

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

**Annual Report and Unaudited Financial Statements
For the year ended 31 December 2021**

**Company Registered Number 05397969
Charity Commission Registered Reference Number 1109073**

**CARDALE ASSET MANAGEMENT LTD
2 Greengate
Cardale Park
Harrogate
HG3 1GY**

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

**Annual Report and Unaudited Financial Statements
For the year ended 31 December 2021**

Contents:

| | Page |
|--------------------------------------|-------|
| General Information | 1 |
| Report of the Trustees and Directors | 2-5 |
| Statement of Financial Activities | 6 |
| Balance Sheet | 7 |
| Notes to the Financial Statements | 8-13 |
| Independent Examiners Report | 14-15 |

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

General Information

The company is established as a company limited by guarantee and is registered as a charity with the Charity Commission. The affairs of the company are governed by its Memorandum and Articles of Association. The liability of the Members in the event of the company being wound up is limited to a sum not exceeding £1.

| | |
|-----------------------------|--|
| <i>Date of Commencement</i> | 18 March 2005 |
| <i>Trustees</i> | Miss J O Ritchie Mr J P W Ritchie Mr R Whiteley Mrs E J Varley (appointed 21/03/2022) |
| <i>Secretary</i> | Mrs E J Varley |
| <i>Registered Office</i> | 2 Greengate Cardale Park Harrogate HG3 1GY |
| <i>Law of Trust</i> | England and Wales |
| <i>Advisers:</i> | |
| <i>Investment Managers</i> | Cardale Asset Management Ltd 2 Greengate Cardale Park Harrogate HG3 1GY |
| <i>Independent Examiner</i> | Murray Harcourt Partners LLP 6 Queen Street Leeds West Yorkshire LS1 2TW |
| <i>Solicitors</i> | Browne Jacobson LLP Castle Meadow Road Nottingham NG2 1BF |

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

**Report of the Trustees and Directors
For the year ended 31 December 2021**

The Trustees present the report and unaudited financial statements of The Elm House Trust for the year ended 31 December 2021. 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

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 new 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.

Organisation

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
COMPANY LIMITED BY GUARANTEE**

**Report of the Trustees and Directors *(Continued)*
For the year ended 31 December 2021**

Objects and Principal Activities

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.

Achievements and Performance

The public benefit requirement has continued to be met by this year's donations to Wensleydale School & Sixth Form to contribute to repairs due to the school kitchens being flooded.

Donations have been made to the Middleham Play Group for a storage facility.

Statement about public benefit

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.

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

**Report of the Trustees and Directors (*Continued*)
For the year ended 31 December 2021**

Investment powers

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the Trustees see fit.

Review of charitable activities

During the year, the Trustees made various donations totalling £32,000 (2020: £37,000) 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 2021 represents a satisfactory position.

Reserves policy

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.

Plans for future periods

St Oswald's Church Tower appeal in Askrigg is going to be supported during 2022.

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

Investment policy

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.

Tangible fixed assets

The movements in the company's tangible fixed assets are set out in note 6.

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

**Report of the Trustees and Directors *(Continued)*
For the year ended 31 December 2021**

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that year. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

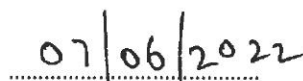
The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

ON BEHALF OF THE TRUSTEES


Jane Ritchie


Date

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

**Unaudited Statement of Financial Activities
(Incorporating an Income & Expenditure Account)
for the year ended 31 December 2021**

| Notes | | Total Funds Year Ended 31/12/2021 £ | Total Funds Year Ended 31/12/2020 £ |
|-------|--|--|--|
| | Incoming from | | |
| 2 | Investment | 11,570 | 9115 |
| 3 | Charitable activities | 17,500 | 17,500 |
| | | <hr/> | <hr/> |
| | Total income | 29,070 | 26,615 |
| | | <hr/> | <hr/> |
| | Expenditure: | | |
| | Costs of generating funds: | | |
| | Investment management costs | 15,665 | 13,761 |
| 4 | Charitable activities: | | |
| | Grant making | 32,000 | 37,000 |
| | Provision of accommodation | 6,672 | 7,878 |
| | | <hr/> | <hr/> |
| | Total expenditure | 54,337 | 58,639 |
| | | <hr/> | <hr/> |
| | Net expenditure before gains on investments | (25,267) | (32,024) |
| | | <hr/> | <hr/> |
| | Net gain/(loss) on investments | 100,500 | 41,518 |
| | | <hr/> | <hr/> |
| | Net income/(expenditure) | 75,233 | 9,494 |
| | | <hr/> | <hr/> |
| | Net movement in funds | 75,233 | 9,494 |
| | | <hr/> | <hr/> |
| | Funds brought forward | 1,606,116 | 1,596,622 |
| | | <hr/> | <hr/> |
| | Funds carried forward | 1,681,349 | 1,606,116 |
| | | <hr/> | <hr/> |

All of the charity's activities are derived from continuing operations.

These unaudited financial statements have been subjected to Independent examination.
See report on pages 14-15.

THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE
Company Registered Number 5397969

UNAUDITED BALANCE SHEET
AS AT 31 DECEMBER 2021

| Note | | <u>2021</u> | | <u>2020</u> | |
|------|--|-------------------|---------------|-------------------|---------------|
| | | £ | £ | £ | £ |
| | Fixed Assets | | | | |
| 6 | Tangible fixed assets | 907,500 | | 907,500 | |
| 7 | Investments | <u>762,594</u> | | <u>676,141</u> | |
| | Total fixed assets | <u>1,670,094</u> | | <u>1,583,641</u> | |
| | Current Assets | | | | |
| | Cash at bank | 13,895 | | 24,995 | |
| | | <u> </u> | | <u> </u> | |
| | Liabilities | | | | |
| 8 | Creditors: amounts falling due within one year | <u>(2,640)</u> | | <u>(2,520)</u> | |
| | Net Current Assets | | <u>11,255</u> | | <u>22,475</u> |
| | Net Assets | <u>1,681,349</u> | | <u>1,606,116</u> | |
| | FUNDS | | | | |
| 11 | Unrestricted funds | 1,519,275 | | 1,444,042 | |
| 13 | Revaluation reserve | 162,074 | | 162,074 | |
| | | <u> </u> | | <u> </u> | |
| | Total funds | <u>1,681,349</u> | | <u>1,606,116</u> | |

For the year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and its members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with FRS102 SORP.

Approved by the Trustees on 07/06/2022 and signed on their behalf by:


Jane Ritchie

The notes on pages 8 to 13 form an integral part of these financial statements

These unaudited financial statements have been subjected to Independent examination.
See report on pages 14-15.

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

**Unaudited Notes to the Financial Statements
for the year ended 31 December 2021**

1. ACCOUNTING POLICIES

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)), Section 1A of the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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.

Taxation

As a registered charity, the company is generally exempt from income tax and capital gains tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

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.

Investments

Listed investments are stated at market value in accordance with SORP 2015 (FRS 102). Any realised or unrealised gains or losses are recognised in the SOFA. Investment income is recognised on a receivable basis.

These unaudited financial statements have been subjected to Independent examination.
See report on pages 14-15.

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

**Unaudited Notes to the Financial Statements
for the year ended 31 December 2021**

Funds

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.

Property – Affordable Housing

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.

Financial instruments

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.

2. INVESTMENT INCOME

| | 2021 | 2020 |
|--------------------------------|--------------|-------------|
| | £ | £ |
| Income from listed investments | 11,570 | 9,115 |
| | <hr/> 11,570 | <hr/> 9,115 |

3. INCOMING FROM CHARITABLE ACTIVITIES

| | 2021 | 2020 |
|---------------|--------------|--------------|
| | £ | £ |
| Rental income | 17,500 | 17,500 |
| | <hr/> 17,500 | <hr/> 17,500 |

These unaudited financial statements have been subjected to Independent examination.
See report on pages 14-15.

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

**Unaudited Notes to the Financial Statements
for the year ended 31 December 2021**

4. EXPENDITURE ON CHARITABLE ACTIVITIES

| | Grant making | Accommodation | Governance | 2021 | 2020 |
|-------------------------|---------------------|----------------------|-------------------|---------------|---------------|
| | £ | £ | £ | £ | £ |
| Direct costs: | | | | | |
| Grant funding | 32,000 | - | - | 32,000 | 37,000 |
| Insurance | - | 1,911 | - | 1,911 | 1,776 |
| Property repairs | - | <u>2,121</u> | - | <u>2,121</u> | <u>3,582</u> |
| | 32,000 | 4,032 | - | 36,032 | 42,358 |
| Support costs: | | | | | |
| Independent examination | - | - | <u>2,640</u> | <u>2,640</u> | <u>2,520</u> |
| | <u>32,000</u> | <u>4,032</u> | <u>2,640</u> | <u>38,672</u> | <u>44,878</u> |

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

5. GRANT-MAKING

| | 2021 | 2020 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Donations made: | | |
| Middleham Sports & Community | 2,000 | 2,000 |
| NYCC BAWB Schools | - | 5,000 |
| Wensleydale School | <u>30,000</u> | <u>30,000</u> |
| | <u>32,000</u> | <u>37,000</u> |

These unaudited financial statements have been subjected to Independent examination.
See report on pages 14-15.

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

**Unaudited Notes to the Financial Statements
for the year ended 31 December 2021**

6. TANGIBLE FIXED ASSETS

| | <u>Freehold Properties</u> |
|---|---------------------------------------|
| | <u>£</u> |
| Cost at 1 January 2021 and 31 December 2021 | 907,500 |
| Net book value at 31 December 2021 | <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 (2020: £745,426).

7. FIXED ASSET INVESTMENTS

| | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| Valuation of listed investments | 762,594 | 676,141 |
| Movement in investments: | | |
| Market value brought forward | 676,141 | 665,744 |
| Additions to investments at cost | 327,880 | 418,894 |
| Disposals at cost | (275,233) | (413,012) |
| Less: Un-realised gain/(loss) on re-valuation | 33,806 | 4,515 |
| Market value as at 31 December 2021 | <u>762,594</u> | <u>676,141</u> |
| The listed investments are represented by: | | |
| Overseas equities | 89,878 | 62,542 |
| UK equities | 597,928 | 516,351 |
| Unit trusts | 36,602 | 28,158 |
| Fixed Interest | 38,186 | 69,090 |
| | <u>762,594</u> | <u>676,141</u> |

The historic cost of investments at 31 December 2021 was £648,878 (2020: £596,295).

These unaudited financial statements have been subjected to Independent examination.
See report on pages 14-15.

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

**Unaudited Notes to the Financial Statements
for the year ended 31 December 2021**

8. CREDITORS: Amounts falling due within one year

| | 2021 | 2020 |
|----------|-------------------|-------------------|
| | £ | £ |
| Accruals | 2,640 | 2,520 |
| | <hr/> 2,640 <hr/> | <hr/> 2,520 <hr/> |

9. EMPLOYEE INFORMATION

There were no staff costs during the year (2020: £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 (2020: £nil)

10. RELATED PARTY TRANSACTIONS AND TRUSTEES REMUNERATION EXPENSES

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 (2020: £nil).

Related parties

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 £15,665 (2020: £13,761) for investment management services to Cardale Asset Management Ltd and these transactions were made on an arms-length basis.

These unaudited financial statements have been subjected to Independent examination.
See report on pages 14-15.

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

**Unaudited Notes to the Financial Statements
for the year ended 31 December 2021**

11. MOVEMENTS IN UNRESTRICTED FUNDS

| | 1 January 2021 £ | Income £ | Expenditure £ | Gain on investments £ | 31 December 2021 £ |
|---------------------|------------------------|---------------|------------------|-----------------------------|--------------------------|
| Unrestricted funds | 1,444,042 | 29,070 | (54,337) | 100,500 | 1,519,275 |
| Revaluation reserve | <u>162,074</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>162,074</u> |
| | <u>1,606,116</u> | <u>29,070</u> | <u>(54,337)</u> | <u>100,500</u> | <u>1,681,349</u> |

**12. STATEMENT OF CHANGES IN RESOURCES APPLIED FOR FIXED ASSETS
FOR CHARITY USE**

| | Unrestricted £ | Total £ |
|---------------------------------------|-------------------|------------------|
| Funds as at 1 January 2021 | 1,606,116 | 1,606,116 |
| Net movement in funds for the year | 75,233 | 75,233 |
| | <u>1,681,349</u> | <u>1,681,349</u> |

13. REVALUATION RESERVE £

| | |
|---|----------------|
| | £ |
| As at 1 January 2021 and 31 December 2021 | <u>162,074</u> |

These unaudited financial statements have been subjected to Independent examination.
See report on pages 14-15.

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE ELM HOUSE TRUST CHARITY LTD**

I report on the financial statements of The Elm House Trust for the year ended 31 December 2021, which are set out on pages 6 to 13.

Respective responsibilities of trustees and examiner

The trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the financial statements, in accordance of the Companies Act 2006 ("the 2006 Act"). The trustees consider that an audit is not required for this year under Part 16 of the 2006 Act and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under Part 16 of the 2006 Act and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011 ("the 2011 Act");
- to follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a "true and fair view" and the report is limited to those matters set out in the statement below.

**THE ELM HOUSE TRUST
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE ELM HOUSE TRUST CHARITY LTD**

Independent examiner's statements

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records: or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of the an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (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.



.....
Mark Hunter, FCA
Senior Partner

ON BEHALF OF MURRAY HARCOURT PARTNERS LLP
Chartered Accountants
6 Queen Street
Leeds
West Yorkshire
LS1 2TW

Date: 8 June 2022

