

REGISTERED CHARITY NUMBER: 1149600

**Report of the Trustees and
Financial Statements for the Year Ended 5th April 2020
for
Elgar Family Charitable Trust**

The Richards Sandy Partnership
Thorneloe House
25 Barbourne Road
Worcester
Worcestershire
WR1 1RU

Elgar Family Charitable Trust

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Elgar Family Charitable Trust

**Reference and Administrative Details
for the Year Ended 5th April 2020**

TRUSTEES	N Snowball Miss H F Elgar Dr B G Watson M F Messenger
PRINCIPAL ADDRESS	c/o Whatley Weston & Fox 15 & 16 The Tything Worcester WR1 1HD
REGISTERED CHARITY NUMBER	1149600
INDEPENDENT EXAMINER	The Richards Sandy Partnership Thorneloe House 25 Barbourne Road Worcester Worcestershire WR1 1RU
SOLICITORS	Whatley, Weston & Fox 15 & 16 The Tything Worcester WR1 1HD
BANKERS	Brown Shipley Founders Court Lothbury London EC2R 7HE

Elgar Family Charitable Trust
Report of the Trustees
for the Year Ended 5th April 2020

The trustees present their report with the financial statements of the charity for the year ended 5th April 2020. The trustees have adopted the provisions of 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

Objectives and aims

The main object of Elgar Family Charitable Trust is to support any charity or further any charitable purpose chosen by the trustees. Since the National Trust took on a five-year lease of The Firs in December 2016, the charity is also committed to funding any shortfall requirements at The Firs.

Public benefit

The trustees confirm that they have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to the guidance on public benefit published by the Charity Commission when deciding on the charity's activities.

ACHIEVEMENT AND PERFORMANCE

Total incoming resources during the year amounted to £60,538 (2019: £153,713) which was made up entirely of income from investments and royalty income.

Grants of £304,550 were awarded during the year (2019: £nil), with £300,000 being awarded to The National Trust to pay for capital expenditure at The Firs.

FINANCIAL REVIEW

Financial position

The principal funding source is income from the charity's investments. Dividend and Royalties income for the year was £60,538 (2019: £65,876) and income from Legacies was £nil (2019: £87,837). The Trust had Investment Management costs of £29,663 (2019: £23,480) and other expenditure of £313,441 (2019: £7,482). This gave a deficit for the year of £282,566 prior to losses on investments (2019: surplus £122,751). Unfortunately due to the COVID-19 crisis losses on investments were £173,457 (2019: gains of £66,787), leaving a net decrease in funds of £456,023 (2019: increase of £189,538).

The end of March was the lowest point on the stock market and there was little realised loss as few sales took place. The Investments have done well overall.

Investment policy

The Elgar Family Charitable Trust has no restricted funds and a total return approach is used for the management of its investment portfolio. Brown Shipley act as Investment Manager to the Trustees.

All income is generated from assets which are unrestricted.

Reserves policy

Total unrestricted general reserves at 5 April 2020 amounted to £2,074,643 (2019: £2,335,397). Of this total £1,383,451 (2019: £1,629,630) related to investment assets held to produce income to enable the charity to fulfil its objectives. Unrestricted designated reserves at 5 April 2020 amounted to £nil (2019: £195,269). Total unrestricted reserves as at 5 April 2020 were therefore £2,074,643 (2019: £2,530,666). It is the trustees' policy to distribute as much of its income as possible to other charities, whilst retaining sufficient reserves to cover any unforeseen future expenditure.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Elgar Family Charitable Trust is constituted under a trust deed dated 24 August 2012 and registered as a charity on 2 November 2012 (Charity number 1149600).

Decision making

The Founder, at present the settler Hilary Frances Elgar, has the following powers under the trust deed:

The power to appoint new trustees (providing the total number of trustees shall at no time exceed four);

The power to direct the trustees to make donations to such charitable institutions at such time or times and in such manner as the Founder directs. Where the Founder has not by 5 April in the income tax year following that in which the income arises, given a direction which fully disposes of the income, then such income shall be distributed as the trustees, in their discretion, think fit.

The power of appointing a person or persons to succeed the Founder is vested in the Founder for the time being.

Apart from decisions made by the founder, decisions are made by majority vote.

Elgar Family Charitable Trust

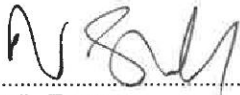
**Report of the Trustees
for the Year Ended 5th April 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Approved by order of the board of trustees on 14/9/2020 and signed on its behalf by:



N Snowball - Trustee

**Independent Examiner's Report to the Trustees of
Elgar Family Charitable Trust**

Independent examiner's report to the trustees of Elgar Family Charitable Trust

I report to the charity trustees on my examination of the accounts of Elgar Family Charitable Trust (the Trust) for the year ended 5th April 2020.

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 Act and in carrying out my examination I have followed all 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) Regulations 2008 other than any requirement 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.



Robert Iestyn Richards FCA FCCA CTA
The Richards Sandy Partnership
Thorneloe House
25 Barbourne Road
Worcester
Worcestershire
WR1 1RU

Date: 28/9/2020

Elgar Family Charitable Trust

**Statement of Financial Activities
for the Year Ended 5th April 2020**

		2020 Unrestricted funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	-	87,837
Investment income	3	60,538	65,876
Total		60,538	153,713
 EXPENDITURE ON			
Raising funds	4	29,735	23,480
Charitable activities	5		
Charitable activities		313,369	7,482
Total		343,104	30,962
Net gains/(losses) on investments		(173,457)	66,787
NET INCOME/(EXPENDITURE)		(456,023)	189,538
 RECONCILIATION OF FUNDS			
Total funds brought forward		2,530,666	2,341,128
 TOTAL FUNDS CARRIED FORWARD		2,074,643	2,530,666

The notes form part of these financial statements

Elgar Family Charitable Trust

**Balance Sheet
5th April 2020**

	Notes	2020 Unrestricted funds £	2019 Total funds £
FIXED ASSETS			
Tangible assets	12	504,176	504,176
Investments	13	1,383,451	1,629,630
		<u>1,887,627</u>	<u>2,133,806</u>
CURRENT ASSETS			
Debtors	14	14,564	1,760
Cash at bank		475,637	395,873
		<u>490,201</u>	<u>397,633</u>
CREDITORS			
Amounts falling due within one year	15	(303,185)	(773)
NET CURRENT ASSETS		<u>187,016</u>	<u>396,860</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,074,643</u>	<u>2,530,666</u>
NET ASSETS		<u>2,074,643</u>	<u>2,530,666</u>
FUNDS	17		
Unrestricted funds		2,074,643	2,530,666
TOTAL FUNDS		<u>2,074,643</u>	<u>2,530,666</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:



N Snowball - Trustee

Elgar Family Charitable Trust

Notes to the Financial Statements for the Year Ended 5th April 2020

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The charity is exempt from preparing a cashflow statement because it is not a larger charity.

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

INCOME

Income, including legacies and donations, is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from investments is recognised when the relating investments issue notice of distribution to its investors.

EXPENDITURE

Expenditure is included on an accruals basis. Liabilities are included in the accounts as soon as recognised.

Charitable activities costs include grant funding and support costs which are all allocated to charitable activities and this is the predominant activity. Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, and legal advice for the Trustees, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

TANGIBLE FIXED ASSETS

Freehold property is held under the revaluation model and is revalued annually. Any increase/(decrease) on revaluations is transferred to/(from) the Statement of Financial Activities.

TAXATION

The charity is exempt from tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

INVESTMENTS

Investments quoted on a recognised stock exchange are valued at market value at the year end. Both realised and unrealised gains are shown under 'net gains / (losses) on investments' on the face of the SoFA.

FINANCIAL INSTRUMENTS

The charity has elected to apply the provision of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' of FRS102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Elgar Family Charitable Trust

**Notes to the Financial Statements - continued
for the Year Ended 5th April 2020**

1. ACCOUNTING POLICIES - continued

Basic Financial Assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic Financial Liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction prices unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts, discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the operations from supplies. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction cost.

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Legacies	<u>-</u>	<u>87,837</u>

3. INVESTMENT INCOME

	2020	2019
	£	£
Royalties	18,250	24,125
Dividends received	42,288	41,751
	<u>60,538</u>	<u>65,876</u>

4. RAISING FUNDS

INVESTMENT MANAGEMENT COSTS

	2020	2019
	£	£
Stockbroker's fees	29,663	23,480
Administrative expenses	72	-
	<u>29,735</u>	<u>23,480</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6)	Grant funding of activities (see note 7)	Support costs (see note 8)	Totals
	£	£	£	£
Charitable activities	<u>5,861</u>	<u>304,550</u>	<u>2,958</u>	<u>313,369</u>

Elgar Family Charitable Trust

Notes to the Financial Statements - continued for the Year Ended 5th April 2020

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020	2019
	£	£
Rates and water	2,421	1,401
Insurance	1,610	1,610
Light and heat	588	868
Repairs and maintenance	1,242	-
	<u>5,861</u>	<u>3,879</u>

7. GRANTS PAYABLE

	2020	2019
	£	£
Charitable activities	<u>304,550</u>	<u>-</u>

The total grants paid to institutions during the year was as follows:

	2020	2019
	£	£
Autumn in Malvern Festival	800	-
Malvern Concert Club	3,750	-
The National Trust	<u>300,000</u>	<u>-</u>
	<u>304,550</u>	<u>-</u>

8. SUPPORT COSTS

	Governance costs
	£
Charitable activities	<u>2,958</u>

Support costs, included in the above, are as follows:

	2020	2019
	Charitable activities	Total activities
	£	£
Legal fees	2,160	2,757
Independent examiner	<u>798</u>	<u>846</u>
	<u>2,958</u>	<u>3,603</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5th April 2020 nor for the year ended 5th April 2019.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 5th April 2020 nor for the year ended 5th April 2019.

Elgar Family Charitable Trust

**Notes to the Financial Statements - continued
for the Year Ended 5th April 2020**

10. STAFF COSTS

The charity had no employees during the year ended 5 April 2020 nor during the year ended 5 April 2019.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	87,837
Investment income	65,876
Total	<u>153,713</u>
EXPENDITURE ON	
Raising funds	23,480
Charitable activities	
Charitable activities	7,482
Total	<u>30,962</u>
Net gains on investments	66,787
NET INCOME	<u>189,538</u>
RECONCILIATION OF FUNDS	
Total funds brought forward	2,341,128
TOTAL FUNDS CARRIED FORWARD	<u><u>2,530,666</u></u>

12. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 6th April 2019 and 5th April 2020	<u>504,176</u>
NET BOOK VALUE	
At 5th April 2020	<u>504,176</u>
At 5th April 2019	<u><u>504,176</u></u>

Elgar Family Charitable Trust

**Notes to the Financial Statements - continued
for the Year Ended 5th April 2020**

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 6th April 2019	1,629,630
Additions	129,596
Disposals	(204,590)
Revaluations	(171,185)
At 5th April 2020	<u>1,383,451</u>
NET BOOK VALUE	
At 5th April 2020	<u>1,383,451</u>
At 5th April 2019	<u>1,629,630</u>

There were no investment assets outside the UK.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Prepayments and accrued income	<u>14,564</u>	<u>1,760</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Bank loans and overdrafts (see note 16)	228	-
Accrued expenses	2,957	773
Grants payable	<u>300,000</u>	<u>-</u>
	<u>303,186</u>	<u>773</u>

The grants payable figure of £300,000 relates to monies committed to The National Trust as at 5 April 2020 as payment towards capital expenditure at The Firs. These monies were paid over after the year end.

16. LOANS

An analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year on demand:		
Bank overdraft	<u>228</u>	<u>-</u>

17. MOVEMENT IN FUNDS

	At 6.4.19 £	Net movement in funds £	Transfers between funds £	At 5.4.20 £
Unrestricted funds				
General fund	2,335,397	(156,023)	(104,731)	2,074,643
Defined Purpose Fund	195,269	(300,000)	104,731	-
	<u>2,530,666</u>	<u>(456,023)</u>	<u>-</u>	<u>2,074,643</u>
TOTAL FUNDS	<u>2,530,666</u>	<u>(456,023)</u>	<u>-</u>	<u>2,074,643</u>

Elgar Family Charitable Trust

**Notes to the Financial Statements - continued
for the Year Ended 5th April 2020**

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	60,538	(43,104)	(173,457)	(156,023)
Defined Purpose Fund	-	(300,000)	-	(300,000)
	<u>60,538</u>	<u>(343,104)</u>	<u>(173,457)</u>	<u>(456,023)</u>
TOTAL FUNDS	<u>60,538</u>	<u>(343,104)</u>	<u>(173,457)</u>	<u>(456,023)</u>

Comparatives for movement in funds

	At 6.4.18 £	Net movement in funds £	At 5.4.19 £
Unrestricted funds			
General fund	2,145,859	189,538	2,335,397
Defined Purpose Fund	195,269	-	195,269
	<u>2,341,128</u>	<u>189,538</u>	<u>2,530,666</u>
TOTAL FUNDS	<u>2,341,128</u>	<u>189,538</u>	<u>2,530,666</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	153,713	(30,962)	66,787	189,538
	<u>153,713</u>	<u>(30,962)</u>	<u>66,787</u>	<u>189,538</u>
TOTAL FUNDS	<u>153,713</u>	<u>(30,962)</u>	<u>66,787</u>	<u>189,538</u>

TRANSFERS BETWEEN FUNDS

A transfer of £104,731 was made from the unrestricted general fund to the unrestricted defined purpose fund in order to cover the balance of £300,000 which was committed as payment to The National Trust prior to the year end.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 5th April 2020.

Elgar Family Charitable Trust

**Notes to the Financial Statements - continued
for the Year Ended 5th April 2020**

19. PURPOSE OF FUNDS

UNRESTRICTED FUNDS

General Fund

The unrestricted general fund can be used for any charitable purpose within the charity's objects and approved by the Trustees. The fund balance at 5 April 2020 was £2,074,643 (2019: £2,335,397).

Defined Purpose Fund

The defined purpose fund was designated for the purpose of funding any shortfall requirements at The Firs. Prior to the year end the charity committed £300,000 towards the cost of capital expenditure at The Firs and this has been included as an expense and is also shown as a grant payable at the year end as per note 15 to the accounts. The fund balance at 5 April 2020 was therefore £nil (2019: £195,269).