

Company registration number: 05397969

Charity registration number: 1109073

# **The Elm House Trust**

(A company limited by guarantee)

**Annual Report and Financial Statements**

**for the Year Ended 31 December 2020**

# **The Elm House Trust**

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## **The Elm House Trust**

### **Reference and Administrative Details**

<b>Trustees</b>	Miss J O Ritchie Mr J P W Ritchie Mr R Whiteley
<b>Secretary</b>	Mr R Whiteley
<b>Registered Office</b>	2 Greengate Cardale Park Harrogate North Yorkshire HG3 1GY  The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	05397969
<b>Charity Registration Number</b>	1109073
<b>Investment Managers</b>	Cardale Asset Management Ltd 2 Greengate Cardale Park Harrogate North Yorkshire HG3 1GY
<b>Independent Examiner</b>	Murray Harcourt Partners LLP 6 Queen Street Leeds West Yorkshire LS1 2TW
<b>Solicitors</b>	Browne Jacobson LLP Castle Meadow Road Nottingham NG2 1BF

# **The Elm House Trust**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the unaudited financial statements of the charitable company for the year ended 31 December 2020. The company has no share capital and is a registered charity. The guarantee of each member is limited to £1. Members are the Trustees of the company. The general information on page 1 constitutes part of the Report of the Trustees.

### **Structure, governance and management**

#### ***Nature of governing document***

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. Registered number 5397969.

The Elm House Trust is constituted under a trust deed dated 18 March 2005 and is a registered charity, number 1109073.

#### ***Recruitment and appointment of trustees***

The Trustees who served during the year and since the year end are set out on page 1. The Charity is a company limited by guarantee therefore the Trustees are also the Directors of the charity. Trustees are appointed by the board of Trustees. There were no new trustees appointed during the year.

#### ***Induction and training of trustees***

New trustees are given the appropriate induction to allow them to perform their duties effectively. The Trustees meet on a regular basis to discuss donations to be made to other organisations and the repair of the four properties owned by the Trust. During the year the Trustees read relevant Charity publications and also attended charity seminars in order to keep updated on any Charities Act changes and gain a wider understanding of Charity Law.

#### ***Organisational structure***

A board of Trustees of up to three members administers the charity. The company secretary manages the day-to-day financial and administrative operations of the charity.

#### ***Risk management***

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirms that the systems have been established to enable regular reports to be produced, so that the necessary steps can be taken to manage these risks.

# **The Elm House Trust**

## **Trustees' Report**

### **Objectives and activities**

#### ***Objects and aims***

The objects for which the company is established are for exclusively charitable purposes in North Yorkshire and the North East of England in such amounts, as the Trustees in their absolute discretion think fit. The current objectives of the Trustees are:

To make grants to benefit people living in North Yorkshire, particularly initially in Wensleydale and its side valleys and in Coverdale.

To maintain and when appropriate modernise four houses transferred to the charity by the Founding Trustee. Two of these properties currently have local tenants and a third is occupied by a local woman and her husband who will be given a protected tenancy for life. The fourth property is currently let on a monthly basis to a young couple wanting to live locally at an affordable rent. This fulfils the Trustees wish to provide housing for local people with financial hardship who cannot afford to buy their own property. The Trustees want to encourage key workers to the area to support the community and will provide housing on this basis.

#### ***Public benefit***

The public benefit requirement has continued to be met by this year's donations to Wensleydale School & Sixth Form, partly to fund the member of staff responsible for pupil well-being who provided a range of interventions for young people needing support until lockdown started. The grant continued to contribute to repairs due to the school kitchens being flooded.

Donations have also been made to the Bainbridge, Askrigg and West Burton Federation of primary schools for their new website and to the Middleham Play Group for a storage facility.

In the furtherance of these aims, the Charity's Trustees, have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act. The Elm House Trust met its public benefit requirement through the donations mentioned above.

### **Achievements and performance**

During the year, the Trustees made various donations totalling £37,000 (2019: £30,000) as set out in note 5.

### **Financial review**

At the Balance Sheet date the major asset was the quoted investment portfolio. The result for the year and the Balance Sheet at 31 December 2020 represents a satisfactory position.

#### ***Policy on reserves***

To hold investments for long-term capital and income growth with a view to primarily donating annual income generated. The reserves policy will be reviewed on a regular basis.

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

The Trustees consider it prudent to invest funds in stocks and shares, which are designed for a balanced return from income and capital growth. Their policy is to invest cash in medium risk stocks and shares as part of the overall investment strategy.

## **The Elm House Trust**

### **Trustees' Report**

#### **Plans for future periods**

##### ***Aims and key objectives for future periods***

Wensleydale School & Sixth Form are being supported for the rest of the academic year 2020-2021 towards essential maintenance.

St.Andrew's Church, Aysgarth has still to provide a firm quotation for the glassing in of their Lady Chapel.

Requests have been received for funding towards the Askrigg Church Tower Appeal.

## **The Elm House Trust**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of The Elm House Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the trustees of the charity on 24/6/21 and signed on its behalf by:



Miss J O Ritchie  
Trustee

## **The Elm House Trust**

### **Independent Examiner's Report to the trustees of The Elm House Trust**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 7 to 15.

#### **Respective responsibilities of trustees and examiner**

As the charity's trustees of The Elm House Trust (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of The Elm House Trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

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

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

1. accounting records were not kept in respect of The Elm House Trust as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.



.....  
Mr MJ Hunter, FCA  
Senior Partner

On Behalf of Murray Harcourt Partners LLP  
Chartered Accountants  
6 Queen Street  
Leeds  
West Yorkshire  
LS1 2TW

Date: 22 July 2021



## The Elm House Trust

### Statement of Financial Activities for the Year Ended 31 December 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds  General £	Total 2020 £
<b>Income:</b>			
Income from investment and charitable activities	3	26,615	26,615
Total Income		<u>26,615</u>	<u>26,615</u>
<b>Expenditure on:</b>			
Raising funds		(13,761)	(13,761)
Charitable activities	4	(44,878)	(44,878)
Total Expenditure		(58,639)	(58,639)
Gains/losses on investment assets		<u>41,518</u>	<u>41,518</u>
Net income		<u>9,494</u>	<u>9,494</u>
Net movement in funds		9,494	9,494
<b>Reconciliation of funds</b>			
Total unrestricted funds brought forward		<u>1,434,548</u>	<u>1,434,548</u>
Total unrestricted funds carried forward	12	<u><u>1,444,042</u></u>	<u><u>1,444,042</u></u>

## The Elm House Trust

### Statement of Financial Activities for the Year Ended 31 December 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds  General £	Total 2019 £
<b>Income:</b>			
Income from investments and charitable activities	3	29,144	29,144
Total Income		<u>29,144</u>	<u>29,144</u>
<b>Expenditure on:</b>			
Raising funds		(13,595)	(13,595)
Charitable activities	4	<u>(36,488)</u>	<u>(36,488)</u>
Total Expenditure		(50,083)	(50,083)
Gains/losses on investment assets		<u>108,507</u>	<u>108,507</u>
Net income		<u>87,568</u>	<u>87,568</u>
Net movement in funds		87,568	87,568
<b>Reconciliation of funds</b>			
Total unrestricted funds brought forward		<u>1,346,980</u>	<u>1,346,980</u>
Total unrestricted funds carried forward	12	<u>1,434,548</u>	<u>1,434,548</u>

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2019 is shown in note 12.

**The Elm House Trust**  
**(Registration number: 05397969)**  
**Balance Sheet as at 31 December 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	7	907,500	907,500
Investments	8	676,141	665,744
		<u>1,583,641</u>	<u>1,573,244</u>
<b>Current assets</b>			
Cash at bank and in hand		24,995	25,778
<b>Creditors: Amounts falling due within one year</b>	9	(2,520)	(2,400)
<b>Net current assets</b>		<u>22,475</u>	<u>23,378</u>
<b>Net assets</b>		<u>1,606,116</u>	<u>1,596,622</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds	12	1,444,042	1,434,548
Revaluation reserve	11	162,074	162,074
<b>Total unrestricted funds</b>		<u>1,606,116</u>	<u>1,596,622</u>
<b>Total funds</b>		<u>1,606,116</u>	<u>1,596,622</u>

For the financial year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities:**

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 7 to 15 were approved by the trustees, and authorised for issue on 28/06/21 and signed on their behalf by:



Miss J O Ritchie  
Trustee

# **The Elm House Trust**

## **Notes to the Financial Statements for the Year Ended 31 December 2020**

### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

2 Greengate  
Cardale Park  
Harrogate  
North Yorkshire  
HG3 1GY

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### **Basis of preparation**

The Elm House Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### **Going concern**

The financial statements have been prepared on a going concern basis. Having carried out a detailed review of the company's resources and the challenges presented by the current economic climate, the directors/trustees are confident that the Charity has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of the approval of the financial statements taking into account the Covid-19 (coronavirus) pandemic and the impact this may have on the charity. Attention is drawn to the fact that it is not yet possible to predict the overall impact of the Covid-19 outbreak on the UK economy, but as the charity holds investments, valuations of these investments may have been reduced. These conditions represent a material uncertainty in relation to the going concern status.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

## **The Elm House Trust**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **Income**

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Assets given for use by the charity are recognised as incoming resources when receivable.

#### **Resources Expended**

All expenditure is accounted for on an accruals basis, and has been classified under the headings that aggregate all costs 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. Administration costs are borne by the general fund.

#### **Tangible fixed assets**

Freehold property is carried at fair value fixed as deemed cost at the date of transition to FRS102. As a result, the property will not be subject to annual valuations. The Trustees will however review for impairment at each balance sheet date.

#### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Fund structure**

The funds held by the Charity are unrestricted funds. These are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.

#### **Financial instruments**

##### ***Classification***

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement. Equity instruments are those that entitle the holder to a residual interest in the Charity's assets after deducting all of its liabilities.

Basic financial instruments are recognised at amortised cost, except for investments in nonconvertible preference or non-puttable ordinary shares which are measured at fair value, with changes recognised in the SOFA. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in the SOFA.

## The Elm House Trust

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 3 Income from investments and charitable activities

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Income from listed investments	9,115	9,115	11,894
Rental income	17,500	17,500	17,250
	<u>26,615</u>	<u>26,615</u>	<u>29,144</u>

#### 4 Expenditure on charitable activities

		Unrestricted funds		
		General	Total	Total
	Note	£	2020	2019
			£	£
Provision of accomodation		5,358	5,358	3,968
Grant funding of activities	5	37,000	37,000	30,000
Allocated support costs		2,520	2,520	2,520
		<u>44,878</u>	<u>44,878</u>	<u>36,488</u>

All of the expenditure in both years was attributable to unrestricted funds.

## The Elm House Trust

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 5 Grant-making

##### Analysis of grants

	Grants to individuals	
	2020	2019
	£	£
<b>Analysis</b>		
Middleham Sports & Community	2,000	-
NYCC BAWB Schools	5,000	-
Wensleydale School	30,000	30,000
	<u>37,000</u>	<u>30,000</u>

#### 6 Trustees remuneration and expenses

There were no staff costs during the year (2019 - £nil). In accordance with the company's Memorandum of Association, the Trustees are precluded from receiving any emoluments in respect of their services to the company. The company has no higher paid employees (2019 - £nil).

#### 7 Tangible fixed assets

	Freehold Properties £	Total £
<b>Cost</b>		
At 1 January 2020	<u>907,500</u>	<u>907,500</u>
At 31 December 2020	<u>907,500</u>	<u>907,500</u>
<b>Net book value</b>		
At 31 December 2020	<u>907,500</u>	<u>907,500</u>
At 31 December 2019	<u>907,500</u>	<u>907,500</u>

On transition to FRS 102 the company took the fair value as deemed cost exemption to state its freehold property at its 31 December 2014 valuation of £907,500.

On the historic cost basis the property would have been carried at £745,426 (2019 - £745,426).

## The Elm House Trust

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 8 Fixed asset investments

	2020 £	2019 £
Other investments	<u>676,141</u>	<u>665,744</u>

#### Other investments

	Listed investments £	Total £
<b>Cost or Valuation</b>		
At 1 January 2020	665,744	665,744
Unrealised gain/(loss) on revaluation	4,515	4,515
Additions	418,894	418,894
Disposals	<u>(413,012)</u>	<u>(413,012)</u>
At 31 December 2020	<u>676,141</u>	<u>676,141</u>
<b>Net book value</b>		
At 31 December 2020	<u>676,141</u>	<u>676,141</u>
At 31 December 2019	<u>665,744</u>	<u>665,744</u>

The market value of the listed investments at 31 December 2020 was £676,141 (2019 - £665,744).

The historic cost of the investments at 31 December 2020 was £596,295 (2019 - £587,232).

#### 9 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals	<u>2,520</u>	<u>2,400</u>

#### 10 Taxation

The charity is a registered charity and is therefore exempt from taxation.



## The Elm House Trust

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 11 Reserves

	Revaluation reserve £	Total £
At 1 January 2020	162,074	162,074

#### 12 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
General	1,434,548	26,615	(58,639)	41,518	1,444,042

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2019 £
<b>Unrestricted funds</b>					
General	1,346,980	29,144	(50,083)	108,507	1,434,548

#### 13 Related party transactions

##### Trustees Remuneration and Expenses

No remuneration out of the funds of the charity was paid or payable for the year to any Trustee, or any persons known to be connected with any of them. No reimbursement of expenses has been made or is due to be made to any of the Trustees in respect of the period (2019 - £nil).

##### Related parties

Mr R Whiteley is a director of Cardale Asset Management Ltd which manages the Trust's investment portfolio. During the year the Trust made payments of £13,761 (2019 - £13,595) for investment management services to Cardale Asset Management Ltd and these transactions were made on an arms length basis.