

**Report of the Directors and**

**Financial Statements**

**for the Year Ended**

**31 December 2019**

**for**

**HILLHEAD HIGH SCHOOL  
WAR MEMORIAL TRUST LIMITED**

**(A company limited by guarantee)**

**HILLHEAD HIGH SCHOOL  
WAR MEMORIAL TRUST LIMITED (REGISTERED NUMBER: SC012130)**

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for the year ended 31 December 2019**

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**HILLHEAD HIGH SCHOOL  
WAR MEMORIAL TRUST LIMITED**

**Company Information  
for the year ended 31 December 2019**

<b>DIRECTORS:</b>	Miss C A MacDonald G Kitchener R S Bond H D Kirkpatrick R Mohammed
<b>SECRETARY:</b>	Miss C A MacDonald
<b>REGISTERED OFFICE:</b>	32 Hughenden Road Glasgow G12 9XP
<b>REGISTERED NUMBER:</b>	SC012130 (Scotland)
<b>INDEPENDENT ACCOUNTANTS:</b>	French Duncan LLP 133 Finnieston Street Glasgow G3 8HB
<b>BANKERS:</b>	The Co-operative Bank PO Box 250 Delf House Skelmersdale WN8 6WT

**Report of the Directors  
for the year ended 31 December 2019**

The directors present their report with the financial statements of the company for the year ended 31 December 2019.

The total turnover for the year was £260,491 (2018: £216,181). Amounts totalling £44,685 (2018: £nil) were received as donations and grants towards capital expenditure projects. In accordance with current UK Accounting legislation these have been included within the total reported turnover for 2019 and 2018, respectively. Excluding these amounts the underlying turnover for 2019 and 2018 were £215,806 (2018: £216,181), representing a small decrease of £375.

The surplus for the financial year was £24,050 (2018: deficit £22,062). Excluding the impact of the capital expenditure donations and grants noted above underlying deficit for the year was £20,635 (2018: deficit £22,062).

**DIRECTORS**

The directors who served during the year and to the date of this report were:

Miss C A MacDonald  
G M Taylor (resigned 01.05.2020)  
G Kitchener  
R S Bond  
H D Kirkpatrick  
R Mohammed

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland". Under company law the directors 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 company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Directors  
for the year ended 31 December 2019

**DIRECTORS DECLARATION**

In relation to the financial statements set out on pages 5 to 13:

- The directors approve these financial statements and confirm that they are responsible for them, including selecting the appropriate accounting policies, applying them consistently and making, on a reasonable and prudent basis, the judgments underlying them. They have been prepared on the going concern basis on the grounds that the company will continue in business.
- The directors confirm that they have made available to French Duncan LLP, all the company's accounting records and provided all the information necessary for the compilation of the financial statements.

The directors confirm that to the best of their knowledge and belief, the accounting records reflect all transactions of the company for the year ended 31 December 2019.

**SMALL COMPANIES NOTE**

In preparing this report, the directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on \_\_\_\_\_ and signed on its behalf.

.....  
Christine MacDonald - Director

**REPORT OF THE INDEPENDENT ACCOUNTANTS TO THE MEMBERS OF  
HILLHEAD HIGH SCHOOL WAR MEMORIAL TRUST LIMITED**

In order to assist you to fulfil your duties under the Companies Act 2006, we have carried out an independent review of the financial statements of Hillhead High School War Memorial Trust Limited for the year ended 31 December 2019 which comprise the profit and loss account, the balance sheet and the related notes from the company’s accounting records and from information and explanations you have given us.

As a practising member firm of the ICAS we are subject to its ethical and other professional requirements which are detailed at <https://www.icas.com/professional-resources/practice/support-and-guidance/framework-for-the-preparation-of-accounts-revised-January-2017>.

This report is made solely to the Board of Directors of Hillhead High School War Memorial Trust Limited, as a body, in accordance with the terms of our engagement. Our work has been undertaken solely to carry out an examination of the accounting records and comparison with the financial statements of Hillhead High School War Memorial Trust Limited and state those matters that we have agreed to state to the Board of Directors of Hillhead High School War Memorial Trust Limited, as a body, in this report in accordance with the requirements of the ICAS as detailed at <https://www.icas.com/professional-resources/practice/support-and-guidance/framework-for-the-preparation-of-accounts-revised-January-2017>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hillhead High School War Memorial Trust Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Hillhead High School War Memorial Trust Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Hillhead High School War Memorial Trust Limited. You consider that Hillhead High School War Memorial Trust Limited is exempt from the statutory audit requirement for the year.

The procedures undertaken are not those undertaken during a statutory audit.

In the course of our examination, no matter has come to our attention

1. which gives us reasonable cause to believe that adequate accounting records have not been maintained nor that the accounts have not been properly prepared from the accounting records.
2. to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

French Duncan LLP

Chartered Accountants

.....

133 Finnieston Street  
Glasgow  
G3 8HB

HILLHEAD HIGH SCHOOL  
WAR MEMORIAL TRUST LIMITED (REGISTERED NUMBER: SC012130)

Statement of Income and Retained Earnings  
for the year ended 31 December 2019

	Notes	2019 £	2018 £
<b>TURNOVER</b>	2	260,491	216,181
Cost of sales		(3,902)	(4,022)
<b>GROSS SURPLUS</b>		<u>256,589</u>	<u>212,159</u>
Administrative expenses		(233,486)	(235,769)
		23,103	(23,610)
Other operating income		<u>783</u>	<u>1,548</u>
<b>OPERATING SURPLUS / (DEFICIT)</b>	3	23,886	(22,062)
Interest receivable		164	-
		<u>24,050</u>	<u>(22,062)</u>
Interest payable and similar charges		-	-
<b>SURPLUS / (DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		24,050	(22,062)
Tax on surplus / (deficit) on ordinary activities	5	-	-
<b>SURPLUS / (DEFICIT) FOR THE FINANCIAL YEAR</b>		<u>24,050</u>	<u>(22,062)</u>
<b>RETAINED SURPLUS AT 1 JANUARY</b>		1,480,174	1,503,934
Surplus / (deficit) for the Financial Year		24,050	(22,062)
Movement on The J Liversidge Fund	12	-	(150)
Movement on The Lottery Sports Fund	12	(783)	(1,548)
<b>RETAINED SURPLUS AT 31 DECEMBER</b>		<u>1,503,441</u>	<u>1,480,174</u>

The notes form part of these financial statements

HILLHEAD HIGH SCHOOL  
WAR MEMORIAL TRUST LIMITED (REGISTERED NUMBER: SC012130)

Balance Sheet  
for the year ended 31 December 2019

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	6	1,569,762	1,548,470
Investments	7	1	1
<b>CURRENT ASSETS</b>			
Debtors	8	20,622	5,073
Cash at bank		37,492	55,814
		58,114	60,887
<b>CREDITORS</b>			
Amounts falling due within one year	9	(74,531)	(62,449)
		(16,417)	(1,562)
<b>NET CURRENT (LIABILITIES) / ASSETS</b>			
		1,553,346	1,546,909
<b>CREDITORS</b>			
Amounts falling due after more than one year	10	(49,905)	(66,735)
		1,503,441	1,480,174
<b>NET ASSETS</b>			
<b>RESERVES</b>			
The J Liversidge Fund	12	7,376	7,376
The Lottery Sports Fund	12	-	783
Income and expenditure account	12	1,496,065	1,472,015
		1,503,441	1,480,174
		1,503,441	1,480,174

For the year ended 31 December 2019 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised by the Board of Directors on .....and were signed on its behalf by:

.....  
Christine MacDonald - Director

The notes form part of these financial statements

HILLHEAD HIGH SCHOOL  
WAR MEMORIAL TRUST LIMITED (REGISTERED NUMBER: SC012130)

Statement of Cash Flows  
for the year ended 31 December 2019

	2019	2018
	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus / (deficit) for the financial year	24,050	(22,062)
Adjustments for:-		
Depreciation of tangible assets	42,589	40,469
Gain on sale of fixed assets	(2,596)	-
Non cash movement on The Lottery Sports Fund reserve	(783)	(1,548)
Movement on The J Liversidge Reserve	-	(150)
Donations received from subsidiary undertaking	(44,437)	(45,222)
Donations received towards capital expenditure	(44,685)	-
Taxation	-	-
(Increase)/decrease in trade / other debtors	(15,549)	13,480
Increase / (decrease) in creditors	12,875	(6,483)
	<u>          </u>	<u>          </u>
<b>Cash used in operations</b>	(28,536)	(21,516)
<b>Taxes paid</b>	<u>          </u>	<u>          </u>
<b>Net cash used in operating activities</b>	<u>(28,536)</u>	<u>(21,516)</u>
 <b>Cash flow from investing activities</b>		
Purchase of tangible assets	(66,591)	(8,740)
Sale of tangible fixed assets	240	-
Donations received towards capital expenditure	44,685	-
Donations received from subsidiary undertaking	<u>44,437</u>	<u>45,222</u>
<b>Net cash from investing activities</b>	<u>22,771</u>	<u>36,482</u>
	<u>          </u>	<u>          </u>
<b>Cash flows from financing activities</b>		
Finance lease payments	(6,132)	(2,285)
Repayment of Loans from LTA - tennis courts	<u>(6,425)</u>	<u>(6,426)</u>
<b>Net cash (utilised in) / generated from financing activities</b>	<u>(12,557)</u>	<u>(8,711)</u>
 <b>Net (decrease) / increase in cash and cash equivalents</b>		
Cash and cash equivalents at beginning of year	(18,322)	6,255
	55,814	49,559
<b>Cash and cash equivalents at the end of year</b>	<u>37,492</u>	<u>55,814</u>

Notes to the Financial Statements  
for the year ended 31 December 2019

**1. ACCOUNTING POLICIES**

**Company Information**

Hillhead High School War Memorial Trust operates as a Company limited by guarantee incorporated in Scotland and trades under the name of “Hillhead Sports Club”. Its registered office is at 32 Hughenden Road, Glasgow, G12 9XP. The principal activity is that of a sports club.

**Basis of Preparation**

These financial statements have been prepared under the historical cost convention unless otherwise stated within these accounting policies and in accordance with Financial Reporting Standard 102 “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (“FRS 102”), and with the Companies Act 2006.

The financial statements relate only to Hillhead High School War Memorial Trust Limited and are not consolidated with the wholly owned subsidiary on the basis that it is a small group.

The financial statements are presented in Sterling (£).

**Going Concern**

There is no doubt that the COVID-19 outbreak and resulting business interruption has had a significant impact on the company. However, after reviewing the Company’s forecasts for the forthcoming financial year, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

**Estimation Uncertainty**

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise judgement in applying Hillhead High School War Memorial Trust Limited’s accounting policies. The Board of Directors have reviewed these and concluded there are no areas requiring a higher degree of judgement, or complexity, and no areas where assumptions or estimates are most significant to the financial statements.

**Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover represents income received from memberships, the invoiced sale of services together with any donations received, excluding value added tax.

Notes to the Financial Statements  
for the year ended 31 December 2019

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease or loan funding, over the lease term or loan, whichever is the shorter.

Clubhouse	-	2% on cost
Grounds equipment	-	10% on cost
Spectator stand	-	4% on cost
Fixtures and fittings	-	20% on cost
Gym equipment	-	33% on cost
Tennis courts	-	10% on cost
Cricket nets	-	10% on cost

There is no depreciation on land.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

**Debtors**

Short term debtors are measured at transaction price, less any impairment.

**Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

**Creditors**

Short terms creditors are measured at the transaction price. Other financial liabilities, including loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Concessionary loans are measured initially at the amount received, and subsequently adjusted to reflect any accrued interest payable.

**Leasing commitments**

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**Financial Instruments**

Financial instruments are classed as basic, including trade debtors and creditors. Financial instruments are recognised initially at transaction value less attributable cost. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Notes to the Financial Statements  
for the year ended 31 December 2019

**Taxation**

The tax expense for the year comprises current tax which is recognised in the Statement of Income and Retained Earnings.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2. TURNOVER**

Turnover analysed by category was as follows:-

	2019 £	2018 £
Membership income	121,263	123,791
Donations and grants towards capital expenditure	44,685	-
Rents and hire of clubhouse facilities	3,444	3,208
Donation received from subsidiary undertaking	44,437	45,222
Other income	<u>46,662</u>	<u>43,960</u>
	<u>260,491</u>	<u>216,181</u>

**3. OPERATING SURPLUS / (DEFICIT)**

The operating surplus / (deficit) is stated after charging:

	2019 £	2018 £
Depreciation - owned assets	42,155	40,349
Depreciation - assets held under finance leases	434	120
Independent Accountants' remuneration	2,950	-
Auditor's remuneration	-	2,782
	<u>          </u>	<u>          </u>
Directors' remuneration and other benefits etc	-	-
	<u>          </u>	<u>          </u>

**4. EMPLOYEES**

The average number of employees during the year was nil (2018: nil), excluding Directors who receive no remuneration for their service.

**5. TAXATION**

**Analysis of the tax charge**

The tax charge on the surplus on ordinary activities for the year was as follows:

	2019 £	2018 £
Current tax:		
Under provision in previous years	-	-
	<u>          </u>	<u>          </u>
Tax on surplus on ordinary activities	-	-
	<u>          </u>	<u>          </u>

Notes to the Financial Statements  
for the year ended 31 December 2019

6. TANGIBLE FIXED ASSETS

	Clubhouse, grounds and equipment £	Spectator stand £	Fixtures and fittings £	Gym equipment £	Totals £
<b>COST</b>					
At 1 January 2019	1,678,549	90,556	96,125	45,399	1,910,629
Additions	59,233	-	-	7,358	66,591
Disposals	<u>(2,365)</u>	<u>-</u>	<u>-</u>	<u>(1,100)</u>	<u>(3,465)</u>
At 31 December 2019	1,735,417	90,556	96,125	51,657	1,973,755
<b>DEPRECIATION</b>					
At 1 January 2019	218,745	15,318	84,630	43,466	362,159
Charge for year	32,609	3,622	4,733	1,626	42,589
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>(756)</u>	<u>(756)</u>
At 31 December 2019	251,354	18,940	89,363	44,336	403,992
<b>NET BOOK VALUE</b>					
At 31 December 2019	1,484,063	71,616	6,762	7,321	1,569,762
At 31 December 2018	<u>1,459,804</u>	<u>75,238</u>	<u>11,495</u>	<u>1,933</u>	<u>1,548,470</u>

Included within Clubhouse, grounds and equipment is land with an estimated value in the region of £620,000 (2018: £620,000).

The Company has a bank overdraft facility for £20,000 and this is secured by a standard security over tangible fixed assets with a carrying value of £1,484,063.

The net book value of assets held under a finance lease, included above, at the year end was £21,121 (2018: £23,920). The depreciation charge for the year was £434 (2018: £120)

7. INVESTMENTS

The investment of £1 represents the Company's investment in the share capital of its 100% wholly owned subsidiary, Hughenden Services Limited (SC531266), that was incorporated on 31 March 2016.

Notes to the Financial Statements  
for the year ended 31 December 2019

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	2,150	1,229
Amounts receivable from subsidiary undertaking	4,283	-
Other debtors	14,189	3,844
	<u>20,622</u>	<u>5,073</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	25,164	9,652
Corporation tax	-	-
VAT	5,406	6,598
Amounts payable to subsidiary undertaking	-	1,585
Deferred income	1,525	1,061
Annual subscriptions in advance	7,158	8,030
Loans from LTA for funding of new tennis courts	6,425	6,425
Finance Lease	6,132	6,924
Accrued expenses	22,721	22,174
	<u>74,531</u>	<u>62,449</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Loans from LTA for funding of new tennis courts	44,979	51,404
Finance Lease	4,426	14,831
Other loans	500	500
	<u>49,905</u>	<u>66,735</u>

The concessionary loans from the Lawn Tennis Association (“LTA”) are interest free and are repayable over a ten year period.

The loans above will fall due for repayment within the following time periods:-

	2019 £	2018 £
Between one and two years	10,851	13,349
Between two and five years	19,275	27,182
After more than five years	19,779	26,204
	<u>49,905</u>	<u>66,735</u>

Notes to the Financial Statements  
for the year ended 31 December 2019

**11. SECURED DEBTS**

A bank overdraft facility exists for £20,000 and is secured by a standard security over the land and buildings at 32 Hughenden Road.

The loans from the LTA totalling £51,404 (2018: £57,829) are unsecured.

**12. RESERVES**

- The Income and expenditure account includes all current and prior period retained surpluses and deficits.
- The J Liversidge Fund represents funds received in prior periods to support pupils at Hillhead High School to participate in their chosen sporting activity. The funds are only utilised if a successful application is made by representatives of Hillhead High School to the Directors of the Company.
- The Lottery Sports Fund represents funds received in prior periods that have now been fully amortised to the Income and expenditure account on an annual basis.

**13. FINANCIAL INSTRUMENTS**

	2019 £	2018 £
Financial assets	6,453	1,600
Financial liabilities	93,032	113,495

Financial assets measured at amortised cost comprise trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise all creditors falling due within one year and after one year as detailed in Notes 9 and 10.

**14. RELATED PARTY DISCLOSURES**

During the year Gordon Taylor Solutions, a business owned by Gordon Taylor, one of the Directors, received payments for work carried out on behalf of the club grounds. The work amounted to £4,950 (2018: £6,858) and was on an arm's length basis. An amount of £nil was outstanding at the year end (2018: £567).

An amount of £nil (2018: £176) was outstanding at the year end to Ramzan Mohammed, one of the Directors, for equipment bought for the club.

The directors are considered to be key management personnel of the company. No other individuals are considered to have authority or responsibility for planning, directing and controlling the activities of the company. Total remuneration in respect of the directors was £nil (2018: £nil).

**15. ULTIMATE CONTROLLING PARTY**

There is no ultimate controlling party.

**16. COMPANY STATUS**

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.