

Report of the Directors and

Financial Statements

for the Year Ended

31 December 2021

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 2021**

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**HILLHEAD HIGH SCHOOL
WAR MEMORIAL TRUST LIMITED**

**Company Information
for the year ended 31 December 2021**

DIRECTORS: Alan Wilson (appointed 16.11.21)
Keith Fowler (appointed 16.11.21)
Christine MacDonald
Gordon Taylor (appointed 16.11.21)
Gary Kitchener
Richard Bond
Ramzan Mohammed
Shona Ross
Jillian Blair
Hunter Kirkpatrick (resigned 15.09.21)

SECRETARY: Christine MacDonald

REGISTERED OFFICE: 32 Hughenden Road
Glasgow
G12 9XP

REGISTERED NUMBER: SC012130 (Scotland)

INDEPENDENT ACCOUNTANTS: French Duncan LLP
133 Finnieston Street
Glasgow
G3 8HB

BANKERS: The Co-operative Bank
PO Box 250
Delf House
Skelmersdale
WN8 6WT

**Report of the Directors
for the year ended 31 December 2021**

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

The total income for the year was £222,469 (2020: £167,945) including amounts totalling £50,760 (2020: £41,941) in relation to non-recurring grants and donations. Excluding these amounts, the underlying income for 2021 was £171,709 (2020: £126,004), representing an increase of £45,705. Income for 2021 therefore reflected some degree of recovery as the club emerged from lockdown restrictions but remains significantly lower than in previous years prior to Covid.

Grants and donations in 2021 comprised Coronavirus related grants of £26,400 (2020: £35,575), grants towards grounds improvements of £17,040 (2020: nil), grants and donations towards capital expenditure projects of £6,028 (2020: £1,019) and donations from members of £1,292 (2020: £5,347). These grants and donations were very gratefully received and have enabled the Company to maintain a stable financial position throughout 2021.

The result for the financial year was a deficit of £6,300 (2020: surplus £3,676). Excluding the impact of the grants and donations noted above the underlying deficit for the year would have been £57,060 (2020: deficit £38,265).

Capital expenditure of £49,324 (2020: £5,239) principally comprised the replacement of the tennis court floodlights which will result in a significant saving in electricity costs and replacement of the flooring in the function room.

The cash reported in the balance sheet has remained broadly unchanged at £114,357 in 2021 (2020: £114,160). Loans outstanding at the end of the year total £90,600 (2020: £98,691) of which £16,426 (2020: £8,092) is repayable in less than one year.

DIRECTORS

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

Alan Wilson (appointed 16.11.21)
Keith Fowler (appointed 16.11.21)
Christine MacDonald
Gordon Taylor (appointed 16.11.21)
Gary Kitchener
Richard Bond
Ramzan Mohammed
Shona Ross
Jillian Blair
Hunter Kirkpatrick (resigned 15.09.21)

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.

**Report of the Directors
for the year ended 31 December 2021**

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.

DIRECTORS DECLARATION

In relation to the financial statements set out on pages 5 to 14:

- 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 2021.

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 3 May 2022 and signed on its behalf by:

Alan Wilson
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 2021 which comprise the statement of income and retained earnings, balance sheet, statement of cash flows 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://icas.com/icas-framework-preparation-of-accounts>.

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://icas.com/icas-framework-preparation-of-accounts>. 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 surplus/(deficit) 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

5 May 2022

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 2021

	Notes	2021 £	2020 £
INCOME	2	222,469	167,945
Cost of sales		(720)	(3,439)
GROSS SURPLUS / (DEFICIT)		<u>221,749</u>	<u>164,506</u>
Administrative expenses		(227,517)	(160,393)
Other operating income		(5,768)	4,113
		<u>-</u>	<u>-</u>
OPERATING SURPLUS / (DEFICIT)	3	(5,768)	4,113
Interest receivable and similar income		29	91
Interest payable and similar expenses		(5,739)	4,204
		<u>(561)</u>	<u>(528)</u>
SURPLUS / (DEFICIT) BEFORE TAXATION		(6,300)	3,676
Tax on surplus / (deficit)		-	-
		<u>-</u>	<u>-</u>
SURPLUS / (DEFICIT) FOR THE FINANCIAL YEAR		<u>(6,300)</u>	<u>3,676</u>
RETAINED EARNINGS BROUGHT FORWARD		1,507,117	1,503,441
Surplus / (deficit) for the financial year		(6,300)	3,676
Movement on The J Liversidge Fund	11	-	-
		<u>-</u>	<u>-</u>
RETAINED EARNINGS CARRIED FORWARD		<u>1,500,817</u>	<u>1,507,117</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 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	5	1,536,660	1,532,013
Investments	6	1	1
CURRENT ASSETS			
Debtors	7	20,985	9,044
Cash at bank and in hand		114,357	114,160
		<u>135,342</u>	<u>123,204</u>
CREDITORS			
Amounts falling due within one year	8	(97,012)	(57,502)
		<u>38,330</u>	<u>65,702</u>
NET CURRENT ASSETS / (LIABILITIES)			
		<u>1,574,991</u>	<u>1,597,716</u>
CREDITORS			
Amounts falling due after more than one year	9	(74,174)	(90,599)
		<u>1,500,817</u>	<u>1,507,117</u>
NET ASSETS			
RESERVES			
The J Liversidge Fund	11	7,376	7,376
Income and expenditure account	11	1,493,441	1,499,741
		<u>1,500,817</u>	<u>1,507,117</u>

For the year ended 31 December 2021 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 3 May 2022 and were signed on its behalf by:

Alan Wilson
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 2021**

	2021	2020
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus / (deficit) for the financial year	(6,300)	3,676
Adjustments for:-		
Depreciation and impairment of tangible fixed assets	34,265	42,988
(Gain)/Loss on disposal of tangible fixed assets	(1,695)	-
Donations received from subsidiary undertaking	(17,701)	(9,574)
Donations received towards capital expenditure	(6,028)	(1,019)
Taxation	-	-
Decrease / (increase) in debtors	(11,941)	11,578
Increase / (decrease) in creditors	35,339	(16,726)
	<u>25,939</u>	<u>30,923</u>
Cash flow from investing activities		
Purchase of tangible assets	(49,324)	(5,239)
Proceeds on disposal of tangible fixed assets	12,107	-
Donations received towards capital expenditure	6,028	1,019
Donations received from subsidiary undertaking	17,701	9,574
Net cash from investing activities	(13,488)	5,354
Cash flows from financing activities		
Payment of finance lease obligations	(4,163)	(6,396)
Repayment of borrowings	(6,424)	(3,213)
Repayment of bank loans	(1,667)	50,000
Net cash generated from / (utilised in) financing activities	(12,254)	40,391
Net increase / (decrease) in cash and cash equivalents	197	76,668
Cash and cash equivalents at beginning of year	114,160	37,492
Cash and cash equivalents at the end of year	<u>114,357</u>	<u>114,160</u>

**Notes to the Financial Statements
for the year ended 31 December 2021**

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 Hughsden Road, Glasgow, G12 9XP. The principal activity is that of a sports club.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

Going concern

The Covid pandemic caused a significant interruption to the club’s business and in 2021 continued to have an adverse financial 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.

Judgements and key sources of estimation uncertainty

In the application of the company’s accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Income

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

Income 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 2021**

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
Office equipment	-	20% 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.

Fixed Asset Investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in income and expenditure account.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

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.

Notes to the Financial Statements
for the year ended 31 December 2021

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.

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. INCOME

Income analysed by category was as follows:-

	2021 £	2020 £
Membership income	109,902	84,042
Donations and grants towards capital expenditure	6,028	1,019
Grants towards ground improvements	17,040	-
Coronavirus pandemic - grants received	26,400	35,575
Coronavirus pandemic - donations from members	1,292	5,347
Rents and hire of clubhouse facilities	4,168	2,862
Donation received from subsidiary undertaking	17,701	9,574
Other income	<u>39,938</u>	<u>29,526</u>
	<u>222,469</u>	<u>167,945</u>

3. OPERATING SURPLUS

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

	2021 £	2020 £
Depreciation on owned tangible fixed assets	34,265	42,554
Gain on disposal of tangible fixed assets	(1,695)	-
Depreciation on tangible fixed assets held under finance leases	-	434
Fees payable for independent review of financial statements	2,780	2,950
	<u>35,350</u>	<u>45,938</u>

4. EMPLOYEES

The average number of employees during the year was nil (2020: nil).

Notes to the Financial Statements
for the year ended 31 December 2021

5. TANGIBLE FIXED ASSETS

	Clubhouse, grounds and equipment £	Spectator stand £	Fixtures and fittings £	Gym equipment £	Office Equipment £	Totals £
COST						
At 1 Jan 2021	1,740,509	90,556	96,125	51,804	-	1,978,994
Additions	40,874	-	7,728	-	722	49,324
Disposals	<u>(12,107)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,107)</u>
At 31 Dec 2021	<u>1,769,276</u>	<u>90,556</u>	<u>103,853</u>	<u>51,804</u>	<u>722</u>	<u>2,016,211</u>
DEPRECIATION						
At 1 Jan 2021	285,381	22,562	91,761	47,277	-	446,981
Charge for year	25,226	3,622	2,687	2,586	144	34,265
Disposals	<u>(1,695)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,695)</u>
At 31 Dec 2021	<u>308,912</u>	<u>26,184</u>	<u>94,448</u>	<u>49,863</u>	<u>144</u>	<u>479,551</u>
NET BOOK VALUE						
At 31 Dec 2021	<u>1,460,364</u>	<u>64,372</u>	<u>9,405</u>	<u>1,941</u>	<u>578</u>	<u>1,536,660</u>
At 31 Dec 2020	<u>1,455,128</u>	<u>67,994</u>	<u>4,364</u>	<u>4,527</u>	<u>-</u>	<u>1,532,013</u>

Included within Clubhouse, grounds and equipment is land with an estimated value in the region of £620,000 (2020: £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 £1,460,364.

The net book value of assets held under a finance lease, included above, at the year end was £nil (2020: £20,687). The depreciation charge for the year was £nil (2020: £434)

6. 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 2021

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	10,800	3,616
Amounts receivable from subsidiary undertaking	7,113	3,217
Prepayments	374	1,008
Accrued income	-	1,083
Other debtors	120	120
VAT	2,578	-
	<u>20,985</u>	<u>9,044</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	66,394	9,712
Corporation tax	-	-
VAT	-	6,468
Amounts payable to subsidiary undertaking	-	-
Deferred income	5,251	4,505
Annual subscriptions in advance	268	4,476
Loans from LTA for funding of new tennis courts	6,426	6,425
Coronavirus - Bounce Back Loan	10,000	1,667
Finance Lease	-	4,163
Accrued expenses	8,673	20,086
	<u>97,012</u>	<u>57,502</u>

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

	2021	2020
	£	£
Loans from LTA for funding of new tennis courts	35,341	41,766
Coronavirus - Bounce Back Loan	38,333	48,333
Finance Lease	-	-
Other loans	500	500
	<u>74,174</u>	<u>90,599</u>

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

The Coronavirus Bounce Back Loan is repayable over a period of six years. No repayments were required during the first year of the loan and repayments commenced in November 2021. The first year of the loan term is interest free and thereafter interest is payable at a fixed rate of 2.5% per annum.

Notes to the Financial Statements
for the year ended 31 December 2021

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

	2021	2020
	£	£
Between one and two years	16,426	16,425
Between two and five years	47,610	49,275
After more than five years	10,138	24,899
	<u>74,174</u>	<u>90,599</u>

10. 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 £41,767 (2020: £48,191) are unsecured. The Coronavirus Bounce back loan totalling £48,333 (2020: £50,000) is also unsecured.

11. 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.

12. FINANCIAL INSTRUMENTS

	2021	2020
	£	£
Financial assets	20,611	6,953
Financial liabilities	156,994	119,034

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 8 and 9.

13. RELATED PARTY DISCLOSURES

During 2021 Shona Ross, one of the Directors, received payments totalling £4,611 (2020: £3,795) for work carried out in relation to the management of the community sports hub. The work was on an arm's length basis. An amount of £435 was outstanding at the year end (2020: £465).

During the prior year, Gordon Taylor Solutions, a business owned by Gordon Taylor, one of the Directors, received payments totalling £4,950 for work carried out in relation to the club grounds. The work was on an arm's length basis. No payments were made to Gordon Taylor Solutions during 2021 and an amount of £nil was outstanding at the year end (2020: £nil).

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 (2020: £nil).

Notes to the Financial Statements
for the year ended 31 December 2021

14. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

15. 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.