

THE CRESCENT TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2018

THE CRESCENT TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	R A F Lascelles J C S Tham
Charity number	327644
Principal address	9 Queripel House 1 Duke of York Square London SW3 4LY
Independent examiner	Andrew Miller BSc FCA Rothman Pantall LLP Trinity Court 34 West Street Sutton Surrey SM1 1SH

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THE CRESCENT TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2018

The trustees present their annual report and accounts of the charity for the year ended 5 April 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The purpose of the Trust, both long-term and short-term, is to benefit charities in general, but particularly charitable causes relating to the encouragement and protection of nature, gardens and the Arts. The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, and setting the grant making policy for the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Independent Examination should undertake.

The principal activity of the trust during the year was to provide cash donations to a number of other charities, which are shown under Donations to Institutions in Expenditure within the Statement of Financial Activities. The trustees decide on an annual basis which charities they will support with emphasis on the areas mentioned above.

The Trust has continued to place increasing emphasis on maintaining land and gardens for the benefit of the public and the encouragement of wildlife.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Independent Examination continues and that the appropriate training is arranged. It is the policy of the Independent Examination that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Achievements and performance

During the year, donations of £42,579 (2017 - £267,252) and a gift aid claim of £5,000 (2017 - £50,000) were received. The Trust has also made substantial donations of £52,250 (2017 - £70,119) during the year which are outlined in note 8 to the financial statements.

The Trusts investment property has maintained its value during the year. Investments in UK companies with a value of £160,058 were disposed of. During the year, gains of £17,069 (2017 - loss of £8,460) on the UK listed shares were recognised.

Financial review

Income has decreased during the year due to a reduction in the donations received. As a result, there has been an overall net decrease in funds of £1,467 (2017 - gain of £235,223) before any investment gain or losses. Donations to charities are made when funds allow and all funds are considered to be unrestricted.

The unrestricted reserves, excluding investments and money designated for capital commitments, is £406,186 (2017 - £251,022) as at 5th April 2018. No reserves policy is in place as the level of donations to institutions and activity is dependent on the donations received and investment income. Overall, the fund balances remain consistent on the prior year.

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

THE CRESCENT TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

The trustees intend to operate the charity in a similar manner for the foreseeable future, but with increasing focus on the encouragement of the public to appreciate gardens and the protection of wildlife.

Over the next 12 months, the trustees anticipate a continued level of donations and investment income.

Structure, governance and management

The Independent Examination is a registered charity, number 327644, and is constituted under a charitable trust deed dated 10th September 1987.

The trustees who served during the year were:

R A F Lascelles

J C S Tham

The charity's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The charity's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the charity's contractual and other legal obligations.

The trustees consider the board of trustees to be key personnel of the charity in charge of directing and controlling the charity. The charity has no direct employees and therefore all decisions are made by the trustees for which no remuneration is paid. No appointments or resignations occurred during the year and there is no formal process for recruiting, appointing or training trustees.

THE CRESCENT TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Independent Examination and of the incoming resources and application of resources of the Independent Examination for that year.

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Independent Examination and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.

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R A F Lascelles

Trustee

Dated: 22/1/2019



THE CRESCENT TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE CRESCENT TRUST

Independent examiner's report to the trustees of The Crescent Trust

I report to the trustees on my examination of the accounts of The Crescent Trust (the Trust) for the year ended 5 April 2018, which are set out on pages 5 to 14.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

- 1) accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- 2) the accounts do not accord with those records; or
- 3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Andrew Miller BSc FCA
Rothman Pantall LLP
Independent Examiner
ICAEW

Trinity Court
34 West Street
Sutton
Surrey
SM1 1SH

Dated: 28/01/19.

THE CRESCENT TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 5 APRIL 2018

	Notes	2018 £	2017 £
<u>Income and endowments from:</u>			
Donations and legacies	3	42,579	267,252
Investments	4	21,259	3,589
Other income	5	5,000	50,000
Total income		68,838	320,841
<u>Expenditure on:</u>			
Raising funds	6	3,000	4,094
Charitable activities	7	67,305	81,524
Total expenditure		70,305	85,618
Net gains on investments	13	5,811	(8,460)
Net movement in funds		4,344	226,763
Fund balances at 6 April 2017		869,448	642,685
Fund balances at 5 April 2018		873,792	869,448

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

All income and expenditure derive from continuing activities.

THE CRESCENT TRUST

BALANCE SHEET

AS AT 5 APRIL 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	14		108,003		108,003
Investments	15		359,603		510,423
			<u>467,606</u>		<u>618,426</u>
Current assets					
Stocks	17	48,250		48,250	
Debtors	18	148,908		10,653	
Cash at bank and in hand		235,037		214,652	
		<u>432,195</u>		<u>273,555</u>	
Creditors: amounts falling due within one year	19	(26,009)		(22,533)	
Net current assets			<u>406,186</u>		<u>251,022</u>
Total assets less current liabilities			<u>873,792</u>		<u>869,448</u>
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		829,855		825,511	
Revaluation reserve		43,937		43,937	
			<u>873,792</u>		<u>869,448</u>
			<u>873,792</u>		<u>869,448</u>

The accounts were approved by the Trustees on 23/1/2019

RAF Lascelles
Trustee

THE CRESCENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2018

1 Accounting policies

Charity information

The Crescent Trust is constituted under a charitable trust deed dated 10th September 1987.

1.1 Accounting convention

The accounts have been prepared in accordance with the Independent Examination's charitable deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Independent Examination is a Public Benefit Entity as defined by FRS 102.

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

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

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

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the Independent Examination has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Incoming resources

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

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

Legacies are recognised on receipt or otherwise if the Independent Examination has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

THE CRESCENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

1 Accounting policies

(Continued)

1.5 Resources expended

Governance and support costs, which are the costs associated with the governance arrangements of the trust and relate to the general running of the trust, have been apportioned between charitable activities based on the direct costs involved.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Land for conservation is carried at its valuation and reviewed for any gains or impairment losses on an annual basis.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Valuation of land and buildings held as an investment property has not been valued by an independent valuer.

1.8 Impairment of fixed assets

At each reporting end date, the Independent Examination reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE CRESCENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2018

1 Accounting policies

(Continued)

1.11 Financial instruments

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

Financial instruments are recognised in the Independent Examination's balance sheet when the Independent Examination becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Independent Examination's contractual obligations expire or are discharged or cancelled.

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

1.13 Grant funding

Grants expended to charities are accounted for on the basis of the date they are paid to the charity.

1.14 Taxation

As a registered charity, the trust 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.

THE CRESCENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

2 Critical accounting estimates and judgements

In the application of the Independent Examination's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The trustees have used judgement when deciding how to allocate support and governance costs across the two activities. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	2018	2017
	£	£
Donations and gifts	42,579	267,252

4 Investments

	2018	2017
	£	£
Rental income	11,924	327
Income from listed investments	9,313	3,259
Interest receivable	22	3
	21,259	3,589

5 Other income

	2018	2017
	£	£
Claim for repayment of income tax	5,000	50,000

THE CRESCENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2018

6 Raising funds

	2018	2017
	£	£
Investment management charges	687	872
Investment property expenditure	2,313	3,222
	<u>3,000</u>	<u>4,094</u>

Included within investment property expenditure is repairs and maintenance of £1,296 (2017 - £1,003), insurance of £480 (2017 - £422), rates of £267 (2017 - £555) and a letting agent fee of £270 (2017 - £1,242).

7 Charitable activities

	Donations to Institutions £	Gardens & Nature Conservation £	Total 2018 £	Total 2017 £
Gardens & Nature conservation	-	3,640	3,640	-
Foreign exchange loss	-	1,478	1,478	1,753
Legal & professional	-	-	-	717
Loss on sale of art	-	-	-	3,900
	<u>-</u>	<u>5,118</u>	<u>5,118</u>	<u>6,370</u>
Grant funding of activities (see note 8)	52,250	-	52,250	70,119
Share of governance costs (see note 9)	8,976	961	9,937	5,035
	<u>61,226</u>	<u>6,079</u>	<u>67,305</u>	<u>81,524</u>

THE CRESCENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

8 Grants payable

	2018 £	2017 £
Grants to institutions:		
Chalke Valley History Trust	7,500	7,000
PMSA	4,500	36,000
Team Domenica	5,000	-
The Attingham Trust	11,000	5,000
The Garden Museum	5,000	5,000
Watts Gallery	2,500	5,000
Victoria & Albert Museum	-	1,519
Epilepsy Society	10,000	-
Other	6,750	10,600
	<u>52,250</u>	<u>70,119</u>

All of the above grants are in line with the general objectives of the trust and its trustees.

Grants that are in excess of 5% of the total grants for the period are shown separately.

9 Support costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
IE fees	-	4,980	4,980	4,980	Proportion of direct costs
Legal and professional	-	4,957	4,957	-	Proportion of direct costs
Bank charges	-	-	-	55	Proportion of direct costs
	<u>-</u>	<u>9,937</u>	<u>9,937</u>	<u>5,035</u>	
Analysed between					
Charitable activities	-	9,937	9,937	5,035	
	<u>-</u>	<u>9,937</u>	<u>9,937</u>	<u>5,035</u>	

Governance costs includes payments to the Independent Examiners of £4,980 (2017- £4,980) for independent examiner fees.

THE CRESCENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2018

10 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2018 £	2017 £
Independent Examination	4,980	4,980
Non-audit services		
Other taxation services	1,657	-

11 Trustees

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

12 Employees

There were no employees during the year.

13 Net gains/(losses) on investments

	2018 £	2017 £
Revaluation of investments	17,069	(8,460)
Gain/(loss) on sale of investments	(13,706)	-
Fair Value adjustments to financial instruments	2,448	-
	5,811	(8,460)

14 Tangible fixed assets

	Land for conservation £
Cost	
At 6 April 2017	108,003
At 5 April 2018	108,003
Carrying amount	
At 5 April 2018	108,003
At 5 April 2017	108,003

THE CRESCENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

15 Fixed asset investments

	Listed investments £	Unlisted investments £	Land & Buildings £	Total £
Cost or valuation				
At 5 April 2018	165,763	26,693	317,967	510,423
Valuation changes	(8,182)	11,545	5,875	9,238
Disposals	(147,445)	(12,613)	-	(160,058)
	<u>10,136</u>	<u>25,625</u>	<u>323,842</u>	<u>359,603</u>
At 5 April 2018				
	<u>10,136</u>	<u>25,625</u>	<u>323,842</u>	<u>359,603</u>
Carrying amount				
At 05 April 2018	10,136	25,625	323,842	359,603
	<u>10,136</u>	<u>25,625</u>	<u>323,842</u>	<u>359,603</u>
At 05 April 2017	165,763	26,693	317,967	510,423
	<u>165,763</u>	<u>26,693</u>	<u>317,967</u>	<u>510,423</u>

16 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	-	8,686
Instruments measured at fair value through profit or loss	148,847	-
	<u>148,847</u>	<u>8,686</u>
Carrying amount of financial liabilities		
Measured at amortised cost	26,009	22,533
	<u>26,009</u>	<u>22,533</u>

Financial instruments at fair value through profit or loss which are not held as part of a trading portfolio and are not derivatives

Financial instruments measured at fair value have been calculated using the retail price index as stated in the contract details. A fair value increase of £2,448 has been recognised through the statement of financial activities.

17 Stocks	2018 £	2017 £
Finished goods and goods for resale	48,250	48,250
	<u>48,250</u>	<u>48,250</u>

THE CRESCENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

18 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Other debtors	148,847	8,686
Prepayments and accrued income	61	1,967
	<u>148,908</u>	<u>10,653</u>

19 Creditors: amounts falling due within one year

	2018 £	2017 £
Other creditors	10,000	5,900
Accruals and deferred income	16,009	16,633
	<u>26,009</u>	<u>22,533</u>

Accruals and deferred income includes deferred income of £11,029 (2017 - £11,613) relating to rental income.