

**Highfield Park Trust**  
**(Limited by Guarantee)**

**Trustees' Report and Financial Statements**

**for the year ended 31st March 2020**

Company No.: 03193779 (England & Wales)

**Highfield Park Trust**

**Contents**

	<b><u>Page</u></b>
Trustees' Report	1 – 6
Auditors' Report	7 – 8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11 – 19

The following pages do not form part of the statutory accounts

Income and Expenditure Account	20 & 21
--------------------------------	---------

**Highfield Park Trust**  
**Trustees' Report**  
**Year ended 31st March 2020**

The Trustees present their report with the financial statements for the year ended 31 March 2020.

**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)  
J. Crisp  
M. Curtis – Treasurer  
R. Das (appointed 30 January 2020)  
I. Day (representing St Albans City & District Council)  
S. Gaylard  
D. Gordon (appointed 10 June 2019)  
S. Graham  
J. Gray  
A. Guest (resigned 9 April 2019)  
M. Johnson  
R. Percival  
R. Thomas

**Secretary** R. Bull

**Park Manager** R. Bull

Highfield Park Trust is a Company Limited by Guarantee and a registered charity governed by its Memorandum and Articles of Association dated 17 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 2020**

**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 an existing 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. The Trust has recognised its reliance on investment and current property income and as a consequence continues to develop its income generation strategy including fund raising events, and hiring out the park's facilities.

**Purpose 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.

We have complied with the duty under section 4 of the 2006 Charities Act to have due regard to the advice contained in 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.

**How our Activities Deliver Public Benefit**

Our main activities and how we try to accommodate are described below. All our charitable activities focus on the maintenance of a rural park in the Parish of Colney Heath and are undertaken to further our charitable purposes for the public benefit.

**Highfield Park Trust**  
**Trustees' Report**  
**Year ended 31st March 2020**

**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. The Trust provides 11 football pitches (mini, junior and adult). The park is home to St Albans City Youth Football Club who run girls, boys and disability teams using the pitches over the course of the year, this includes two very successful 'small-sided' tournaments. A number of other organised and ad hoc groups, local clubs and associations use the park as appropriate to their needs. These include archery, boot camps, walkers and wheelchair users, health walks, joggers, dog walkers, cyclists, bird watchers, local historians.

There is an allotment site within the park boundaries with approximately 100 allotments, they are rented by local residents who produce fruit, vegetables and flowers. Links continue with the Community Development Association who run 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 and deliver a comprehensive range of cultural activities. The Trust also lease property to a children's nursery, an accountancy firm and the Parish Council.

The Trust organised a number of public events during 2019/20 financial year, including an apple day, a guided history walk, an autumn 'bug' hunt and spring bunny hunt for children. The Trust also organised more 'educational' events including several 'bat nights' building on the success of previous years, and the 'Mini-beast' Safari provided an opportunity to identify insects with the help of experts. This year a series of 'Nature – Talks and Walks' on different aspects of wildlife associated with the park was introduced. All of the events have been successful in terms of attendees and income generated for the Trust. The Trust also hosted two Luna open air cinema screenings, which again were very successful and an outdoor opera production of G&S Pirates of Penzance. For the coming year it was envisaged making a very similar offering, building on the success of the last year, including Apple Day, History walk and talks, Bat nights and Nature Talks and Walks, plus Luna cinema, another outdoor opera production and in addition an outdoor theatre production in association with the St Albans based Company of Ten. Unfortunately, due to the Covid-19 pandemic all events up until the end of July 2020 have been cancelled. Whether the remaining events proceed will depend on the progress of the pandemic and prevailing government advice.

**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. Volunteers have also taken part in a project to create a database and digitalise the history archive. 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. Due to the pandemic organised volunteer sessions have been cancelled since the middle of March 2020 and are unlikely to resume in the near future. In line with SORP 2005, 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 £62,473, which compares to £1,673 for 2019. Excluding depreciation, our net surplus was £16,326, compared with £42,308 in 2019.

The main sources of income for the Trust are returns from an investment portfolio managed by CCLA, rental income from properties owned by the Trust, the hire of the park facilities to external organisations and fund raising events organised by the Trust. Additionally, this year, hire of the new meeting room in the visitor centre to a range of external groups has generated income during the year.

The new 10-year lease, agreed with Telefonica, for the rental of the telecoms mast has come in to effect.

**Highfield Park Trust**  
**Trustees' Report**  
**Year ended 31st March 2020**

**Financial Review (cont'd)**

The capital value of the portfolio continues to fluctuate; it showed positive growth through most of the year, but fell back in the last quarter due to the negative influence of the Covid-19 pandemic, there has been some recovery in to the second quarter of 2020. The fluctuations are to be expected in view of the current volatility of the world markets as a result of negative geopolitical news.

The investments and the rental properties continue to provide the main source of the Trust's income. As part of the new lease with Telefonica for the aerial mast, the Trust received a one off payment of £15,134.79.

The Covid-19 pandemic has introduced a level of uncertainty in the income streams. From the end of March 2020 there has been a loss of income from events and park hire and this is likely to continue into the immediate future. Fortunately, the main income streams have, so far, not been majorly affected. To mitigate the lost income, the Trust will work to minimise its costs and maintain a positive cash flow.

The Trust received a number of grants to deliver specific projects within the park; these include £9,150 from St Albans City Youth Football club for pitch renovations; £2,956.54 from St Albans District Council for footpath resurfacing; £668.21 from the Forestry Commission for the maintenance of Hither Wood; £500 from Colney Heath Parish Council to purchase educational materials to support the new series of educational talks and a further £500 to support the Wassailing event. £700 was received from Hertfordshire County Council Locality Budget in part purchase of replacement play area toddler swing seats.

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 £132,799 (from £111,495 in 2019). However, our actual working capital has increased by £16,168 to £73,506 (2019: decreased by £74,543) 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. Following a review by investment advisers, the holdings in the Global Equity Fund were sold and the money reinvested in the Ethical Investment Fund, this change will reduce the Trust's exposure to riskier investments.

**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. It is fortunate in having four commercially let properties and the income from its investments to enable it to continue its work.

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

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 £132,799.

**Plans for Future Periods**

The Trustees continue to review the activities of the park on an annual basis.

The Trust continues to manage the Park with limited resources but is working 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.

**Highfield Park Trust**  
**Trustees' Report**  
**Year ended 31st March 2020**

**Plans for Future Periods (cont'd)**

The Trust also continues to maintain and improve many of the existing features and strives 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. It will continue to work towards achieving its aims and objectives with an environmental and sustainable development approach. This can be evidenced by the proactive approach in the management of grassland to increase biodiversity and encourage wildlife, both flora and fauna.

The Trust will continue to focus on events which have community links directly to the park e.g. children's events, guided history walks, nature talks and 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, for example the Luna Cinema, opera and theatre performances.

**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;
- make judgements and estimates that are reasonable and prudent;
- 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.

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 Trustees have complied with the duty in section 4 of the 2006 Charities act to have regard to guidance issued by the Charity Commission.

**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.

**Highfield Park Trust**  
**Trustees' Report**  
**Year ended 31st March 2020**

**Post Balance Sheet Events**

As at 31st March 2020 China had alerted the World Health Organisation (WHO) of several cases of an unusual form of pneumonia in Wuhan. Substantive information about what has now been identified as Coronavirus (or COVID-19) came to light in early 2020.

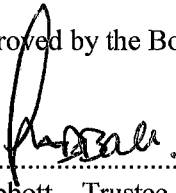
In the opinion of the Trustees, despite the potential effects of the COVID-19 outbreak, it is nonetheless considered that the Going Concern basis of the preparation of the financial statements remains appropriate. Similarly, in the opinion of the trustees, no adjustments are required to the results or carrying values of assets or liabilities.

**Auditors**

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

This report has been prepared in accordance with the statement of Recommended Practice: Accounting and Reporting by charities (issued in March 2005) and in accordance with the provisions of Part 15 of the Companies Act 2006 applicable to small companies and subject to the small companies regime.

Approved by the Board of Trustees on 22 September 2020 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 2020 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 2020 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**

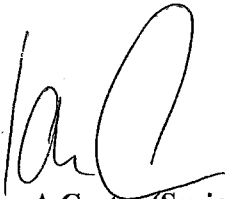
In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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 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 2020**

	Notes	<u>General Funds</u> £	<u>Restricted &amp; Designated Funds</u> £	<u>Total 2020</u> £	<u>Total 2019</u> £
<b>Incoming Resources</b>					
<i>Donations and legacies</i>					
Donations		5,728	-	5,728	681
Grants	2	-	14,475	14,475	31,013
<i>Income from Investments</i>					
Income from Investments		54,814	-	54,814	54,202
Interest Received		25	-	25	22
<i>Income from charitable activities:</i>					
Rent of Aerial Mast Site		21,261	-	21,261	10,895
Rents Receivable		113,690	-	113,690	107,363
Sports and Sundry Income		32,655	-	32,655	29,745
Events Income		6,683	-	6,683	6,327
<b>Total Incoming Resources</b>		234,856	14,475	249,331	240,247
<b>Resources expended</b>					
<i>Costs of raising funds:</i>					
Fundraising and Publicity		2,328	-	2,328	7,154
Legal and Consultancy Fees		3,441	-	3,441	2,503
Property Depreciation & Maintenance		-	71,189	71,189	35,093
<i>Charitable Activities</i>					
Expenditure on Charitable Activities		207,783	27,063	234,846	197,170
<b>Total Resources Expanded</b>	3	213,552	98,252	311,804	241,920
<b>Net Income/(Expenditure) for the Year</b>	4	21,304	(83,777)	(62,473)	(1,673)
Realised gains on Investments	8				-
Unrealised gains/(losses) on					
Long Leasehold Properties	7	-	-	-	
Investment Assets – Investment Properties	7	-	19,230	19,230	135,227
Listed Investments	8	-	(32,779)	(32,779)	111,118
Transfers between Funds		-			-
<b>Net Movement in Funds</b>		21,304	(97,326)	(76,022)	244,672
<b>Reconciliation of funds</b>					
<i>Fund Balances brought forward</i>		111,495	9,023,728	9,135,223	8,890,551
<b>Total funds carried forward</b>	11 – 14	132,799	8,926,402	9,059,201	9,135,223

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

All income and expenditure derive from continuing activities.

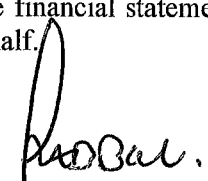
**Highfield Park Trust**  
**Balance Sheet**  
**as at 31st March 2020**

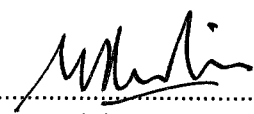
Company no.: 3193779

		<u>2020</u>		<u>2019</u>	
	Notes	£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	7		7,514,660		7,574,071
Investments	8		1,471,035		1,503,814
			8,985,695		9,077,885
<b>Current Assets</b>					
Debtors	9	24,252		25,959	
Deposit Account with Investment Managers		-		-	
Bank Deposit and Grant Accounts		57,293		48,840	
Bank Current Account and in Hand		9,578		7,112	
			91,123	81,911	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	10	(17,617)		(24,573)	
<b>Net Current Assets</b>			73,506	57,338	
<b>Total Assets less Current Liabilities</b>			9,059,201	9,135,223	
<b>Capital and Reserves</b>					
<b>Restricted Income Funds</b>					
Highfield Pavilion Reserve	11	99,610			102,717
Grant income	11	-			12,588
<b>Designated Income Funds</b>					
Capital Reserve	12	4,383,767		4,484,628	
Property Revaluation Reserve	12	4,443,025		4,423,795	
			8,926,402	8,908,423	
<b>Unrestricted Income Funds</b>					
General Reserve	13		132,799		111,495
<b>Total Trust Funds</b>	14		9,059,201	9,135,223	

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 22nd September 2020 and signed on its behalf.

  
.....  
T ABBOTT – TRUSTEE

  
.....  
M. CURTIS – TRUSTEE

The notes on pages 11 to 19 form part of these financial statements

**Highfield Park Trust**  
**Notes to the Financial Statements**  
**for the year ended 31st March 2020**

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 2020. 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 Trustees 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 2020**

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 2020**

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 £33,777 (2019: £30,421).

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 £14,475 (2019: £31,013).

**Highfield Park Trust**  
**Notes to the Financial Statements**  
**for the year ended 31st March 2020**

3. **Total Expenditure**

	<u>Staff</u> <u>Costs</u> £	<u>Depreciation &amp;</u> <u>Profit on</u> <u>Sale</u> £	<u>Other</u> <u>Costs</u> £	<u>Total</u> <u>2020</u> £	<u>Total</u> <u>2019</u> £
<b>Costs of raising Funds:</b>					
Fundraising and Publicity:	-	-	-	-	-
Event Costs	-	-	1,819	1,819	1,738
Equipment Leasing	-	-	-	-	-
Other Fundraising and Publicity	-	-	509	509	334
	-	-	2,328	2,328	2,072
Legal & Consultancy Fees	-	-	3,441	3,441	294
Property Depreciation and Maintenance Costs	-	71,189	-	71,189	75,064
<b>Charitable Activities</b>	107,647	7,610	119,589	234,846	195,326
	107,647	78,799	125,358	311,804	272,756

	<u>2020</u> £	<u>2019</u> £
<b>Charitable Activities – Other Costs</b>		
Allotment Expenses	40	13
Park Maintenance	49,107	16,116
Park Equipment Repairs	11,007	6,898
Building Maintenance & Repairs	2,209	4,955
Play area	2,412	479
Other	7,124	7,457
Audit Fees and bookkeeping	7,260	6,720
Legal & Consultancy Fees	1,848	1,584
Insurance	26,704	26,322
Rates and Utilities	7,151	6,056
Software, Support and Other Office Costs	4,727	4,263
Bad Debts	-	-
	119,589	80,863

4. **Net Income for the Year**

This is stated after charging/(recovering):

	<u>2020</u> £	<u>2019</u> £
Depreciation of Tangible Fixed Assets	79,349	43,981
Profit on sale of fixed asset	(550)	-
Hire Purchase Interest	-	-
Auditors' Remuneration – Audit Services	2,100	2,000



**Highfield Park Trust**  
**Notes to the Financial Statements**  
**for the year ended 31st March 2020**

5. **Staff Costs and Numbers**

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

	<u>2020</u>	<u>2019</u>
	£	£
Wages and Salaries	71,598	74,155
Social Security Costs	2,272	2,842
Pension Costs	33,777	30,421
	<hr/>	<hr/>
	107,647	107,418
	<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>2020</u>	<u>2019</u>
	£	£
Direct Charitable Expenditure	2.5	3
Management and Administration	1	1
	<hr/>	<hr/>
	3.5	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 (2019: 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 2020**

**7. Tangible Fixed Assets**

	<u>Investment</u> <u>Properties</u> £	<u>Long Leasehold</u> <u>Properties</u> £	<u>Plant and</u> <u>Machinery</u> £	<u>Furniture</u> <u>and Equipment</u> £	<u>Motor</u> <u>Vehicle</u> £	<u>Total</u> £
<b>Cost or Valuation</b>						
At 1st April 2019	4,394,552	3,559,470	87,120	79,093	9,388	8,129,623
Additions	-	482	226	-	-	708
Disposals	-	-	-	-	-	-
Revaluations	19,230	-	-	-	-	19,230
Reclassification	-	-	-	-	-	-
<b>At 31st March 2020</b>	<b>4,413,782</b>	<b>3,559,952</b>	<b>87,346</b>	<b>79,093</b>	<b>9,388</b>	<b>8,149,561</b>
<b>Depreciation</b>						
At 1st April 2019	-	397,849	72,920	75,395	9,388	555,552
Charge for year	-	71,189	7,162	998	-	79,349
Disposals	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-
<b>At 31st March 2020</b>	<b>-</b>	<b>469,038</b>	<b>80,082</b>	<b>76,393</b>	<b>9,388</b>	<b>634,901</b>
<b>Net Book Values</b>						
At 31st March 2020	4,413,782	3,090,914	7,264	2,700	-	7,514,660
At 31st March 2019	4,394,552	3,161,621	14,200	3,698	-	7,574,071

**8. Investments**

	<u>2020</u> £	<u>2019</u> £
At 1st April 2019	1,503,814	1,392,696
Acquisitions during year	-	-
Disposals proceeds	-	-
Realised net losses	-	-
	<b>1,503,814</b>	<b>1,392,696</b>
(Decrease)/increased in Market Value	(32,779)	111,188
<b>At 31st March 2020</b>	<b>1,471,035</b>	<b>1,503,814</b>

**Highfield Park Trust**  
**Notes to the Financial Statements**  
**for the year ended 31st March 2020**

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 2020 amounted to £977,728 (2019: £977,728).

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

	<u>2020</u>	<u>2019</u>
	£	£
COIF Charities Ethical Investment Fund	623,230	231,048
COIF Charities Investment Fund	690,481	713,060
COIF Charities Equity Fund	-	398,213
COIF Charities Properties Fund	157,324	161,493
	<hr/>	<hr/>

9. **Debtors**

	<u>2020</u>	<u>2019</u>
	£	£
Investment Income Receivable	15,295	15,238
Rent Receivable	8,957	9,159
Other Debtors and Prepayments	-	1,562
	<hr/>	<hr/>
	24,252	25,959
	<hr/>	<hr/>

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

	<u>2020</u>	<u>2019</u>
	£	£
Income in Advance	3,128	9,354
Trade Creditors	3,138	362
PAYE and Other Taxes	3,564	4,403
Accruals and deferred income	7,787	10,454
Other Creditors	-	-
	<hr/>	<hr/>
	17,617	24,573
	<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>2019</u>				<u>2020</u>
	£	£	£	£	£
Pavilion Reserve	102,717	-	-	(3,107)	99,610
Grant income	12,588	14,475	(27,063)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	115,305	14,475	(27,063)	(3,107)	99,610
	<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**  
**for the year ended 31st March 2020**

12. **Analysis of Designated Funds Movements**

	<u>At 31st March</u> <u>2019</u> £	<u>Income</u> £	<u>Expenditure</u> £	<u>Gains on</u> <u>Investments</u> £	<u>At 31st March</u> <u>2020</u> £
Capital Reserve	4,484,628	-	(68,082)	(32,779)	4,383,767
Property Revaluation Reserve	4,423,795	-	-	19,230	4,443,025
	<hr/> 8,908,423	<hr/> -	<hr/> (68,082)	<hr/> (13,549)	<hr/> 8,826,792

**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>2019</u> £	<u>Income</u> £	<u>Expenditure</u> £	<u>At 31st March</u> <u>2020</u> £
General Reserve	111,495	234,856	(213,552)	132,799

**Highfield Park Trust**  
**Notes to the Financial Statements**  
**for the year ended 31st March 2020**

14. **Analysis of Net Assets between Funds**

	<b><u>Restricted Reserves</u></b>	<b><u>Designated Reserves</u></b>	<b><u>General Reserve</u></b>	<b><u>Total</u></b>
	£	£	£	£
Tangible Fixed Assets	99,610	7,407,787	7,263	7,514,660
Investments	-	1,471,035	-	1,471,035
Cash at Bank and in Hand			66,871	66,871
Current assets (net)		(52,030)	58,665	6,635
	<u>99,610</u>	<u>8,826,792</u>	<u>132,799</u>	<u>9,059,201</u>

15. **Post Balance Sheet Events**

As at 31st March 2020 China had alerted the World Health Organisation (WHO) of several cases of an unusual form of pneumonia in Wuhan. Substantive information about what has now been identified as Coronavirus (or COVID-19) came to light in early 2020.

In the opinion of the trustees, despite the potential effects of the COVID-19 outbreak, it is nonetheless considered that the Going Concern basis of the preparation of the financial statements remains appropriate. Similarly, in the opinion of the trustees, no adjustments are required to the results or carrying values of assets or liabilities.