

**THE TOY TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# THE TOY TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	British Toy and Hobby Association Limited P Ratcliffe G Canning J Diver S Pilkington	(Appointed 1 July 2020) (Appointed 15 March 2021)
<b>Charity number</b>	1001634	
<b>Principal address</b>	142-144 Long Lane London SE1 4BS	
<b>Auditor</b>	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER United Kingdom	
<b>Bankers</b>	HSBC 23 Denmark Hill Camberwell Green London SE5 8RP	
<b>Solicitors</b>	DLA Piper UK LLP Princes Exchange Princes Square Leeds LS1 4BY	

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# THE TOY TRUST

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# THE TOY TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The trustees present their report and accounts for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### Objectives and activities

The objective of the Trust is set out in the charitable trust deed, as stated below:

In shaping the objective of the Trust, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)' and concluded as below:

"The trustees shall hold the Trust Fund and the income thereof upon trust to pay or apply the same to or for such charity or charities or charitable purposes connected with children as they shall in their absolute discretion from time to time decide".

The support of charities associated with children has for many years been a feature of the work of the British Toy and Hobby Association (BTHA). Traditionally the Association raised money from the toy industry which it pledged to one charity on an annual basis. The BTHA has been conscious that its own fund raising activities for children's causes have in all probability been more than matched by those of individual BTHA members. It is also probable that the extent to which toy manufacturers support children's charities goes largely unremarked and unnoticed by the public.

In 1989 the concept of creating a charitable Trust was discussed by the BTHA's Council as the most effective conduit for charitable giving. The Toy Trust became a registered charity on 24 January 1991 and was launched by a £10,000 donation from the BTHA. The charitable Trust deed states that all donations will be made to "such charity or charities or charitable purposes connected with children as they (the trustees) shall in their absolute discretion decide". In exceptional circumstances, at the trustees discretion, the Trust will make a donation to any crisis involving children which required an immediate response.

In addition to the smaller grants made by the Trust through the year, the Trust's committee can decide to award a larger grant to one or a small number of charities in conjunction with the Trust's annual fundraising events.

The Trust makes grants in response to requests from charitable causes where it considers their aims to be within its area of operation.

#### Achievements and performance

2020 saw The Toy Trust's 28th year of fundraising with the amount raised over the past 28 years now standing at more than £6.5m.

2020 saw the COVID-19 pandemic alter the charity's plans for the normal main summer fundraising event and in turn the expected fundraising income the event generates. At the beginning of the pandemic, the Toy Trust Committee opted to invite selected small UK children's charities that had received prior support during 2017, 2018 and 2019 to apply for funding. A small number of charities were granted funding at the first meeting of the charity committee in March 2020 – prior to COVID-19 activity.

The annual Media Auction achieved £104,850 through bids placed on the generously donated TV, online and catalogue slots and other special prizes. The auction fundraising total was the second highest total achieved in its history.

In February 2020, 14 runners completed the Vitality Big Half Marathon in Central London. The event raised £8,361 for the charity.

This excellent start to fundraising allowed the charities that had responded to the funding invite to receive support. In total, 36 charities were provided with support throughout the year, and this amounted to £111,436.

The Christmas Card Initiative took place once again in 2020. Companies donated a minimum of £300 to have their Christmas greetings in the toy trade journals. The eventual figure raised was £10,800 (2019: £10,600).

# THE TOY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The principal recipients of Toy Trust funds in 2020 included; Beryl Thyer Memorial Africa Trust, The Jessie May Trust, Special Educational Needs Families Support, Friends of St Luke's, Special Stars Foundation, Dorset Children's Foundation, NARA The Breathing Charity, The Bradford Toy Library and Handicapped Children's Action Group.

#### Public Benefit

The Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

#### Financial review

For the year ended 31 December 2020, incoming funds of £178,702 (2019: £210,270) were received and outgoing expenditure amounted to £125,507 (2019: £204,778). This resulted in net income for the year of £53,195 (2019: £5,492) and net current assets of £184,665 (2019: £131,470).

It is the policy of the charity to maintain unrestricted funds at a level, which equates to approximately between six to twelve months' unrestricted expenditure. This provides sufficient funds to cover minor administration costs and allows grants to be awarded at historic levels despite fluctuations in the amounts of donations received from year to year. This level of reserves was maintained throughout the year as unrestricted funds at the year-end were £184,665 (2019: £131,470).

The investment policy of the charity is to retain funds in low risk bank deposit accounts. This enables the charity to have ready access to the funds as required.

#### Impact of Covid-19

The Trustees have considered again – as in early 2020 – the effect of the Covid-19 outbreak, that has been spreading throughout the world since early 2020, on the charity's activities.

In 2020, the Trustees took an early position to act cautiously on income projection and expenditure to manage the disruption to normal activity that this outbreak caused. One action of significance was to close the charity to new applications during 2020. By doing that a significant disruption to the charity's continuing activities was averted despite its main fundraiser for 2020 having to be cancelled due to the restrictions on movement and people meeting in the UK. However, all commitments were met and the charity adopted a disbursements policy based on a cautious view of funds already raised targeted primarily at smaller UK charities that have benefited from Toy Trust support in the last three years, and remained open to response to emergency appeals by international charities already vetted for such eventualities, if they arose and if the charity wished to respond. Applications from previously known and supported small UK children's charities were received on invitation and disbursements made by the Charity Committee as appropriate and affordable each quarter of 2020.

In late 2020 the Toy Trust agreed to open its website applications portal again in early 2021 but to restrict applications considered to small UK children's charities whose work benefits children from across the U.K. Applications benefiting children overseas regrettably could not be entertained at this time. The main 2021 Fundraiser was agreed not to be practical to go ahead in June 2021 and no venue or services for that had been booked. If a smaller event were to prove possible later in 2021, that would be considered as government guidance allowed.

Financial commitments to charities for whom money has been agreed to be awarded for 2020 were available and had already been set aside. In light of the Covid-19 outbreak in Europe the charity reduced the expenditure it undertook in 2020 according to income received and the reserves it had. Prudent decisions will continue to be necessary until the impact of Covid-19 going forward in 2021 is better known.

#### Plans for the future

The Toy Trust will continue to disburse funds to appropriately approved charities, concerned with the welfare of children.

#### Structure, governance and management

The governing instrument of The Toy Trust is a charitable trust deed dated 18 October 1990.

The trustees who served during the year were:

British Toy and Hobby Association Limited

C Nicholls

(Resigned 1 July 2020)

P Ratcliffe

A Laughton

(Resigned 14 March 2021)

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# THE TOY TRUST

## TRUSTEES' REPORT (CONTINUED)

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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G Canning

J Diver

(Appointed 1 July 2020)

S Pilkington

(Appointed 15 March 2021)

The British Toy and Hobby Association Limited administers the Trust under the supervision of the Director General, Roland Earl. Apart from Mr Earl, the trustees are drawn from the Officers of the Association namely the President, Vice-President, Chairman and Vice-Chairman for the time being. New trustees receive a copy of the constitution and latest accounts upon appointment.

The BTHA administers the Toy Trust from its premises at BTHA House, 142-144 Long Lane, London SE1 4BS. The Association bears the administrative costs of the Toy Trust and is responsible for fund raising through the work of the BTHA charity committee. The trustees meet regularly (in conjunction with the BTHA Council) to review the Trust's activities.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

On behalf of the board of trustees

**G Canning**

Trustee

Dated: 25 May 2021

# THE TOY TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### *FOR THE YEAR ENDED 31 DECEMBER 2020*

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The trustees are responsible for preparing the Trustees' Report and the accounts 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 requires the trustees to prepare accounts 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 of the charity for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 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.

# THE TOY TRUST

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE TOY TRUST

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#### **Opinion**

We have audited the financial statements of The Toy Trust (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# THE TOY TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE TOY TRUST

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#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102 and Charities Act 2011.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates. There were no accounting estimates that would be considered critical to the financial statements.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

# THE TOY TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE TOY TRUST

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Other matters**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **HW Fisher LLP**

Chartered Accountants  
Statutory Auditor  
Acre House  
11-15 William Road  
London  
NW1 3ER  
United Kingdom

25 May 2021

HW Fisher LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

# THE TOY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
<b>Income from:</b>					
Donation and legacies	3	178,609	189,959	20,000	209,959
Investment income	4	93	311	-	311
<b>Total income</b>		<u>178,702</u>	<u>190,270</u>	<u>20,000</u>	<u>210,270</u>
<b>Expenditure on:</b>					
Raising funds	5	<u>9,187</u>	<u>9,697</u>	<u>20,000</u>	<u>29,697</u>
Charitable activities	6	<u>116,320</u>	<u>175,081</u>	<u>-</u>	<u>175,081</u>
<b>Total resources expended</b>		<u>125,507</u>	<u>184,778</u>	<u>20,000</u>	<u>204,778</u>
<b>Net income for the year/ Net movement in funds</b>		53,195	5,492	-	5,492
Fund balances at 1 January 2020		<u>131,470</u>	<u>125,978</u>	<u>-</u>	<u>125,978</u>
<b>Fund balances at 31 December 2020</b>		<u><u>184,665</u></u>	<u><u>131,470</u></u>	<u><u>-</u></u>	<u><u>131,470</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# THE TOY TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2020

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	Notes	2020 £	£	2019 £	£
<b>Current assets</b>					
Debtors	10	6,205		695	
Cash at bank and in hand		183,020		148,952	
		<u>189,225</u>		<u>149,647</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(4,560)</u>		<u>(18,177)</u>	
Net current assets			184,665		131,470
			<u>184,665</u>		<u>131,470</u>
<b>Income funds</b>					
Unrestricted funds			184,665		131,470
			<u>184,665</u>		<u>131,470</u>

The accounts were approved by the Trustees on 25 May 2021

G Canning  
Trustee

# THE TOY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

##### Charity information

The Toy Trust is an unincorporated charity. Its registered office is BTHA House, 142-146 Long Lane, London SE1 4BS. The charity meets the definition of a public benefit entity under FRS102.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

##### 1.2 Going concern

The Trustees have once again considered the effect of the Covid-19 outbreak, that has been spreading throughout the world since early 2020, on the charity's activities. With the experience of the Covid-19 outbreak in 2020 in the UK and subsequent restrictions on companies' normal historic activities at the British Toy and Hobby Association and its member companies, the Trustees continue to believe the developments are unlikely to cause a significant disruption to the charity's efficacy and activities and are confident that the charity can continue as a going concern for a period of at least twelve months from the date of approval of these financial statements. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

##### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

The Toy Trust events are organised by the British Toy and Hobby Association with the net proceeds going to the Toy Trust. The British Toy and Hobby Association meets all overheads. Accordingly, the net income generated has been included within donations and legacies in the Statement of Financial Activities.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank.

# THE TOY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### 1.5 Resources expended

Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated to the charitable activity in the statement of financial activities.

Costs of raising funds are those costs incurred in staging the charity's fundraising events.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Provisions for grants are made when the intention to make the grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

A provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable, and the effect of discounting is material. The discount rate used is the rate offered on government bonds (Gilts) for a commensurate or similar time period offered in the year in which the grant award is made.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

##### 1.6 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees 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.

The trustees do not believe there to be judgements or estimates that would be considered critical to the financial statements.

# THE TOY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 3 Donation and legacies

	<b>Unrestricted funds</b>	Unrestricted funds	Restricted funds	Total
	<b>2020</b>	2019	2019	2019
	<b>£</b>	£	£	£
Donations and gifts	178,609	189,959	20,000	209,959
	<u>178,609</u>	<u>189,959</u>	<u>20,000</u>	<u>209,959</u>

#### 4 Investment income

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2020</b>	2019
	<b>£</b>	£
Interest receivable	93	311
	<u>93</u>	<u>311</u>

#### 5 Raising funds

	<b>Unrestricted funds</b>	Unrestricted funds	Restricted funds	Total
	<b>2020</b>	2019	2019	2019
	<b>£</b>	£	£	£
<u>Raising funds</u>				
Staging fundraising events	9,187	9,697	20,000	29,697
	<u>9,187</u>	<u>9,697</u>	<u>20,000</u>	<u>29,697</u>
	<u>9,187</u>	<u>9,697</u>	<u>20,000</u>	<u>29,697</u>

# THE TOY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 6 Charitable activities

	2020	2019
	£	£
Welfare of children (see note 14)	111,436	170,217
Share of support costs (see note 7)	324	393
Share of governance costs (see note 7)	4,560	4,471
	<u>116,320</u>	<u>175,081</u>
	<u><u>116,320</u></u>	<u><u>175,081</u></u>
<b>Analysis by fund</b>		
Unrestricted funds	116,320	175,081
Restricted funds	-	-
	<u>116,320</u>	<u>175,081</u>
	<u><u>116,320</u></u>	<u><u>175,081</u></u>

#### 7 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Bank charges	324	-	324	393	-	393
Audit fees	-	4,560	4,560	-	4,471	4,471
	<u>324</u>	<u>4,560</u>	<u>4,884</u>	<u>393</u>	<u>4,471</u>	<u>4,864</u>
	<u><u>324</u></u>	<u><u>4,560</u></u>	<u><u>4,884</u></u>	<u><u>393</u></u>	<u><u>4,471</u></u>	<u><u>4,864</u></u>
Analysed between						
Charitable activities	324	4,560	4,884	393	4,471	4,864
	<u>324</u>	<u>4,560</u>	<u>4,884</u>	<u>393</u>	<u>4,471</u>	<u>4,864</u>
	<u><u>324</u></u>	<u><u>4,560</u></u>	<u><u>4,884</u></u>	<u><u>393</u></u>	<u><u>4,471</u></u>	<u><u>4,864</u></u>

Governance costs includes payments to the auditors of £4,560 (2019: £4,471) for audit fees and nil (2019: nil) for other services.

#### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

No trustee expenses have been incurred during the year.

#### 9 Employees

There were no employees during the year (2019: nil).

# THE TOY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

10 Debtors	2020	2019
Amounts falling due within one year:	£	£
Trade debtors	1,205	695
Other debtors	5,000	-
	<u>6,205</u>	<u>695</u>
	<u><u>6,205</u></u>	<u><u>695</u></u>

  

11 Creditors: amounts falling due within one year	2020	2019
	£	£
Grants payable	-	2,500
Other creditors	-	10,150
Accruals and deferred income	4,560	5,527
	<u>4,560</u>	<u>18,177</u>
	<u><u>4,560</u></u>	<u><u>18,177</u></u>

Included within accruals and deferred income is deferred income of £nil (2019: £967). During 2020, £967 of deferred income carried forward in 2019 relating to a marathon event being held in 2020 has been released.

### 12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds	
	Incoming resources	Resources expended	Balance at 1 January 2020	Incoming resources	Balance at 31 December 2020
	£	£	£	£	£
Fundraising Event	20,000	(20,000)	-	-	-
	<u>20,000</u>	<u>(20,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>

The fundraising event fund was donated by The British Toy and Hobby Association to increase the health and safety at the 2019 Annual Challenge.

### 13 Related party transactions

The Toy Trust received donations of £54,198 (2019: £24,200) from the British Toy and Hobby Association Limited, which is also a Trustee of the Charity. Five of the trustees of the Charity also served on the Council of the British Toy and Hobby Association Limited during the year. As at the year end, The Toy Trust owed £nil (2019: £10,150) to the British Toy and Hobby Association.