

ISLE OF ANGLESEY COUNTY COUNCIL	
Report to:	EXECUTIVE
Date:	29 APRIL 2025
Subject:	DAVID HUGHES CHARITABLE ESTATE AND ANGLESEY FURTHER EDUCATION TRUST ANNUAL REPORT AND ACCOUNTS 2023/24
Portfolio Holder(s):	ROBIN WILLIAMS – DEPUTY LEADER & PORTFOLIO HOLDER – FINANCE & HOUSING DAFYDD RHYS THOMAS – PORTFOLIO HOLDER – HIGHWAYS, WASTE AND PROPERTY DAFYDD ROBERTS – PORTFOLIO HOLDER – EDUCATION AND WELSH LANGUAGE
Head of Service / Director:	MARC JONES – DIRECTOR OF FUNCTION (RESOURCES) / SECTION 151 OFFICER
Report Author: Tel: E-mail:	BETHAN OWEN – ACCOUNTANCY SERVICES MANAGER 01248 762663 BethanOwen2@ynysmon.llyw.cymru
Local Members:	n/a
<b>A –Recommendation/s and reason/s</b>	
<ul style="list-style-type: none"> <li>To approve the Draft Annual Report and Accounts for the Anglesey Further Education Trust for the year 2023/24 (Appendix A).</li> <li>To delegate to the Director of Function (Resources) / Section 151 Officer the authority to sign the Final Annual Report and Accounts and file with the Charity Commission upon satisfactory completion of the audit.</li> <li>To authorise the Director of Function (Resources) / Section 151 Officer to commission an external review of the operation and investment options in respect of both Trusts.</li> </ul>	
<b>B – What other options did you consider and why did you reject them and/or opt for this option?</b>	
No other options are available as it is a requirement of the Charities Commission that the annual accounts are approved by the Trusts' responsible body, which, in this case, is the Executive.	
<b>C – Why is this a decision for the Executive?</b>	
The Council is the sole trustee and the administration of the Trusts' affairs has been delegated to the Executive by the Council.	
<b>CH – Is this decision consistent with policy approved by the full Council?</b>	
Yes	
<b>D – Is this decision within the budget approved by the Council?</b>	
Not applicable – the funding of the 2 trusts are separate from the Council and have no impact on the Council's funds.	

<b>Dd – Assessing the potential impact (if relevant):</b>		
<b>1</b>	How does this decision impact on our long term needs as an Island?	The acceptance of the accounts does not impact on the long term needs of the Island. However, a review of the investment options will consider the long term financial viability of the David Hughes estate and how this can generate additional funds to support current and former pupils of the Council's secondary schools into the future.
<b>2</b>	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	The investment option review will consider how to generate additional income for the Further Education Trust through the assets of the David Hughes Charitable Estate.
<b>3</b>	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom	Not directly applicable, but the Trust has distributed funds through the 5 secondary schools and through Coleg Cymraeg Cenedlaethol.
<b>4</b>	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	Not applicable
<b>5</b>	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	No protected groups will be impacted by the decision.
<b>6</b>	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	The purpose of the Further Education Trust is to provide support to current and former pupils of the Council's 5 secondary schools to remain in full time education or to continue their studies in further or higher education. The pupils supported by the Trust tend to be pupils from economically-disadvantaged families. The review recommended is aimed at generating additional funds for the Trust, which will increase the potential support that the Trust can provide.
<b>7</b>	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	The Trust provides grants, through Coleg Cymraeg Cenedlaethol, which supports students who wish to undertake their studies through the medium of Welsh, which has a positive impact on the use of the Welsh language.
<b>E - Who did you consult?</b>		<b>What did they say?</b>
<b>1</b>	<b>Chief Executive / Leadership Team (LT)</b> (mandatory)	The draft report was considered by the LT at its meeting on 1 April 2025. The Chief Executive was supportive of the recommendation to review the options in respect of the Trust.

<b>2</b>	<b>Finance / Section 151</b> (mandatory)	Author of the report.
<b>3</b>	<b>Legal / Monitoring Officer</b> (mandatory)	No comments received.
<b>4</b>	<b>Human Resources (HR)</b>	Not applicable
<b>5</b>	<b>Property</b>	The management of the David Hughes estate has been discussed with the Property Service, who are in agreement for the need for a review.
<b>6</b>	<b>Information Communication Technology (ICT)</b>	Not applicable
<b>7</b>	<b>Scrutiny</b>	Not applicable
<b>8</b>	<b>Local Members</b>	Not applicable
<b>9</b>	<b>Any external bodies / other/s</b>	The accounts have been audited externally, and the decision allows the Council to comply with the requirements of the Charities Commission.
<b>F - Appendices:</b>		
<ul style="list-style-type: none"> <li>Appendix A - Anglesey Further Education Trust Annual Report and Accounts 2023/24</li> </ul>		
<b>FF - Background papers (please contact the author of the Report for any further information):</b>		
<ul style="list-style-type: none"> <li>Anglesey Further Education Trust Annual Report and Accounts 2022/23 – Executive 19 March 2024 (Item 6).</li> </ul>		

**DAVID HUGHES CHARITABLE ESTATE AND ANGLESEY FURTHER EDUCATION TRUST**

**1. PURPOSE OF THE REPORT**

- 1.1** This report provides an overview of the background of the Anglesey Further Education Trust. It provides information about the legal status of the Trust and the different elements within it. The financial performance of the Trust is summarised. The key purpose of this report is to request the Executive's approval of the final Annual Report and Accounts for the financial year 2023/24.
- 1.2** The report also updates Members on the progress made to distribute more of the Trust's funds to meet the charitable purposes of the Trust.

**2. BACKGROUND INFORMATION**

- 2.1** The Anglesey Further Education Trust is comprised of three funds: The David Hughes Endowment and the Anglesey Further Education Fund 1/3 and the Anglesey Education Trust Fund 2/3, which provide specific educational benefits.

**2.1.1. David Hughes Charitable Estate**

Endowment dates back to 1608 and currently consists of several plots of smallholding land and cottages and other investments. This fund collects rents from its investment property and dividends and interest on its Investment Fund investments, which are managed by Blackrock Investment Fund Managers. The management, financial and administration costs of the estate are deducted from the rents received to arrive at the net income for the year that can be distributed. A payment of a quarter of any net surplus income is made to an unconnected charity, "The David Hughes Charity for the Poor", for purposes connected with the relief of poverty in the community of Llantrisant. The remaining income is then transferred to the Anglesey Further Education Fund, which is sub-divided into two specific funds.

**2.1.2. Anglesey Further Education Trust Funds 1/3 (Restricted Fund)**

In addition to the net income from the David Hughes Endowment Estate, this Trust also receives income from investments managed by Blackrock, similar to the David Hughes Endowment. The purpose of the fund is to provide financial assistance to senior pupils of the 5 secondary schools in order that they can complete their courses.

**2.1.3. Anglesey Further Education Trust Funds 2/3 (Restricted Fund)**

This element of the Trust receives income similar to the above (2.1.2). The fund is to be used to provide benefits to persons under the age of 25 who have attended one or more of the 5 secondary schools for a period of two years and who are in need of financial assistance for further or higher education or training.

## **2.2 Legal Status**

**2.2.1.** The Anglesey Further Education Trust is a registered charity for which the Isle of Anglesey County Council is the sole trustee. There is no specific reservation to full Council or delegation to an officer in respect of the Trusteeship, so the decision-making in relation to the Trust is delegated to the Executive Committee.

**2.2.2.** Certain functions in respect of the Trust have been delegated to officers in conjunction with the relevant portfolio holder:-

- The Director of Education, Skills and Young People has the delegated authority in respect of educational grants;
- The Head of Service (Highways, Waste and Property) has the delegated authority to agree tenancies, set rents and organise a programme of maintenance and refurbishment;
- The Director of Function (Resources) / Section 151 Officer has delegated authority to determine how much is allocated to the 3 schemes in each year (from 2019/20 onwards), this will be dependent on the surplus made by the fund;
- The Chief Executive Officer can exercise any function which has been delegated to Heads of Service.

## **3. AGREED USE OF THE FURTHER EDUCATION TRUST FUNDS**

**3.1** In October 2019, the Executive resolved to allocate a one-off sum of £55,280 to each secondary school to fund the cost of Learning Coaches within each school. The Learning Coaches would support senior pupils undertaking GCSE and A Level courses. It would be for each school to decide over what period the funding would be used. This was to be funded from the 1/3 Restricted Fund, utilising the majority of the fund balance. More detail on the use made of these allocations in 2023/24 is provided in paragraph 5 below.

**3.2** The Executive also resolved to allocate an additional £8,000 per secondary school to provide grants to assist financially disadvantaged students to obtain places at Colleges and Universities and / or to help with the purchase of books and equipment required to attend the courses in the first year. It will be for each school to assess each application and award grants based on their assessment criteria. The total cost of £40,000 was to be funded from the 2/3 Restricted Fund. Details of the use made of these funds in 2023/24 is provided in paragraph 5 below.

**3.3** Coleg Cymraeg Cenedlaethol would also administer a scholarship scheme for students from financially disadvantaged backgrounds to undertake University and College courses through the medium of Welsh.

## **4. FINANCIAL PERFORMANCE 2023/24**

### **4.1 David Hughes Charitable Estate (Endowment Fund)**

**4.1.1.** The financial performance of the David Hughes Charitable Estate is set out in Table 1 below:-

**Table 1**  
**Summary of the David Hughes Charitable Estate Financial Performance 2023/24**

	2023/24 £		2022/23 £
<b>INCOME</b>			
Rents and Other Charges	130,113		128,364
Dividends and Investment Interest	5,826		5,693
Interest on Cash Balances	21,130		8,631
<b>Total Income</b>		<b>157,069</b>	<b>142,688</b>
<b>EXPENDITURE</b>			
Estate Management Costs	(185,013)		(147,164)
Support Costs	(13,582)		(12,276)
		<b>(198,595)</b>	<b>(159,440)</b>
<b>Net Income / (Expenditure)</b>		<b>(41,526)</b>	<b>(16,752)</b>
Sum Distributed to Llantrisant Charity for the Poor		0	0
Sum Distributed to the Anglesey Further Education Trust		0	0
<b>Total Sum Distributed</b>		<b>0</b>	<b>0</b>

4.1.2. The value of the Trust Fund is shown in Table 2 below:-

**Table 2**  
**Summary of the David Hughes Charitable Estate Fund Value**

	2023/24 £		2022/23 £
<b>Opening Fund Balance</b>		<b>4,587,793</b>	<b>4,345,007</b>
Net Income / (Expenditure)	(41,526)		(16,752)
Net Gains / (Losses) on Investments	3,931		(5,002)
Net Gains / (Losses) on Investment Properties	(50,100)		264,540
		<b>(87,695)</b>	<b>242,786</b>
<b>Closing Fund Balance</b>		<b>4,500,098</b>	<b>4,587,793</b>

	2023/24 £		2022/23 £
<b>Fund Assets</b>			
Investments	169,485		165,554
Investment Properties	3,760,400		3,810,500
Debtors	68,596		62,832
Cash at Bank	510,122		566,255
<b>Total Fixed and Current Assets</b>		<b>4,508,603</b>	<b>4,605,141</b>
<b>Fund Liabilities</b>			
Creditors – amounts falling due within 1 year	(8,505)		<b>(17,348)</b>
<b>Total Current Liabilities</b>		<b>(8,505)</b>	<b>(17,348)</b>
<b>Total Net Assets</b>		<b>4,500,098</b>	<b>4,587,793</b>

## 4.2 Anglesey Further Education Trust

4.2.1. The financial performance and balance of the Anglesey Further Education Trust is summarised in Table 3 below:-

**Table 3**  
**Anglesey Further Education Trust – Fund Balance as at 31 March 2024**

	2023/24 £		2022/23 £
<b>Opening Fund Balance</b>		<b>297,756</b>	<b>369,772</b>
Investment Income	11,934		6,752
Grants Awarded	(4,150)		(75,306)
<b>Net Income / (Expenditure)</b>		<b>7,784</b>	<b>(68,554)</b>
Net Gains / (Losses) on Investments		2,756	(3,462)
Transfers from David Hughes Charitable Estate		0	0
<b>Closing Fund Balance</b>		<b>308,296</b>	<b>297,756</b>
<b>Fund Assets</b>			
Investments		118,448	115,691
Cash at Bank		189,848	182,065
<b>Total Fund Assets</b>		<b>308,296</b>	<b>297,756</b>
1/3 Fund – Current Pupils		116,875	111,886
2/3 Fund – Former Pupils		191,421	185,870
<b>Total Fund Assets</b>		<b>308,296</b>	<b>297,756</b>

## 5. CHARITABLE ACTIVITIES DURING THE YEAR

- 5.1 In October 2019, the Executive resolved to allocate funding from the 1/3 fund to allow schools to fund the cost of Learning Coaches, who would provide support to pupils undertaking GCSE and A level exams. An initial sum of £55,280 was allocated to each school, with a further distribution made as the balance of the fund was sufficient to fund the cost. The current balance of this funding per school is shown in Table 4 below:-

**Table 4**  
**Analysis of Learning Coaches Funding per Secondary School as at 31 March 2024**

School	Initial Allocation £	Utilised to 31 March 2023 £	Balance at 1 April 2023 £	Utilised in 2023/24 £	Balance as at 31 March 2024 £
Syr Thomas Jones	55,280	(37,112)	18,168	0	18,168
YU Caergybi	55,280	(51,392)	3,888	0	3,888
YG Llangefni	55,280	(47,420)	7,860	0	7,860
Ysgol David Hughes	55,280	(45,071)	10,209	0	10,209
YU Bodedern	55,280	8,740	64,020	0	64,020
<b>Total</b>	<b>276,400</b>	<b>172,255</b>	<b>104,145</b>	<b>0</b>	<b>104,145</b>

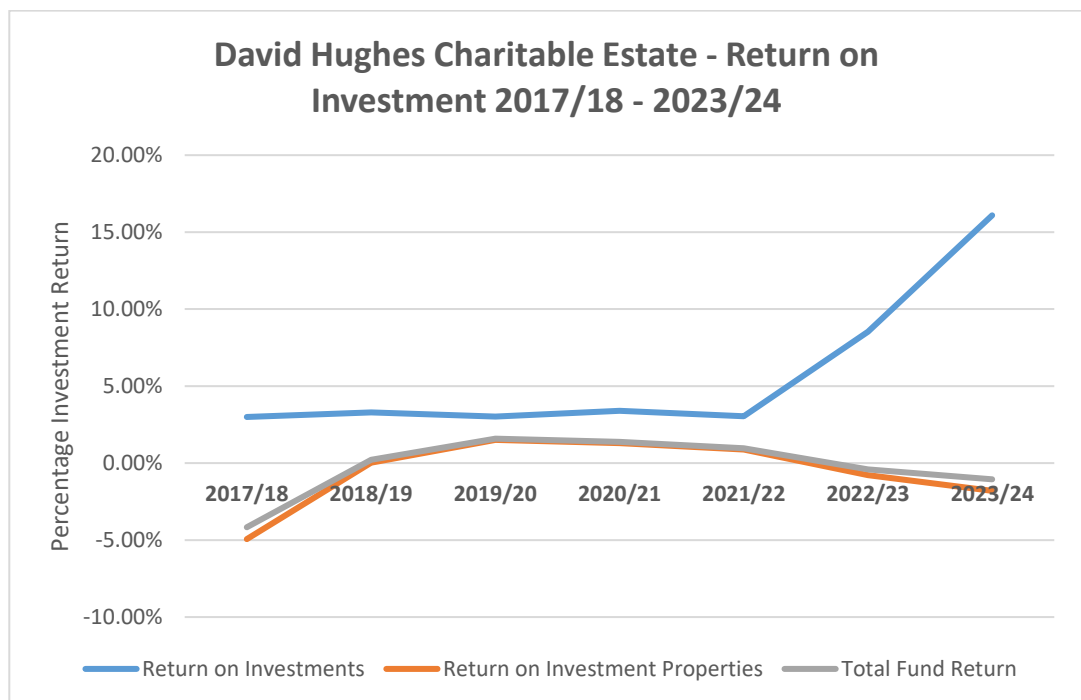
- 5.2 The Director of Education, Skills and Young People awarded one grant of £1,150, which was funded from the 1/3 Fund.
- 5.3 The remaining £12,730 of the Fund remains unallocated and no funds will be allocated to schools for this purpose in the financial year 2024/25.
- 5.4 Coleg Cymraeg Cenedlaethol awarded 6 scholarship grants during the year, each of £500.
- 5.5 The balance of the 2/3 Fund stood at £191,421 at the end of the financial year and is available to fund future grants to former pupils.

## 6 INVESTMENT PERFORMANCE OF THE FUND

- 6.1 The Further Education Trust fund is, in the main, reliant on the David Hughes Charitable Estate to generate surpluses that are then transferred to the Further Education Trust. The financial performance of the David Hughes Charitable Estate for the past 6 years is shown in Table 5 below:-

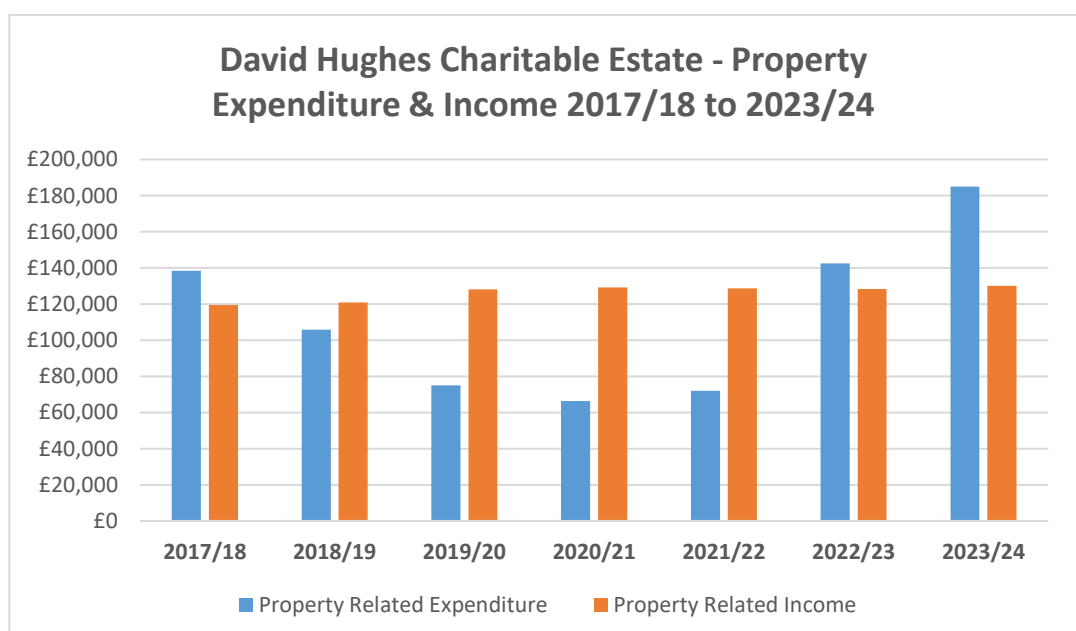


**Table 5**



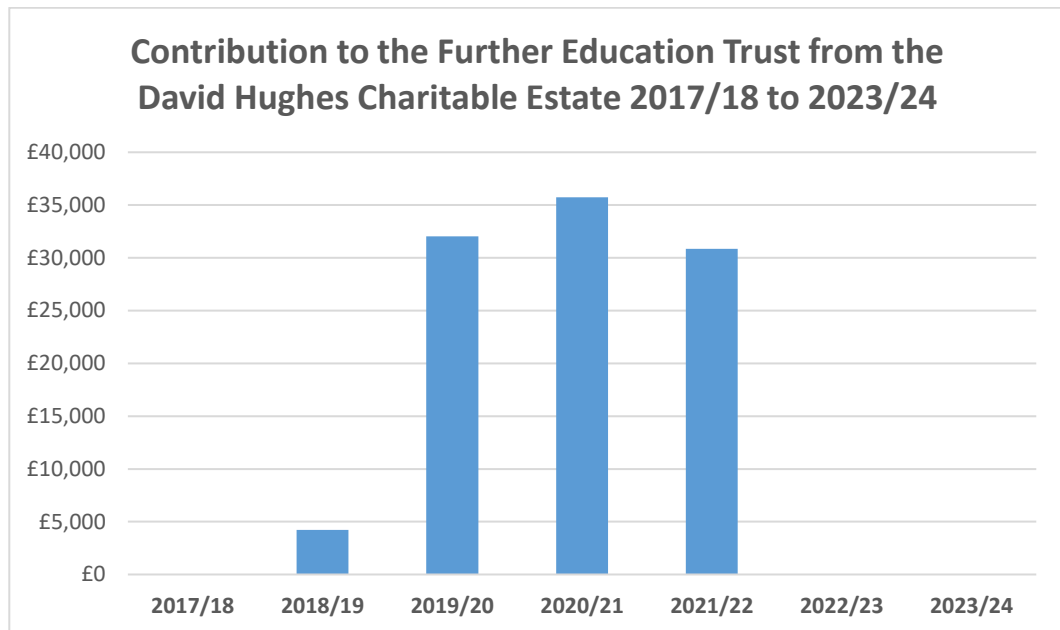
- 6.2** The chart above shows that the return on the traded investments is good and has improved significantly in the past two years. However, the return on the investment properties is very poor and, in 2022/23 and 2023/24, the return has been negative.
- 6.3** The reason for the poor investment return on the investment properties is due to the fact that the tenancy agreements are restrictive and do not allow the rents to increase significantly over time. However, the cost of maintaining the properties continues to increase as the condition of the properties deteriorates and the cost of labour and materials increases. This is shown in Table 6 below:-

**Table 6**



- 6.4 The consequence of the poor return on the investment properties is that the David Hughes Charitable Estate has failed in the past 2 years to make a contribution to the Anglesey Further Education Trust as it has failed to make a surplus, as shown in Table 7 below:-

**Table 7**



- 6.5 Without this flow of income into the Anglesey Further Education Trust, the Trust is unable to provide support to the current and former pupils of the Council's 5 secondary schools, which is the primary purpose of the Trust.
- 6.6 Without a change in strategy surrounding the David Hughes Charitable Estate, the position is likely to continue, with no significant increase in rental income but ongoing increases in the day to day repair costs of the estate, and a point will be reached where significant capital investment will be required to maintain the properties to a lettable standard.
- 6.7 This issue was identified when the 2022/23 Accounts and Annual Report were presented to the Executive in March 2024, and the Executive resolved:-
- To delegate authority to the Director of Function (Resources) / Section 151 Officer, in consultation with the Head of Highways, Waste and Property, to examine options for maximising income from the David Hughes Charitable Estate in order to safeguard the long-term viability of the Anglesey Further Education Fund for the benefit of Anglesey's young people. A further report will be submitted to the Executive to determine which option to follow.***
- 6.8 However, due to capacity issues within both the Resources Function and Property Services, no progress has been made to implement the recommendation. The Executive is, therefore, requested to authorise the Director of Function (Resources) / Section 151 Officer to appoint external assistance to undertake the review. The review would consider:-
- The current tenancy agreements and whether they can be revised to increase the rental income generated;
  - The required revenue and capital investment to maintain the estate;

- To assess whether it would be of greater financial benefit for the Trust to dispose of some or all of the estate and to invest the funds generated to create a greater return for the Trust;
- To review the current investment policy to determine whether a change in the policy could generate greater returns on the Trust's investments (this would relate to both the David Hughes Charitable Estate and the Anglesey Further Education Trust).

**CRONFA YMDDIRIEDOLAETH ADDYSG  
BELLACH YNYS MÔN**

**ANGLESEY FURTHER EDUCATION TRUST  
FUND**

**ADRODDIAD BLYNYDDOL A  
CHYFRIFON**

**ANNUAL REPORT AND**

**2023/24**

**Rhif Cofrestru Elusen / Charity Registration No.**

**525254**

**CONTENTS OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED**  
**31 MARCH 2024**

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## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024**

The trustees present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and the Republic of Ireland (FRS102), effective 1 January 2015.

### **LEGAL AND ADMINISTRATIVE DETAILS**

#### **Registered Charity Number:**

525254

#### **Principal Address:**

Isle of Anglesey County Council  
County Offices  
Llangefni  
Anglesey  
LL77 7TW

#### **Trustee:**

The Isle of Anglesey County Council is the sole trustee of the Anglesey Further Education Trust, and the activities of the Trust were administered on its behalf by the County Council.

#### **Independent Examiner:**

Mr. Brian Hughes  
A. Hughes-Jones, Dyson & Co  
Capel Moreia  
South Penrallt  
Caernarfon  
Gwynedd  
LL55 1NS

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document:**

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

The Anglesey Further Education Trust Fund is regulated by a scheme made by the Board of Education on 23 March 1939, and significantly modified by a scheme dated 18 July 1960. These specify the duties, powers and conditions under which the Trust is required to operate.

### **Recruitment and appointment of new trustees:**

The Isle of Anglesey County Council is the sole trustee of the Anglesey Further Education Trust Fund. The charity is run by the Council's Executive Committee.

New trustees are briefed on their legal obligations under charity law, the content of the governing document and the decision-making process. Any training needs are identified and addressed internally by other existing trustees and officers of the Council.

### **Organisational structure:**

The Isle of Anglesey County Council is the sole trustee of the Anglesey Further Education Trust Fund, and the activities of the Trust were administered on its behalf by the County Council.

The organisational structure has been as follows:-

- The County Council's Executive Committee act as the Trustee.
- The Council's Head of Service (Lifelong Learning), in conjunction with the Portfolio Holder for Lifelong Learning, have the delegated authority to award the annual grant funding.
- The Council's Head of Service (Highways, Waste and Property), in conjunction with the Portfolio Holder for Highways, Waste and Property, have the delegated authority to manage tenancy agreements and to set rents of the property portfolio (the David Hughes Endowment).
- The Council's Executive Committee will approve the accounts of the Trust and the Section 151 Officer has the delegated authority to sign the Trust's Annual Accounts.

The strategic leaders of the County Council were:-

- Chief Executive – Dylan Williams
- Deputy Chief Executive – Rhys Hughes
- Director of Function (Resources) and Section 151 Officer – Marc Jones
- Director of Function (Council Business) and Monitoring Officer – Lynn Ball

### **Related parties:**

Due to the nature of the charity's operations, and because the sole trustee of the charity is the Isle of Anglesey County Council, it is inevitable that transactions will take place with organisations related to the Council and its employees. All transactions involving organisations in which the Isle of Anglesey County Council may have an interest are conducted at arm's length. The Council has a policy that all trustees must declare an interest if a related party transaction occurs.

**Risk Management:**

The major risks to which the Trust is exposed, as identified by the Trustee, have been reviewed and systems or procedures have been established to manage the risk.

**OBJECTIVES AND ACTIVITIES****Aims and objectives:**

The Anglesey Further Education Trust Fund is comprised of three funds: The David Hughes Endowment; the Anglesey Further Education Fund 1/3 and the Anglesey Further Education Fund 2/3. which aim to provide specific educational benefit.

**The David Hughes Charitable Estate (Endowment Fund):**

This fund collects rents from its investment property and interest on its investments. The management and administration costs of the estate are deducted from the rents received to arrive at the net income for the year that can be distributed or net expenditure.

A payment of a quarter of the net income is made to an unconnected charity, "The David Hughes Charity for the Poor" for purposes connected with the relief of poverty in the community of Llantrisant. The remaining income forms the Anglesey Further Education Fund:-

**Anglesey Further Education Trust Funds:**

One third of the General Fund is allocated to provide special benefit, of any kind not normally provided by the Authority, to assist senior pupils to finish their courses at any one of the schools specified in the scheme – the five secondary schools maintained by the County Council. The remaining two thirds of the General Fund is available to benefit persons under the age of 25, who have attended any one of the schools specified in the scheme for at least two years, who are in need of financial assistance for Further or Higher Education or training. The Trust has identified three schemes which are intended to increase the number of grants awarded in future.

**Grant making:**

Grants are made to individuals who have attended or are attending one of the five secondary schools maintained by the County Council who meet the above criteria. This may be via payments made to each secondary school or via a scholarship scheme to be administered by 'Coleg Cymraeg Cenedlaethol' for students from financially disadvantaged backgrounds to undertake courses through the medium of Welsh.

**Public benefit:**

The trustees confirm that they have referred to the guidance contained in the Charity Commissioner's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making process.



## **ACHIEVEMENT AND PERFORMANCE**

### **Charitable Activities:**

The charity has continued to safeguard the assets of the Trust.

The charity now allocates funding to each of the Island's secondary schools. To assist current pupils each school was initially offered up to £56k to fund the cost of Learning Coaches in October 2019. Each school was also given £8,560 to enable them to assist financially disadvantaged students to obtain places at colleges and universities and/or to help with the purchase of books and equipment required to attend the courses in the first year.

During 2023/24, the 'Coleg Cymraeg Cenedlaethol' scholarships scheme continued, with six former pupils each receiving £500 and one receiving £1,150.

## **FINANCIAL REVIEW**

### **Financial Performance:**

Before gains & losses on investments, the Endowment Fund had a net expenditure of £41,527 due to increased investment in its property portfolio.

The Trust's investments have increased in value by £3,931 this year, but revaluation of once piece of land has resulted in a loss of £50,100. This gives the charity an overall decrease in funds of £77,156 for the year.

As a result, total funds as at 31 March 2024 were £4,808,393, of which all funds are restricted.

### **Principal funding sources:**

The principal funding sources of the charity are rental income from tenants and investment income in the form of dividends, investment interest or interest on deposits.

### **Investment policy and objectives:**

The charity's ageing property portfolio has required substantial investment. The trustee of the charity has undergone a period of consolidation in order to generate the necessary cash reserves to reinvest in its assets. In addition, the charity holds approximately 10% of its Total Fixed Assets in Investment Funds, which generate dividend and interest income.

### **Plans for the future:**

The Anglesey Further Education Trust operates as a going concern for the charitable purposes stated above.

## **TRUSTEES RESPONSIBILITY STATEMENT**

The trustees are responsible for preparing the Report of the Trustees and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act, Charity (Accounts and Reports) Regulations and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 Charities Act, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. 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.

Signed by the Director of Function (Resources) / Section 151 Officer under delegated authority on behalf of the Trust:

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**R Marc Jones FCPFA**  
**Director of Function (Resources) / Section 151 Officer**

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**Date**

## **Independent examiner's report to the trustees of Anglesey Further Education Trust Fund**

I report to the trustees on my examination of the accounts of the Anglesey Further Education Trust Fund for the year ended 31<sup>st</sup> March 2024, which are set out on pages 7-15.

### **Responsibilities and basis of report**

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the 2011 Act and, in carrying out my examination, I have followed all the applicable directions given by the Charity Commission under Section 145(5)(b) of the Act.

### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

1. Accounting records were not kept in respect of the Trust as required by Section 130 of the Act; or
2. The accounts do not accord with those records; or
3. The accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulation 2008, other than any requirements that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Brian Hughes FCA**  
**A. Hughes-Jones, Dyson & Co.**  
**Chartered Accountants & Registered Auditors**  
**Capel Moreia, South Penrallt, Caernarfon, Gwynedd**

# **STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024**

				31.3.2024	31.3.2023
	Notes	Restricted Funds £	Endowment Funds £	Total Funds £	Total Funds £
<b>Income and Endowments from:</b>					
Investment Income	2	11,934	157,068	169,002	149,440
<b>Total Income</b>		<b>11,934</b>	<b>157,068</b>	<b>169,002</b>	<b>149,440</b>
<b>Expenditure on:</b>					
Investment Management	3	-	(185,013)	(185,013)	(147,164)
Charitable Activities	4	(4,150)	-	(4,150)	(75,306)
Support Costs	5	-	(13,582)	(13,582)	(12,276)
<b>Total Expenditure</b>		<b>(4,150)</b>	<b>(198,595)</b>	<b>(202,745)</b>	<b>(234,746)</b>
<b>Net Income / (Expenditure) available for distribution before Gains and Losses on Investments</b>		<b>7,784</b>	<b>(41,527)</b>	<b>(33,743)</b>	<b>(85,306)</b>
Payment of 25% of net income to David Hughes Charity for the Poor	6	-	-	-	-
Transfer of remaining net Endowment income to the Further Education Trust Funds		-	-	-	-
<b>Net Income / (Expenditure) before Gains and Losses on Investments</b>		<b>7,784</b>	<b>(41,527)</b>	<b>(33,743)</b>	<b>(85,306)</b>
Net Gains / (Losses) on Investments	7	2,756	(46,169)	(43,413)	256,076
<b>Net Income / (Expenditure)</b>		<b>2,756</b>	<b>(46,169)</b>	<b>(43,413)</b>	<b>256,076</b>
<b>Net Movement in Funds</b>		<b>10,540</b>	<b>(87,696)</b>	<b>(77,156)</b>	<b>170,770</b>
<b>Reconciliation of Funds:</b>					
Total Funds brought forward		297,756	4,587,793	4,885,549	4,714,779
<b>Total Funds carried forward</b>		<b>308,296</b>	<b>4,500,097</b>	<b>4,808,393</b>	<b>4,885,549</b>

## BALANCE SHEET FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Restricted Funds	Endowment Fund	31.3.2024 Total Funds	31.3.2023 Total Funds
	£	£	£	£	£
Investments listed or traded on a recognised Stock Exchange	7a	118,448	169,485	287,933	281,245
Investment Properties - the David Hughes Estate	7b	-	3,760,400	3,760,400	3,810,500
<b>Total Fixed Assets</b>		<b>118,448</b>	<b>3,929,885</b>	<b>4,048,333</b>	<b>4,091,745</b>
Current Assets					
Debtors	8	-	68,595	68,595	62,832
Cash at bank and in hand	9	189,848	510,122	699,970	748,320
<b>Total Current Assets</b>		<b>189,848</b>	<b>578,717</b>	<b>768,565</b>	<b>811,152</b>
Liabilities					
Creditors: amounts falling due within one year	10	-	(8,505)	(8,505)	(17,348)
<b>Net Current Assets or (Liabilities)</b>		<b>189,848</b>	<b>570,212</b>	<b>760,060</b>	<b>793,804</b>
Creditors: amounts falling due after more than one year		-	-	-	-
Provisions for liabilities		-	-	-	-
<b>Total Net Assets or (Liabilities)</b>		<b>308,296</b>	<b>4,500,097</b>	<b>4,808,393</b>	<b>4,885,549</b>
The Funds of the Charity	11				
Endowment Funds		-	4,500,097	4,500,097	4,587,793
Restricted Income Funds		308,296	-	308,296	297,756
<b>Total Charity Funds</b>		<b>308,296</b>	<b>4,500,097</b>	<b>4,808,393</b>	<b>4,885,549</b>

The financial statements are signed by the Director of Function (Resources) / Section 151 Officer under delegated authority:-

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**R Marc Jones FCPFA**  
**Director of Function (Resources) / Section 151 Officer**

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**Date**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

### **1. ACCOUNTING POLICIES**

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included at market value. This is as modified by the revaluation of certain assets and in accordance with the Charities SORP (FRS102) (effective January 2015), the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

#### **Incoming resources**

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received, and the monetary value of incoming resources can be measured with sufficient reliability.

#### **Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

#### **Costs of generating funds**

The costs of generating funds consist of investment management costs.

#### **Investment property**

Investment property is shown at the most recent internal valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to the endowment fund.

#### **Taxation**

The charity is exempt from tax on its charitable activities.

#### **Value Added Tax**

The charity can reclaim Value Added Tax through its trustee, the Isle of Anglesey County Council, therefore, where applicable, expenditure is shown net of Value Added Tax.

#### **Fund structure**

The charity has three funds, one endowment and two restricted.

#### **The David Hughes Charitable Estate (Endowment Fund)**

This fund collects rents from its investment property and interest on its investments. The management and administration costs of the estate are deducted from the rents received to arrive at the net income for the year that can be distributed.

A payment of a quarter of the net income is made to an unconnected charity, “The David Hughes Charity for the Poor”, for purposes connected with the relief of poverty in the community of Llantrisant.

The remaining income forms the Anglesey Further Education Trust Fund, which is split into two:-

### **Anglesey Further Education Trust Fund 1/3 (Restricted Fund)**

One third of the Anglesey Further Education Trust Fund is allocated to provide special benefit of any kind not normally provided by the Authority, to assist senior pupils to finish their course at any one of the schools specified in the scheme – the five secondary schools maintained by the County Council.

### **Anglesey Further Education Trust Fund 2/3 (Restricted Fund)**

The remaining two thirds of the Anglesey Further Education Trust Fund is available to benefit persons under the age of 25, who have attended any one of the schools specified in the scheme for at least two years, who are in need of financial assistance for further or higher education or training.

The charity has no unrestricted income.

### **Fixed asset investments**

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

### **Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

## **2. INVESTMENT INCOME**

<b>Investment Income</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total 31.3.24 £</b>	<b>Total 31.3.23 £</b>
Rents received	-	129,603	129,603	127,364
Water rates - recharges	-	510	510	1,000
Other income from David Hughes Estate	-	-	-	-
Dividends and Investment Interest	4,070	5,826	9,896	9,670
Other Interest	7,864	21,130	28,994	11,406
<b>Total Investment Income</b>	<b>11,934</b>	<b>157,069</b>	<b>169,003</b>	<b>149,440</b>

### 3. INVESTMENT MANAGEMENT COSTS

Investment Management Costs	Restricted Funds £	Endowment Funds £	Total 31.3.24 £	Total 31.3.23 £
Repairs and Maintenance of the David Hughes Estate	-	(182,237)	(182,237)	(134,036)
Water Charges	-	(3,836)	(3,836)	(3,474)
Professional Services	-	-	-	-
Other property expenses	-	1,060	1,060	(5,057)
Bad Debt provision	-	-	-	(4,597)
<b>Total Investment Management Costs</b>	-	<b>(185,013)</b>	<b>(185,013)</b>	<b>(147,164)</b>

### 4. CHARITABLE ACTIVITIES

Charitable Activities	Restricted Funds £	Endowment Funds £	Total 31.3.24 £	Total 31.3.23 £
Education grants awarded	(4,150)	-	(4,150)	(3,000)
Grants to schools - learning coaches	-	-	-	(72,306)
Grants to schools - help towards higher education	-	-	-	-
<b>Total Charitable Expenditure</b>	<b>(4,150)</b>	-	<b>(4,150)</b>	<b>(75,306)</b>

The Education grants awarded comprises six £500 scholarship grants awarded to former pupils through 'Coleg Cymraeg Cenedlaethol', and one £1,150 grant.

The Trust applies the exemption allowed under Charity Law and the SORP to keep the names of grant recipients confidential.

### 5. SUPPORT COSTS

Support Costs	Restricted Funds £	Endowment Funds £	Total 31.3.24 £	Total 31.3.23 £
Property management administrative costs	-	(8,567)	(8,567)	(7,919)
Accounting and support costs	-	(4,004)	(4,004)	(3,387)
Independent Examiner's / Auditor's Remuneration	-	(1,010)	(1,010)	(970)
<b>Total Support Costs</b>	-	<b>(13,581)</b>		<b>(12,276)</b>



## 6. DISTRIBUTION OF ENDOWMENT FUND NET INCOME

25% of the net income before gains and losses on investments for the Endowment fund is to be paid to the David Hughes Charity for the Poor. The remainder is split between the restricted Further Education Trust Funds on a 1/3 and 2/3 basis:-

Distribution of Endowment Fund Net Income	Total 31.3.24 £	Total 31.3.23 £
Net income available for distribution before gains and losses on investments	-	-
25% paid to David Hughes Charity for the Poor	-	-
25% transferred to Further Education Trust 1/3	-	-
50% transferred to Further Education Trust 2/3	-	-

## 7. INVESTMENTS

Net Gains / (Losses) on Investments	Restricted Funds £	Endowment Funds £	Total 31.3.24 £	Total 31.3.23 £
Gains / (Losses) on listed Investment Funds	2,756	3,931	6,687	(8,464)
Gains / (Losses) on Investment Properties	-	(50,100)	(50,100)	264,540
<b>Total Net Gains / (Losses)</b>	<b>2,756</b>	<b>(46,169)</b>	<b>(43,413)</b>	<b>256,076</b>

### a. INVESTMENTS LISTED OR TRADED ON A RECOGNISED STOCK EXCHANGE

Investments Listed or Traded on a Recognised Stock Exchange	Restricted Funds £	Endowment Funds £	Total 31.3.24 £	Total 31.3.23 £
Market Value At 1 April	115,691	165,554	281,245	289,709
Additions	-	-	-	-
Disposals	-	-	-	-
Revaluations	2,756	3,931	6,687	(8,464)
Transfers	-	-	-	-
<b>Net Book Value at 31 March</b>	<b>118,447</b>	<b>169,485</b>	<b>287,932</b>	<b>281,245</b>

There were no investment assets outside the UK.

The investments are mainly in BLK Charities UK Charity Authorised Investment Funds with small holdings in gilts and equity.

## b. INVESTMENT PROPERTY

Investment Property	31.3.24 £	31.3.23 £
Market Value at 1 April	3,810,500	4,093,000
Additions	-	-
Disposals	-	(282,500)
Impairment	-	-
Revaluation Gain / (Loss)	(50,100)	-
Transfers	-	-
<b>Net Book Value at 31 March</b>	<b>3,760,400</b>	<b>3,810,500</b>

The Estate was valued as at March 2024 at a total value of £3,760,400 on the existing use value basis by Sarah V. Williams, the Isle of Anglesey County Council's Senior Valuations Officer.

## 8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Debtors: Amounts Falling due within One Year	31.3.24 £	31.3.23 £
Amounts recoverable on contract	116,914	111,151
Bad Debt Provision	(48,319)	(48,319)
<b>Total Debtors</b>	<b>68,595</b>	<b>62,832</b>

It was decided in 2017/18 that it would be prudent to create a provision for bad debts owing to the amount of historic debts that have built up. However, efforts to collect the amounts owed from previous tenants have increased with some successes.

## 9. CASH AT BANK

This represents the balance within the cash reserves held by the Isle of Anglesey County Council on behalf of the Anglesey Further Education Trust.

Cash at Bank	Further Education Trust 1/3 £	Further Education Trust 2/3 £	David Hughes Charitable Estate £	Total Funds 31.3.24 £	Total Funds 31.3.23 £
Cash at Bank	36,609	153,239	510,122	699,970	748,320
<b>Bank Deposits</b>	<b>36,609</b>	<b>153,239</b>	<b>510,122</b>	<b>699,970</b>	<b>748,320</b>

## 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Creditors: Amounts Falling due within One Year	Restricted Funds £	Endowment Funds £	Total 31.3.24 £	Total 31.3.23 £
Other creditors	-	(8,505)	(8,505)	(17,348)
<b>Total Creditors</b>	<b>-</b>	<b>(8,505)</b>	<b>(8,505)</b>	<b>(17,348)</b>

## 11. MOVEMENT IN FUNDS

a.

Movement in Funds	1.4.23 £	Net Movement in Funds £	31.3.24 £
Further Education Trust 1/3	111,886	4,989	116,875
Further Education Trust 2/3	185,870	5,551	191,421
<b>Restricted Funds</b>	<b>297,756</b>	<b>10,540</b>	<b>308,296</b>
David Hughes Charitable Estate	4,587,793	(87,696)	4,500,097
<b>Endowment Funds</b>	<b>4,587,793</b>	<b>(87,696)</b>	<b>4,500,097</b>
<b>Total Funds</b>	<b>4,885,549</b>	<b>(77,156)</b>	<b>4,808,393</b>

b. Net movement in funds, included in the above, are as follows:

Net Movement in Funds included in the above:	Income Resources £	Expenditure £	Transfers £	Gains and Losses £	Movement in Funds £
Further Education Trust 1/3	4,275	(1,150)	-	1,864	4,989
Further Education Trust 2/3	7,659	(3,000)	-	-	4,659
<b>Restricted Funds</b>	<b>11,934</b>	<b>(4,150)</b>	<b>-</b>	<b>1,864</b>	<b>9,648</b>
David Hughes Charitable Estate	157,068	(198,595)	-	(46,169)	(87,696)
<b>Endowment Funds</b>	<b>157,068</b>	<b>(198,595)</b>	<b>-</b>	<b>(46,169)</b>	<b>(87,696)</b>
<b>Total Funds</b>	<b>169,002</b>	<b>(202,745)</b>	<b>-</b>	<b>(44,305)</b>	<b>(78,048)</b>

## 12. TRUSTEES' REMUNERATION AND BENEFITS

### Trustees' expenses

No trustees' remuneration was paid in the year ended 31 March 2024 or the year ended 31 March 2023. This relates to the trustee, that is, the members of the Executive Committee and the Isle of Anglesey County Council's Leadership Team acting on its behalf. See Note 13 (Related party disclosures) in connection with the fees paid to the corporate trustee for property and financial administration costs incurred.

## 13. RELATED PARTY DISCLOSURES

### Isle of Anglesey County Council

The Anglesey Further Education Trust Fund is administered by the Isle of Anglesey County Council. A property management fee of £8,567 (£7,919 in 2022/23) was charged by the Council for the administration of the David Hughes Estate. In addition, a financial management fee of £4,004 (£3,387 in 2022/23) has been charged to the Trust for financial administration and accounts production. Total fees recharged by the Council were, therefore, £12,571.

Due to the nature of the charity's operations, and because the sole trustee of the charity is the Isle of Anglesey County Council, it is inevitable that transactions will take place with organisations related to the Council and its employees. All transactions involving organisations in which the Isle of Anglesey County Council may have an interest are conducted at arm's length. The Council has a policy that all Councillors and members of the Leadership Team must declare an interest if a related party transaction occurs.