

REGISTERED CHARITY NUMBER: 277719

W.B.HARRIS WILL TRUST
Tongswood Estates Limited

REPORT & ACCOUNTS

For the year ended 31st December 2018

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

W B HARRIS WILL TRUST

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**W B HARRIS WILL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2018**

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 £16,793 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 2018

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 (2017: NIL) to the WB Harris Will.

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 2018

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 £Nil (2017: £2,000) 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 £ 170,031 (2017: £254,540) with capital repayments which commenced in October 2007 running until 2020. During the year end, 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 £346,117 (2017: £391,503) 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 £9,970 and from cash reserves held by the Trust. The total costs of resources expended by the Trust totalled £57,447, 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 2018

Fundraising activities

The Charity has no fundraising activities.

Investment performance

£28,066 of funds have been invested in new shares and £32,733 has been generated by the disposal of shares. The shares are held and administered by Investec stockbrokers. The portfolio has decreased in value during the year by £32,012, reflecting the position of the stock market, with a closing market value of £286,848 .

Dividend and interest income generated by the portfolio amounts to £9,970.

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 2018

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 2018

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.....2019

.....
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 2018 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 2018 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.

2019

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

Statement of Financial Activities for the year ended 31st December 2018

	2018 £	2018 £	2018 £	2017 £	2017 £	2017 £
	Unrestricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Endowment Funds	Total Funds
Incoming Resources						
Incoming resources from generated funds						
<u>Voluntary Income</u>						
Donations from St Ronans Appeal Fund		-	-			-
<u>Investment Income</u>						
Dividends & Interest (page 14)	9,969.87	-	9,969.87	10,901.33	-	10,901.33
Rent paid by St Ronans School	-	172,299.99	172,299.99	-	172,299.99	172,299.99
Refunded Swap monies NatWest Bank	-	-	-	-	-	-
Refunded bank charges	-	-	-	-	-	-
Deposit Interest (page 11)	-	-	-	-	-	-
	9,969.87	172,299.99	182,269.86	10,901.33	172,299.99	183,201.32
Resources Expended						
<u>Costs of generating funds:</u>						
<u>Investment management costs</u>						
Investec Stockbrokers fees	-	3,328.96	3,328.96	-	3,449.63	3,449.63
	-	3,328.96	3,328.96	-	3,449.63	3,449.63
<u>Charitable activities</u>						
Distributions - St Ronan's School		-	-	2,000.00	-	2,000.00
<u>Governance costs</u>						
Audit & accountancy fees	2,180.00	2,180.00	4,360.00	2,115.00	2,115.00	4,230.00
Companies House Charges	-	-	-	-	-	-
Trustees indemnity insurance	-	522.00	522.00	-	512.00	512.00
Legal & administrative fees	4,198.12	12,594.38	16,792.50	4,196.88	12,590.63	16,787.51
	6,378.12	15,296.38	21,674.50	6,311.88	15,217.63	21,529.51
<u>Other resources expended</u>						
Interest payable	-	32,351.11	32,351.11	-	37,719.75	37,719.75
Interest Rate Swap	-	-	-	-	-	-
Bank charges	-	93.00	93.00	-	92.99	92.99
	-	32,444.11	32,444.11	-	37,812.74	37,812.74
Total resources expended	6,378.12	51,069.45	57,447.57	8,311.88	56,480.00	64,791.88
Net gains/(losses) on investments						
<u>(Losses)/Gains on investments:</u>						
Realised (page 15)	-	8,174.67	8,174.67	-	(7,874.13)	(7,874.13)
Unrealised (page 13)	-	(32,011.99)	(32,011.99)	-	30,338.79	30,338.79
Net gains/(losses) on investments	-	(23,837.32)	(23,837.32)	-	22,464.66	22,464.66
Net Income/(Expenditure)	3,591.75	97,393.22	100,984.97	2,589.45	138,284.65	140,874.10
Other recognised gains/(losses)						
<u>Gains/(losses) on investment property assets:</u>						
Unrealised (note 5)	-	-	-	-	-	-
Net movement in funds	3,591.75	97,393.22	100,984.97	2,589.45	138,284.65	140,874.10
Reconciliation of Funds						
Total Funds brought forward	11,600.68	7,400,466.53	7,412,067.21	9,011.23	7,262,181.88	7,271,193.11
Total funds carried forward	15,192.43	7,497,859.75	7,513,052.18	11,600.68	7,400,466.53	7,412,067.21

The Charity has neither discontinued any of its operations nor acquired new ones in the current or prior year.

W B HARRIS WILL TRUST

Balance Sheet as at 31st December 2018

	2018 £	2018 £	2018 Total Funds	2017 £	2017 £	2017 Total Funds
	Unrestricted Fund	Endowment Fund		Unrestricted Funds	Endowment Funds	
FIXED ASSETS						
<i><u>Fixed Assets - Investment Property</u></i>						
Tongswood Estate (note 5)	-	7,750,000.00	7,750,000.00	-	7,750,000.00	7,750,000.00
Assets in the Course of Construction (note 5)	-	-	-	-	-	-
Total Tangible Fixed Assets	-	7,750,000.00	7,750,000.00	-	7,750,000.00	7,750,000.00
Investments at Market Value (page 13)	-	286,848.00	286,848.00	-	315,352.00	315,352.00
	-	8,036,848.00	8,036,848.00	-	8,065,352.00	8,065,352.00
CURRENT ASSETS						
<i><u>Debtors</u></i>						
Debtors (page 11)	-	5,903.51	5,903.51		9,457.08	9,457.08
Cash at Bank and in hand (page 11)	26,623.38	5,030.94	31,654.32	26,363.26	3,801.20	30,164.46
	26,623.38	10,934.45	37,557.83	26,363.26	13,258.28	39,621.54
CREDITORS						
Amounts falling due within one year (page 11)	11,430.95	208,007.77	219,438.72	14,762.58	187,969.74	202,732.32
NET CURRENT ASSETS	15,192.43	(197,073.32)	(181,880.89)	11,600.68	(174,711.46)	(163,110.78)
TOTAL ASSETS less CURRENT LIABILITIES	15,192.43	7,839,774.68	7,854,967.11	11,600.68	7,890,640.54	7,902,241.22
CREDITORS						
Amounts falling due in more than one year (page 12)	-	(341,914.93)	(341,914.93)	-	(490,174.00)	(490,174.00)
NET ASSETS	15,192.43	7,497,859.75	7,513,052.18	11,600.68	7,400,466.54	7,412,067.22
FUNDS						
Unrestricted	15,192.43	-	15,192.43	11,600.69	-	11,600.69
Endowment (page 6)	-	7,497,859.75	7,497,859.75	-	7,400,466.54	7,400,466.54
Total	15,192.43	7,497,859.75	7,513,052.18	11,600.69	7,400,466.54	7,412,067.23

The financial statements have been prepared in accordance with the Financial Reporting Standard 102 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

These financial statements were approved by Board of Trustees on **and were signed on its behalf by:**

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

.....
Dan Bayley Esq - Director on behalf of Tongswood Estates Limited

.....
Guy Selmon Esq - Director on behalf of Tongswood Estates Limited

.....
Piers Inkin Esq - Director on behalf of Tongswood Estates Limited

W B HARRIS WILL TRUST

Debtors, Cash Balances & Creditors as at 31st December 2018

	2018 £	2018 £	2018 £	2017 £
	Unrestricted Fund	Endowment Fund	Total Fund	
DEBTORS				
Interest from Ashfords Solicitors		-	-	
St Ronans School rent due on new Sports Hall	-	-	-	-
Transfers between unrestricted and endowment funds	-	5,903.51	5,903.51	10,025.93
	-	5,903.51	5,903.51	10,025.93
CASH BALANCES				
Investec Stockbrokers	-	5,030.94	5,030.94	3,801.20
Ashfords Client Account	42.00	-	42.00	
NatWest Bank Business Account	26,581.38	-	26,581.38	26,363.26
	26,623.38	5,030.94	31,654.32	30,164.46
DEPOSIT INTEREST				
Investec	-	-	-	
Ashfords		-	-	
Natwest Bank (gross)		-	-	
	-	-	-	0.00
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
Natwest Bank Loans due within one year	-	174,232.89	174,232.89	155,868.91
Transfers between unrestricted and endowment funds	5,903.51	-	5,903.51	10,025.93
VAT payable	1,618.59	-	1,618.59	1,998.00
McCabe Ford Williams	2,180.00	2,180.00	4,360.00	4,230.00
Ashfords fees	1,728.85	5,186.55	6,915.40	4,770.00
Rent in advance from St Ronans School	-	26,408.33	26,408.33	26,408.33
	11,430.95	208,007.77	219,438.72	203,301.17

W B HARRIS WILL TRUST

Debtors, Cash Balances & Creditors as at 31st December 2018

	2018	2018	2018	2017
	£	£	£	£
	Unrestricted	Endowment	Total	
	Fund	Fund	Fund	

CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

Natwest Bank Loan - Pre-Prep School Developer	-	170,030.79	170,030.79	254,540.27
Natwest Bank Loan - New Sports Hall	-	346,117.03	346,117.03	391,502.64
Less: Due within one year	-	(174,232.89)	(174,232.89)	(155,868.91)
	-	341,914.93	341,914.93	490,174.00

The amounts falling due in more than five years:

Bank loan more than five years

Repayable by instalments

-	-
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The following secured debts are included within creditors

Natwest Bank Loan - Pre-Prep School Developer	-	170,030.79	170,030.79	254,540.27
NatWest Bank Loan - New Sports Hall	-	346,117.03	346,117.03	391,502.64
	-	516,147.82	516,147.82	646,042.91

The bank loans are secured against the Tongswood Estate property.

The pre-prep school development loan was repayable over 14 years, commencing in October 2007 by instalments every four months. During the year, this loan has been repaid and replaced by a loan for £382,603 repayable from June 2016 by 54 monthly instalments of £7,642.44 at a fixed interest rate of 3.36%.

The sports hall development loan facility is for £750,000. It was initially drawn down in December 2009 with the remainder of the loan drawn during 2010. As at 31 December 2018, the balance stood at £332,366.74. The interest charge was at 2.5% over the Bank Base Rate for 12 months. It then moved to a fixed rate interest of 6.600% per annum. The loan is repayable by 56 quarterly repayments starting from March 2011 and running to 2024.

W B HARRIS WILL TRUST

Schedule of Investments for the year ended 31st December 2018

	Investments held at 1.1.18		Investments held at 31.12.18		
	Holding	£ Book Value	Holding	£ Book Value	£ Market Value
Fixed Interest					
FIL Fidelity Moneybuilder			9,000	11,037.19	10,656.00
SQN Asset Finance Income Fund Ltd	11,000	11,770.80	11,000	11,770.80	10,648.00
Oaktree (Lux) Fund Gbl Yield	200	19,969.00	200	19,969.00	18,184.00
Invesco Corporate Bond	7,800	16,641.98	7,800	16,535.55	15,949.00
		<u>48,381.78</u>		<u>59,312.54</u>	<u>55,437.00</u>
UK Equities, Investment & Unit Trusts					
Murray Income Trust Ord 25p	2,300	10,948.31	2,300	10,948.31	16,652.00
Perpetual Income & Growth Inv Tt 10p	3,250	6,744.91			
Diverse Income Trust Ord 1p	14,500	7,505.88	14,500	7,505.88	13,485.00
Mercantile Inv Tt Ord 25p	900	3,725.86	9,000	3,725.86	15,778.00
		<u>28,924.96</u>		<u>22,180.05</u>	<u>45,915.00</u>
Overseas Equities					
J P Morgan Fleming Euro Fledgling Inc	5,500	3,296.09	5,500	3,296.09	18,068.00
JP Morgan US Equity Inc	9,600	14,164.17	6,400	9,442.78	18,880.00
Schroder Oriental Ord 1p	8,500	10,469.55	8,500	10,469.55	19,720.00
Utilico Emerging Markets	6,000	11,678.00	6,000	11,678.00	12,278.00
		<u>39,607.81</u>		<u>34,886.42</u>	<u>68,946.00</u>
International Equities					
BNY Mellon Newton Higher Inc	18,000	14,718.43	18,000	14,718.43	24,955.00
F & C Inv Trust	3,200	17,456.48	3,200	17,456.48	20,304.00
Murray International Trust	1,550	10,681.63	1,550	10,681.63	17,577.00
Blackrock Comm Inc Ord 1p	15,000	19,050.13			
Caledonia Investments Ord 5p	500	7,358.12	500	7,358.12	14,113.00
Polar Capital Fund Global Ins	2,250	10,876.86	2,250	10,876.86	11,018.00
		<u>80,141.65</u>		<u>61,091.52</u>	<u>87,967.00</u>
Property					
Schroder Real Estate	20,000	16,292.64	20,000	16,292.64	11,340.00
Alternate Assets					
Nextenergy Solar F Red			6,500	7,148.60	7,443.00
Personal Assets Trust			25	9,987.13	9,800.00
		<u>0.00</u>		<u>17,135.73</u>	<u>17,243.00</u>
Hedge Funds					
Aviva Investors Funds	13,000	13,092.20		0.00	0.00
		<u>13,092.20</u>		<u>0.00</u>	<u>0.00</u>
Summary					
Fixed Interest		48,381.78		59,312.54	55,437.00
UK Equities, Investment & Unit Trusts		28,924.96		22,180.05	45,915.00
Overseas Equities		39,607.81		34,886.42	68,946.00
International Equities		80,141.65		61,091.52	87,967.00
Property		16,292.64		16,292.64	11,340.00
Alternate Assets		0.00		17,135.73	17,243.00
Hedge Funds		13,092.20		0.00	0.00
		<u>226,441.04</u>		<u>210,898.90</u>	<u>286,848.00</u>
Unrealised gain					75,949.10
Unrealised gain arising in earlier years					(107,961.09)
Movement in unrealised gain/(loss) in 2018					<u>(32,011.99)</u>

W B HARRIS WILL TRUST

Investment Income for the year ended 31st December 2018

Description	Holding £	Date	Interest £	Gross £	Dividend £
Overseas Fixed Interest					
FIL Moneybuilder	9,000	26/04/2018		15.54	
		28/05/2018		28.86	
		26/06/2018		29.38	
		26/07/2018		29.37	
		24/08/2018		30.20	
		26/09/2018		30.14	
		26/10/2018		28.49	
		26/11/2018		30.29	
		24/12/2018		29.39	
Invesco Corporate Bond	7,800	30/06/2018		134.58	
		31/12/2018		251.16	
Oaktree (Lux) Fund Oaktree Gb	200	08/01/2018		233.59	
		09/04/2018		227.79	
		09/07/2018		250.46	
		09/10/2018		237.73	
					<u>1,586.97</u>
Hedge Funds					
Aviva Multi-Strategy Target 2	12,878	31/01/2018		45.07	
		28/02/2018		45.07	
		29/03/2018		45.07	
		30/04/2018		53.21	
		31/05/2018		39.92	
		29/06/2018		39.92	
		31/07/2018		39.92	
		31/08/2018		39.92	
		28/09/2018		39.92	
				<u>388.02</u>	
Unit Trust Investment					
SQN Asset Finance	11,000	23/01/2018		66.46	
		19/02/2018		66.46	
		19/03/2018		66.46	
		18/04/2018		66.46	
		21/05/2018		66.46	
		18/06/2018		66.46	
		16/07/2018		66.46	
		16/08/2018		66.46	
		17/09/2018		66.46	
		17/10/2018		66.46	
		19/11/2018		66.46	
		17/12/2018		66.46	
				<u>797.52</u>	
Investment & Unit Trusts					
Foreign & Colonial Inv Tst	3,200	01/02/2018			86.40
		01/05/2018			86.40
		01/08/2018			86.40
		01/11/2018			86.40
Mercantile Investment Trust	900	01/02/2018			94.50
		09/05/2018			193.50
		01/08/2018			112.50
		01/11/2018			112.50
Murray Income Trust	2,300	12/01/2018			184.00
		29/03/2018			184.00
		29/06/2018			184.00
		08/11/2018			212.75
Perpetual Income & Growth	3,250	29/03/2018			102.38
Nextenergy Solar F	6,500	28/09/2018			108.06
		28/12/2018			108.06
Diverse Income Trust	14,500	28/02/2018			108.75

W B HARRIS WILL TRUST

Investment Income for the year ended 31st December 2018

Description	Holding £	Date	Interest £	Gross £	Dividend £
		31/05/2018			116.00
		31/08/2018			123.25
		30/11/2018			145.00
		30/11/2018			33.35
					<u>2,468.20</u>
Overseas Equities					
Polar Capital Fund Global Ins	2,250	31/01/2018			40.73
		30/04/2018			48.15
		03/08/2018			76.50
		01/11/2018			38.70
J P Morgan Euro Fledgling Inc	5,500	19/01/2018			66.00
		18/07/2018			302.50
J P Morgan Am UK Equity Income	9,600	31/01/2018			136.32
		30/04/2018			146.88
		31/07/2018			144.00
	6,400	31/10/2018			85.12
Caledonia Investment Trust	500	11/01/2018			77.50
		09/08/2018			207.50
Schroder Oriental	8,500	19/02/2018			144.50
		04/05/2018			144.50
		17/08/2018			153.00
		30/11/2018			382.50
Murray International Trust	1,550	19/02/2018			170.50
		18/05/2018			263.50
		17/08/2018			178.25
		19/11/2018			178.25
BNY Mellon Newton Income	18,000	28/02/2018			168.95
		31/05/2018			140.80
		31/08/2018			360.76
		30/11/2018			142.65
Utilico Emerging Markets Ord 1	6,000	01/03/2018			108.00
		13/04/2018			108.00
		21/09/2018			108.00
		21/12/2018			108.00
					<u>4,230.06</u>
Property					
Schroder Real Estate Trust	20,000	07/03/2018			54.00
		31/05/2018			54.00
		31/08/2017			54.00
		05/12/2018			57.10
Schroder Real Estate REIT	20,000	07/03/2018			70.00
		31/05/2018			70.00
		31/08/2018			70.00
		05/12/2018			70.00
					<u>499.10</u>
Summary				Income £	
Overseas Fixed Interest				1,586.97	
Hedge Funds				388.02	
Unit Trust Interest				797.52	
Investment & Unit Trusts				2,468.20	
Overseas Equities				4,230.06	
Property				499.10	
				<u>9,969.87</u>	

W B HARRIS WILL TRUST
Year ended 31 December 2018

Schedule of Investment Transactions

Disposals			£	£	£
Date	Nominal	Description	Book Value	Proceeds	Gain/(Loss)
18/09/2018	13,000	Aviva Investors Funds	13,092.20	11,540.17	(1,552.03)
21/06/2018	3,200	JP Morgan US Equity Inc	4,721.39	9,789.00	5,067.61
13/03/2018	3,250	Perpetual Inc & Growth	6,744.91	11,404.00	4,659.09
			<u>24,558.50</u>	<u>32,733.17</u>	<u>8,174.67</u>

Acquisitions

Date	Nominal	Description	Book Value	Mode
14/03/2018	9,000	FIL Moneybuilder	11,037.19	Purchase
25/05/2018	8,100	Mercantile Inv sub-division		capital change
22/06/2018	6,500	Nextenergy Solar F	7,148.60	Purchase
29/06/2018		Invesco Corporate Bond	- 106.43	Equalisation
20/09/2018	25	Personal Assets Trust	9,987.13	Purchase
			<u>28,066.49</u>	

Summary

01/01/2017	Book Value	207,390.91
	Less Disposals at cost (as above)	<u>24,558.50</u>
		182,832.41
	Add Acquisitions at cost (as above)	<u>28,066.49</u>
31/12/2017	Book Value	<u><u>210,898.90</u></u>

W B HARRIS WILL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

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 2018

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 judgments

In the application of the Trust's accounting policies, the Trustees are required to make judgments, estimates and assumptions about the carrying value of assets and liabilities that are not really 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 Accounts
Year ended 31 December 2018

2 Taxation

The Trust is a registered Charity and is therefore not liable to income or capital gains tax. The Trust is not able to recover tax on dividend income.

3 Trustee Expenses

None of the Trustees or directors of the Trustee company received any remuneration from the Charity.

4 Commitments

The Trust has no outstanding commitments at the year end aside from liabilities provided in the accounts.

5 Freehold Investment Property

	Freehold Property	Assets in the course of construction	Total
Cost or valuation:			
At 1 January 2018	7,750,000.00	-	7,750,000.00
Additions	-	-	-
Disposals	-	-	-
At 31 December 2018	<u>7,750,000.00</u>	<u>-</u>	<u>7,750,000.00</u>
Depreciation:			
At 1 January 2017	-	-	-
Charge for year	-	-	-
Disposals	-	-	-
At 31 December 2017	<u>-</u>	<u>-</u>	<u>-</u>
Net book value			
At 31 December 2017	<u>7,750,000.00</u>	<u>-</u>	<u>7,750,000.00</u>
At 31 December 2016	<u>7,750,000.00</u>	<u>-</u>	<u>7,750,000.00</u>

The Original historic cost of the freehold property is not known.

On 13 February 2012 an external valuer, Lambert & Foster, RICS Chartered Surveyors, valued Tongswood Estate including the new development at £7.75m on a vacant possession open market value basis, assuming that it was suitable for residential development as was the basis for the previous valuation carried out in 2007. The Trustees consider that this basis is appropriate for the property and that this represents the carrying value of the property at the year end.

W B HARRIS WILL TRUST

Notes to the Accounts (Continued) Year ended 31 December 2018

5 Freehold Investment Property (continued)

Lambert & Foster had also provided a valuation on the same date on a vacant possession basis as it currently stands as a school at a valuation of £5.5m.

6 Donations from the St Ronans School Appeal Fund/Related Party Transactions

During 2009, an appeal was launched to raise funds to put towards the Sports Hall development. The appeal was operated through a separate charity, the St Ronans Appeal Fund - Charity Number 1131138 registered on 14 August 2009. The trustee of the St Ronans Appeal Fund is Tongswood Estates Limited, which is also the trustee of the WB Harris Will Trust. In the year ended 31 December 2018, the St Ronans Appeal Fund made donations of £Nil (2017: £Nil) to the W B Harris Will Trust.

7 Appointment of Trustee

In December 2004, a company limited by guarantee, Tongswood Estates Limited, was formed with the trustees of the WB Harris Will Trust set up as directors. Application was made to the Charities Commission for Tongswood Estates Limited to replace the trustees of the WB Harris Will Trust and for it to hold the trust's underlying assets and liabilities on trust for the WB Harris Will Trust. During 2005 this authority was granted with the effect that Tongswood Estates Limited is now the trustee and holds the assets and liabilities to transact on behalf of the WB Harris Will Trust. Consequently, all the transactions of the WB Harris Will Trust and its assets and liabilities are reflected in these accounts while the accounts for Tongswood Estates Limited reflect no transactions and record no assets or liabilities. The bank account and loans in the name of Tongswood Estates Limited are therefore reflected in these accounts. The only account held in the name of Tongswood Estates Limited not reflected in the WB Harris Will Trust accounts is that held on behalf of the St Ronans Appeal Fund charity (referred to in note 6 above).

8 Leases to St Ronan's School

The Trust has three leases in place with St Ronan's School.

Lease of Main School Building runs - runs from 1 February 2007 to 31 October 2021 - annual rent of £60,000

Lease of Harris Building - runs from 1 February 2007 to 31 October 2021 - annual rent of £40,000

Lease of Sports Hall - runs from 1 March 2010 to 28 February 2025 - annual rent of £72,300

The rents are recognised on an accruals basis.

There are no direct links between the Trust, its Trustees and the School and the School is not regarded as a related party as per FRS 102: Related Party Disclosures

9 Ultimate controlling party

The Trust is controlled by the directors of Tongswood Estates Limited