended Practice 'Accounting and Reporting by Charities' revised 2005

#### b) Cash Flow Statement

The Trustees have taken advantage of the exemption from the requirement to prepare a cashflow statement under Financial Reporting Statement No 1 (revised) on the basis that it qualifies as a small company

#### c) Incoming Resources

Incoming resources are recognised on a receivable basis, as soon as the Charity has entitlement to the income, there is reasonable certainty of receipt and the amount is quantifiable

#### d) Resources Expended

Expenditure is recognised on an accruals basis, inclusive of irrecoverable VAT

Charitable activities comprise expenditure associated with the provision of bursaries/scholarships for children, and include both the direct costs and support costs relating to these activities Governance costs for the year were £2,033

#### e) Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes The aim and use of each designated fund is set out in the notes to the financial statements

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes The cost of raising and administering such funds are charged against the specific fund The aim and use of each restricted fund is set out in the notes to the financial statements

#### f) Investment Policy

Income from investments is accounted for as it accrues Investments are acquired in accordance with the powers available to the Governors Investments are shown at market value Realised and unrealised gains and losses are shown in the Statement of Financial Activities

### 2. INVESTMENTS

	Holding	Per share	2011 £	2010 £
<b>Market Value</b>				
Methodist Church CFB				
- Managed Mixed Fund	92,865	317 1p	294,475	203,574
- Managed Equity Fund	17,282	1660 1p	286,898	200,144
British Telecom 25p Ord	19	171 5p	33	25
			<u>581,406</u>	<u>403,743</u>
Cost of investments			<u>583,636</u>	<u>415,242</u>

**TRURO SCHOOL (ENDOWMENT FUND) LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2011**

<b>3. DEBTORS</b>	<b>2011 £</b>	<b>2010 £</b>
Gift aid	1,897	1,752
Donations	50,700	25,450
Investment income	11,174	-
	<u>63,771</u>	<u>27,202</u>

**4. FUNDS**

**Unrestricted Fund**

The designated 'Bursaries Fund' represents unrestricted funds retained to provide bursaries for children who, with the demise of the Government Assisted Places Scheme, would not otherwise be able to attend Truro School. The Trustee's policy is to build up this fund from donations from Truro School and others, and to use the income accruing on the investments of the fund as General Fund income to fund the bursaries.

**Restricted Fund – William Andrew**

This relates to a legacy to be used for a scholarship in the name of Mr William Andrew, which will enable pupils to come to Truro School.

**4. TRUSTEES**

No Trustees received any expenses or remuneration from the company.

**5. RELATED PARTY TRANSACTIONS**

Two of the Trustees are Governors of Truro School and the third is the Headmaster of the school.

<b>6 AUDITOR'S REMUNERATION</b>	<b>2011 £</b>	<b>2010 £</b>
Audit fees	<u>1,175</u>	<u>750</u>

**7. ANALYSIS OF NET ASSETS**

	<b>Restricted £</b>	<b>Unrestricted £</b>	<b>Total 2011 £</b>	<b>Total 2010 £</b>
Fixed Assets	68,520	512,886	581,406	403,743
Current Assets	-	131,030	131,030	257,022
Current Liabilities	-	(31,564)	(31,564)	(16,982)
	<u>68,520</u>	<u>612,352</u>	<u>680,872</u>	<u>643,783</u>