

REGISTERED CHARITY NUMBER: 277719

W.B.HARRIS WILL TRUST
Tongswood Estates Limited

REPORT & ACCOUNTS

For the year ended 31st December 2019

Ashfords LLP
1 New Fetter Lane
London EC4A 1AN
REF: JAT/269687-50558
020 7544 2429

W B HARRIS WILL TRUST

INDEX TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2019

C O N T E N T S	
Page Number	
1 -6	Trustees' Report
7-8	Auditors Report
9	Statement of Financial Activities
10	Balance Sheet
11-12	Debtors, Cash Balances, Creditors & Deposit Interest
13	Schedule of Investments
14-15	Investment Income
16	Investment Transactions
17-19	Accounting Policies
20-21	Other Notes to the Accounts

**W B HARRIS WILL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2019**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trust was created by the Will of W.B. Harris who died on 5 August 1957. This is the governing document. The Trust is registered with the Charity Commissioners under Charity Number 277719.

Recruitment and appointment of new trustees

With the consent of the Charity Commission a company limited by guarantee, Tongswood Estates Limited has been given authorisation to be the Trustee of the Charity. In 2005 the Trustees of the Charity, became Directors of the Company and any new appointees are no longer Trustees of the Charity but become Directors of the Company.

Directors of Tongswood Estates Limited, with the relevant professional skills and an emphasis on former pupils of St Ronans, are recruited by the directors themselves.

Trustees are appointed by deed in accordance with the Trustee Act.

Induction and training of new trustees

All new Trustees are given, in the view of the board, sufficient information about the Will Trust and Company to understand the nature of the charity and fully comply with the charities current views of its progression.

Organisational structure

The Trustee Company must, as per the governing document, have at least 3 directors, serving at any one time. The entire board meets on an annual basis, with less formal meetings of the directors as and when required.

Ashfords LLP manages the day-to-day administration of the Charity. Ashfords LLP has no signing powers over the Charity's assets. All decisions and any payments made by the Charity have to be authorised by the directors of Tongswood Estates Limited.

Wider network

At present the WB Harris Will Trust does not consider itself part of a wider network.

Related parties

The Trust has no commercial dealings with the directors of Tongswood Estates Limited or with any other parties who would be considered to be related parties of the Directors of Tongswood Estates Limited. The administration of the Trust is carried out by Ashfords LLP solicitors who have charged the trust £20,173 for legal and administrative services. All costs have been authorised by the Trustees and have been charged on an arm's length basis.

WB HARRIS WILL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties (continued)

The St Ronans Appeal Fund (Registered Charity Number: 1131138) was set up to raise funds for the facilities at the School is operated by Tongswood Estates Limited. During the year, this charity has made donations of £Nil (2018: NIL) to the WB Harris Will Trust.

There are no other related parties.

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.

The Trustees have examined the major strategic business and operational risks that the Charity faces, and confirm that systems have been established to enable the directors to be provided with information so that the necessary steps can be taken to lessen these risks.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The income of the Trust may be used at the discretion of the Trustees for some or all of the following purposes:

1. To provide Harris Bursaries to assist old boys of St Ronan's School in paying school fees for their sons at St Ronan's or at any recognised university.
2. To pay the cost of building, repairing or renewing a School Chapel for St Ronan's School.
3. To provide for the advancement of education in such manner as the Trustees think fit.

The capital of the Trust will be retained by the Trustees as long as St Ronan's School continues in the same manner and for the same purposes as at the date of death of W B Harris. Thereafter, one half of the capital will pass to the two named individuals or their personal representatives. The remaining half will pass to such charity or charities as the Trustees in their absolute discretion shall decide.

It should be noted that the Trust is not wholly charitable and the Trustees owe duties to non-charity beneficiaries.

Significant activities

The Trust holds a portfolio in investments which generates income which can be used as unrestricted funds to make grants to the school.

WB HARRIS WILL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2019

Significant activities (continued)

The Trust receives rents from the School for the use of the Main School, Grounds & Playing Fields and Sports Hall. These rents are being applied to service the loans taken out to fund these developments. The servicing of the loans means that there is limited capability for the Trust to make any grants to the school.

Grantmaking

Under the terms of the Trust Deed, the Trust has made donations of £2,000 (2018: £Nil) from its unrestricted income to the School Library Fund as part of its objectives to assist the school with educational programmes.

Social or programme related investments

The Charity has no social or programme related investments.

Volunteers

The Charity has no volunteer workforce. The directors of the Trustee company provide their services free of charge.

ACHIEVEMENT AND PERFORMANCE

Investment and charitable activities

As noted above, the Trust has made no distributions to the school during this year.

The Main School Building, Grounds & Playing Fields is rented out to the school for £100,000 per annum under a 15 year lease running to 2021. The Sports Hall is charged at an annual rent of £72,300 under a 15 year lease which expires in 2025.

These rents are used to service two loans: the loan for the Pre-Prep School stands at £82,666 (2018: £170,031) with capital repayments which commenced in October 2007 running until 2020. During the year ended 31 December 2016, this loan was converted into a fixed interest loan repayable over 5 years over monthly instalments.

The fixed interest commercial loan for the Sports Hall development stands at £298,093 (2018: £346,117) with capital repayments which commenced in March 2011 running until 2024.

As well as the rental income, expenditure has been funded by investment income of £10,572 and from cash reserves held by the Trust. The total costs of resources expended by the Trust totalled £57,479, including loan interest on the Pre-Prep School and Sports Hall developments.

Tongswood Estates Limited holds the assets and liabilities on trust on behalf of the Charity. As a result, all transactions of the Charity and its assets and liabilities are reflected in the accounts while Tongswood Estates Limited's accounts are dormant.

WB HARRIS WILL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2019

Fundraising activities

The Charity has no fundraising activities.

Investment performance

£15,130 of funds have been invested in new shares and £18,819 has been generated by the disposal of shares. The shares are held and administrated by Investec stockbrokers. The portfolio has increased in value during the year by £39,099, reflecting the position of the stock market, with a closing market value of £321,113.

Dividend and interest income generated by the portfolio amounts to £10,572.

Internal and external factors

The trustees have made a full assessment of the internal and external factors that may affect these financial statements and do not deem any factors material enough to have an impact.

FINANCIAL REVIEW

Reserves policy

It is the policy of the Charity to maintain unrestricted funds, which are the free reserves of the Charity, at a level that equates to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration costs and to respond to emergency expenditure that may arise from time to time. Unrestricted funds were maintained at this level throughout the year.

Funds in deficit

There are no funds held in deficit.

Principal funding sources

The principal sources of funds are the income and capital returns on investments and rental and premiums paid by the school for the use of the pre-prep school building. In this year, there has been a small donations from the St Ronans Appeal Fund Charity.

Investment policy and objectives

Investment Policy is decided upon by the Trustees, in accordance with the terms of the Will, and the Trustees instruct Investec to acquire and dispose of investments as they require. The investments are held to generate income and capital growth. The income is applied to meet the Charity's objects.

FUTURE DEVELOPMENTS

With the pre-prep school development complete, the intention is for the Trust to repay the bank borrowing from rental income and to return to distributing investment income to the school to apply for the promotion of education in accordance with the Will.

PUBLIC BENEFIT

The Trustees have complied with the duty in section 4 of the Charities Act 2011 to have regard to the public benefit guidance published by the Charity Commission.

WB HARRIS WILL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2019

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law 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 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 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 financial statements; and
- 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 relevant provisions of 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information of which the Charity's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the Charity's auditors are aware of that information.

AUDITORS

The auditors, McCabe Ford Williams, will be proposed for re-appointment.

WB HARRIS WILL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2019

Legal & Administrative Information

Registered Charity Number : 277719

Registered Office : c/o Ashfords LLP, 1 New Fetter Lane
London EC4A 1AN

Trustee : Tongswood Estates Limited

**Directors of Tongswood
Estates Limited** : Rory MacLeay
: Dan Bayley
: Guy Selmon
: Piers Inkin

Stockbrokers : Investec Wealth
2 Gresham Street
London EC2V 7QN

Solicitors : Ashfords LLP 1 New Fetter Lane
London EC4A 1AN

Bankers : NatWest PLC
2nd Floor County Gate2 Staceys Street Maidstone ME14 1ST
Kent TN1 1QJ

Auditors : McCabe Ford Williams
Bank Chambers, High Street, Cranbrook
Kent TN17 3EG

For and on behalf of the Trustees

Dated.....2020

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Rory MacLeay -Director – Director on behalf of Tongswood Estates Limited

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Dan Bayley – Director – Director on behalf of Tongswood Estates Limited

.....
Guy Selmon – Director – Director on behalf of Tongswood Estates Limited

.....
Piers Inkin – Director – Director on behalf of Tongswood Estates Limited

W B HARRIS WILL TRUST

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE W B HARRIS WILL TRUST

We have audited the financial statements of WB Harris Will Trust for the year ended 31st December 2019 on pages nine to twenty which comprise Statement of Financial Activities, the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. 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 charitable company's Directors as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Statement of Trustees' Responsibilities on page 5 the Trustees are responsible for the preparation of Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and with the Trust's governing deed and for being satisfied that they give a true and fair view.

We have been appointed as Auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- Give a true and fair view, of the state of the Charity's affairs as at 31st December 2019 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;
- Have been properly prepared in accordance with the Charity Act 2011

W B HARRIS WILL TRUST

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE W B HARRIS WILL TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

The information given in the Trustees Annual Report is consistent in any material respect with the financial statements;
sufficient accounting records have not been kept; or
the financial statements are not in agreement with the accounting records and returns; or
we have not received all the information and explanations we require for our audit.

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2020

McCabe Ford Williams
Chartered Accountants & Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Bank Chambers
High Street
CRANBROOK
Kent TN17 3EG

W B HARRIS WILL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019**

1. ACCOUNTING POLICIES

Accounting convention

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 2016), 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 and the investment property at valuation as disclosed in Note 5.

The accounts have been prepared on a going concern basis as forecasts for the next 12 months indicate that the income of the trust will be sufficient to ensure that the trust can meet its liabilities as they fall due.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donations from St Ronan's Appeal Fund are recognised when received by the trust.

Interest and dividends are shown gross of recoverable tax in the Statement of Financial Activities.

Rent, net of VAT, is recognised on an accruals basis. The lease premium paid by St Ronans School has been recognised in the SOFA on the commencement date set out in the lease.

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.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

Tongswood Estate, the property on which St Ronan's School is based, is an investment property as defined by FRS 102. The Trustee considers the valuation annually.

It was formally valued at open market value on a vacant possession basis on 13 February 2012 by Lambert & Foster at £7.75m. It had been previously been valued at £8m in 2007 on a comparable basis. The revalued amount is not depreciated as this is not required under FRS 102. Under the terms of the agreement with the school, the school is required to maintain the property in good condition and any residual value would be equal to the carrying value.

The costs of the additional building work at the school have been valued at cost less recoverable VAT. The capital cost includes the cost of building work together with the costs of borrowing incurred to the conclusion of the development phase. Interest and arrangement fees incurred after completion are recognised in the Statement of Financial Activities.

W B HARRIS WILL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2019

1. ACCOUNTING POLICIES – continued

Investments

Investments quoted on stock exchange are valued at market value. Realised gains are recorded as the difference between the proceeds on disposal less the original cost of the investments. Unrealised gains or losses are recorded as the difference between the market value at the year end less the original cost of the investments.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds represent permanent endowment funds provided under the original will and must be retained within the Charity.

With the exception of rental income and the premium received on leases to the school, income generated from endowment funds is unrestricted and can be applied for the objects of the Charity. For rental income and the premium received on leases to the school, the incoming funds are applied to the endowment fund until the bank borrowing taken out to fund the development at the school is cleared.

Distributions

Distributions are made to the school at the Trustee's discretion and are charged in the period in which they are approved and paid.

Significant estimates and judgements

In the application of the Trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered 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 to which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are the valuation of the investment property and is based on the valuation by Lambert & Foster in 2012. The Trustees consider that this is still an appropriate estimate of the property's value.

W B HARRIS WILL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2019

1. ACCOUNTING POLICIES – continued

Financial Instruments

The company enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

c) Impairment of financial assets

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

d) Trade and other creditors

Debt instruments like loans and other accounts payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade payables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

REGISTERED CHARITY NUMBER: 277719

W.B.HARRIS WILL TRUST
Tongswood Estates Limited

REPORT & ACCOUNTS

For the year ended 31st December 2019

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C O N T E N T S	
Page Number	
1 -6	Trustees' Report
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FINANCIAL REVIEW

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Funds in deficit

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Principal funding sources

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Investment policy and objectives

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FUTURE DEVELOPMENTS

With the pre-prep school development complete, the intention is for the Trust to repay the bank borrowing from rental income and to return to distributing investment income to the school to apply for the promotion of education in accordance with the Will.

PUBLIC BENEFIT

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WB HARRIS WILL TRUST

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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 financial statements; and
- 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 relevant provisions of 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information of which the Charity's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the Charity's auditors are aware of that information.

AUDITORS

The auditors, McCabe Ford Williams, will be proposed for re-appointment.

WB HARRIS WILL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2019

Legal & Administrative Information

Registered Charity Number : 277719

Registered Office : c/o Ashfords LLP, 1 New Fetter Lane
London EC4A 1AN

Trustee : Tongswood Estates Limited

**Directors of Tongswood
Estates Limited** : Rory MacLeay
: Dan Bayley
: Guy Selmon
: Piers Inkin

Stockbrokers : Investec Wealth
2 Gresham Street
London EC2V 7QN

Solicitors : Ashfords LLP 1 New Fetter Lane
London EC4A 1AN

Bankers : NatWest PLC
2nd Floor County Gate2 Staceys Street Maidstone ME14 1ST
Kent TN1 1QJ

Auditors : McCabe Ford Williams
Bank Chambers, High Street, Cranbrook
Kent TN17 3EG

For and on behalf of the Trustees

Dated.....2020

.....
Rory MacLeay -Director – Director on behalf of Tongswood Estates Limited

.....
Dan Bayley – Director – Director on behalf of Tongswood Estates Limited

.....
Guy Selmon – Director – Director on behalf of Tongswood Estates Limited

.....
Piers Inkin – Director – Director on behalf of Tongswood Estates Limited

W B HARRIS WILL TRUST

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE W B HARRIS WILL TRUST

We have audited the financial statements of WB Harris Will Trust for the year ended 31st December 2019 on pages nine to twenty which comprise Statement of Financial Activities, the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. 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 charitable company's Directors as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Statement of Trustees' Responsibilities on page 5 the Trustees are responsible for the preparation of Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and with the Trust's governing deed and for being satisfied that they give a true and fair view.

We have been appointed as Auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- Give a true and fair view, of the state of the Charity's affairs as at 31st December 2019 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;
- Have been properly prepared in accordance with the Charity Act 2011

W B HARRIS WILL TRUST

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE W B HARRIS WILL TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

The information given in the Trustees Annual Report is consistent in any material respect with the financial statements;
sufficient accounting records have not been kept; or
the financial statements are not in agreement with the accounting records and returns; or
we have not received all the information and explanations we require for our audit.

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2020

McCabe Ford Williams
Chartered Accountants & Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Bank Chambers
High Street
CRANBROOK
Kent TN17 3EG

W B HARRIS WILL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2019**

1. ACCOUNTING POLICIES

Accounting convention

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 2016), 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 and the investment property at valuation as disclosed in Note 5.

The accounts have been prepared on a going concern basis as forecasts for the next 12 months indicate that the income of the trust will be sufficient to ensure that the trust can meet its liabilities as they fall due.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donations from St Ronan's Appeal Fund are recognised when received by the trust.

Interest and dividends are shown gross of recoverable tax in the Statement of Financial Activities.

Rent, net of VAT, is recognised on an accruals basis. The lease premium paid by St Ronans School has been recognised in the SOFA on the commencement date set out in the lease.

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.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

Tongswood Estate, the property on which St Ronan's School is based, is an investment property as defined by FRS 102. The Trustee considers the valuation annually.

It was formally valued at open market value on a vacant possession basis on 13 February 2012 by Lambert & Foster at £7.75m. It had been previously been valued at £8m in 2007 on a comparable basis. The revalued amount is not depreciated as this is not required under FRS 102. Under the terms of the agreement with the school, the school is required to maintain the property in good condition and any residual value would be equal to the carrying value.

The costs of the additional building work at the school have been valued at cost less recoverable VAT. The capital cost includes the cost of building work together with the costs of borrowing incurred to the conclusion of the development phase. Interest and arrangement fees incurred after completion are recognised in the Statement of Financial Activities.

W B HARRIS WILL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2019

1. ACCOUNTING POLICIES – continued

Investments

Investments quoted on stock exchange are valued at market value. Realised gains are recorded as the difference between the proceeds on disposal less the original cost of the investments. Unrealised gains or losses are recorded as the difference between the market value at the year end less the original cost of the investments.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds represent permanent endowment funds provided under the original will and must be retained within the Charity.

With the exception of rental income and the premium received on leases to the school, income generated from endowment funds is unrestricted and can be applied for the objects of the Charity. For rental income and the premium received on leases to the school, the incoming funds are applied to the endowment fund until the bank borrowing taken out to fund the development at the school is cleared.

Distributions

Distributions are made to the school at the Trustee's discretion and are charged in the period in which they are approved and paid.

Significant estimates and judgements

In the application of the Trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered 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 to which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are the valuation of the investment property and is based on the valuation by Lambert & Foster in 2012. The Trustees consider that this is still an appropriate estimate of the property's value.

W B HARRIS WILL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2019

1. ACCOUNTING POLICIES – continued

Financial Instruments

The company enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

c) Impairment of financial assets

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

d) Trade and other creditors

Debt instruments like loans and other accounts payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade payables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

