

The Kenneth Hargreaves Charitable Trust

**Annual Report and Financial Statements
for the year ended 5th April 2019**

Charity Commission Reference Number 223800

**Volans Leach & Schofield
10 Blenheim Terrace
Woodhouse Lane
Leeds LS2 9HX**

The Kenneth Hargreaves Charitable Trust

Year ended 5th April 2019

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The Kenneth Hargreaves Charitable Trust

Trustees' Report for the year ended 5th April 2019

Legal and administrative information

Charity number:	223800
Secretary:	Mrs Kathryn Hodges
Principal address:	5 Grimston Park Mews Tadcaster Yorkshire LS24 9DB
Trustees:	Dame Ingrid Roscoe Mrs Margret Hargreaves-Allen Mr Peter Chadwick Mr John Roscoe
Independent Examiner:	Christopher Smart
Accountants:	Volans Leach & Schofield 10 Blenheim Terrace Woodhouse Lane Leeds LS2 9HX
Bankers:	Lloyds TSB plc 8-11 Cambridge Crescent Harrogate North Yorkshire HG1 1PQ 01423 505 521
Investment Managers:	Cheviot Asset Management 90 Long Acre London WC2E 9RA 0207 845 6150

The Trustees present their report together with the financial statements of the charity for the year ended 5th April 2019. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and Statement of Recommended Practice "Accounting and Reporting by Charities" (Charities SORP (FRS102)).

History and constitution

The trust was created by a Trust Deed dated 19th July 1957, made by the late Brigadier Kenneth Hargreaves, and is registered with the Charity Commission under the registered number 223800. The trust was established to make funds available for charitable purposes. The income and capital of the trust fund may be applied to such charities or for such charitable purposes as the trustees may decide.

The trustees have chosen an accounting reference date of 5th April to coincide with the tax year and facilitate the efficient repayment of income tax suffered.

The Kenneth Hargreaves Charitable Trust

Trustees' Report (continued) for the year ended 5th April 2019

Structure, governance and management

The trust is managed by the trustees and policy decisions are determined by consensus. Trustees are appointed based on recommendations from the current Trustees. The induction process for newly appointed Trustees comprises of a series of meetings with the existing Trustees.

Risk management policy

In view of the size and nature of the charity's activities the Trustees have concluded that there is no significant level of risk to the charity's funds, other than that which can be managed by prudent book-keeping and budgetary procedures, annual independent examination or audit of the accounts and secure operation of the charity's banking arrangements.

Trustees additionally receive and respond to advice and information from investment managers and regularly review investment management arrangements to ensure that capital values are maintained.

The Trustees consider that the present arrangements are satisfactory.

Grants policy

All applications received, whether by post or email are put forward to the Trustees at their next meeting. However, due to the general charitable purposes of the Charity to support organisations across England and Wales, a high proportion of applications are unsuccessful. As a small Charity, we endeavour to keep our administrative costs to a minimum and therefore have reluctantly taken the decision that only successful applications will be acknowledged. However, we do have a FAQ sheet, which aims to answer most commonly asked questions and outlines our processes; this is available to all applicants on enquiry.

In assessing applications, Trustees give greatest consideration to local projects, particularly those in West Yorkshire and focus on the following areas of interest: Arts, Medical, Conservation, Animal Welfare, Children and Social Welfare.

Ethical policy

In the interests of best practice, the Trustees have resolved that personal opinion should not influence investment policy in case it is to the detriment of the value of the portfolio and consequently the work of the Trust and therefore there are no specific restrictions on the type of investments made by the charity, other than that the investments should be suitable for trusts.

Reserves policy

The Trustees aim to keep a level of liquidity within the trust's assets and year on year will donate the surplus income of the trust. The income producing investments are maintained to generate future income.

Investment policy

The investments are managed so as to maintain a balance between capital growth and providing a regular income, which over the long term will endeavour to maintain the real value of the assets. The investments comprise a balanced portfolio of equities, with a medium risk profile, fixed interest investments and cash.

The Kenneth Hargreaves Charitable Trust

Trustees' Report (continued) for the year ended 5th April 2019

Public benefit statement

The Trustees of The Kenneth Hargreaves Charitable Trust confirm that they have complied with their duty under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Trustees' responsibility for the financial statements

Charity law requires the Trustees of the charity to prepare a Statement of Financial Activities and a Balance Sheet which gives a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources.

In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- value assets and liabilities in accordance with the 2008 regulations and the Statement of Recommended Practice "Accounting and Reporting by Charities" (Charities SORP (FRS102));
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records, which are sufficient to:

- show and explain the charity's transactions;
- disclose with reasonable accuracy at any time the financial position of the charity;
- enable them to ensure that any financial statements comply with the requirements of the Charities (Accounts and Reports) Regulations 2008.

The Trustees are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial activities and affairs

Total income for the year under review amounted to £34,387, a decrease of £9,219 (21%) as compared with the previous year. The decrease is primarily the result of special dividends received on two listed investments in the trust's investment portfolio in the previous year.

Charitable donations amounting to £29,051 were made during the year (2018: £28,400).

Net expenditure for the year amounted to £2,977, compared to net income of £7,572 in the previous year.

Capital gains realised on the sale of investments amounted to £15,405 (2018: £13,449), and unrealised gains attributable to the change in the market value of investments during the year amounted to £9,600 (2018: unrealised losses of £25,623).

The overall net increase in funds for the year amounted to £22,028, resulting in total funds of £966,025 to carry forward at 5th April 2019.

During the year under review the trust purchased investments at a cost of £49,651 and received proceeds of £39,259 from the sale of investments.

The market value of the trust's remaining investments increased by £9,600 from the previous year and amounted to £945,285 at 5th April 2019. This increase is in line with worldwide world stock market trends.

The Trustees receive no remuneration and charged no expenses whilst acting in their capacity as Trustee or otherwise.

The Kenneth Hargreaves Charitable Trust

Trustees' Report (continued)
for the year ended 5th April 2019

Compliance and statutory requirements

The Trustees Report has been prepared in accordance with the provisions of the Charities (Accounts and Reports) Regulations 2008 and Statement of Recommended Practice "Accounting and Reporting by Charities" (Charities SORP (FRS102)).

Trustees' approval

The Trustees' Report was approved by the Trustees and signed on their behalf by



Peter Chadwick
Trustee

Dated:

20th November 2019

The Kenneth Hargreaves Charitable Trust
Independent Examiner's Report to the Trustees
for the year ended 5th April 2019

Charity Commission Reference Number 223800

I report to the Trustees on my examination of the accounts of the Kenneth Hargreaves Charitable Trust on pages 6 to 11.

Respective responsibilities of Trustees and examiner

The charity's Trustees are responsible for the preparation of the accounts. The charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is my responsibility to:

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

Basis of independent examiner's statement

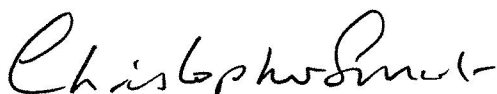
My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the 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 accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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 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.



Christopher Smart
Chartered Accountant

2012 20 June 2019

Date:

Volans Leach & Schofield
10 Blenheim Terrace
Woodhouse Lane
Leeds LS2 9HX

The Kenneth Hargreave Charitable Trust

Statement of Financial Activities
for the year ended 5th April 2019

	Note	2019 £	2018 £
Income			
Income from investments	4	<u>34,387</u>	<u>43,606</u>
Expenditure			
Direct charitable donations	5	29,051	28,400
Management and administration		1,801	1,260
Accountancy and examination		1,800	1,800
Investment management fees		<u>4,712</u>	<u>4,574</u>
Total expenditure		<u>37,364</u>	<u>36,034</u>
Net (expenditure)/income		<u>(2,977)</u>	<u>7,572</u>
Other recognised gains/(losses)			
Realised gains on the sale of investments		15,405	13,449
Unrealised gains/(losses) on the revaluation of investments		<u>9,600</u>	<u>(25,623)</u>
Gains/(losses) on investment assets		25,005	(12,174)
Net movement in funds		<u>22,028</u>	<u>(4,602)</u>
Reconciliation of funds			
Total funds brought forward		<u>943,997</u>	<u>948,599</u>
Total funds carried forward		<u>966,025</u>	<u>943,997</u>

See note 9 on page 11 for the note of historical cost income and expenditure.

The Kenneth Hargreave Charitable Trust

Balance Sheet at 5th April 2019

	Note	2019 £	2018 £
Fixed assets			
Investments	6	<u>945,285</u>	<u>909,886</u>
Current assets			
Cash at bank	7	<u>22,540</u>	<u>35,911</u>
		<u>22,540</u>	<u>35,911</u>
Liabilities			
Creditors: Amounts falling due within one year	8	<u>1,800</u>	<u>1,800</u>
Net current assets		<u>20,740</u>	<u>34,111</u>
Net assets		<u>966,025</u>	<u>943,997</u>
Funds			
Unrestricted funds	10	<u>966,025</u>	<u>943,997</u>

The financial statements were approved by the trustees and signed on their behalf by:

Peter Chadwick

Peter Chadwick
Trustee

Date: *20th November 2019*

The Kenneth Hargreaves Charitable Trust

Notes to the financial statements for the year ended 5th April 2019

1. Accounting policies

Charity information

The Kenneth Hargreaves Charitable Trust is a charity which is registered with the Charity Commission for England and Wales under the registered number 223800. The principal address is 5 Grimston Park Mews, Tadcaster, LS24 9DB.

1.1 Accounting convention

The financial statements are prepared in accordance with FRS102 and The Charities SORP (FRS102), and are in compliance with the Charities (Accounts and Reports) Regulations 2008 issued under the Charities Act 2011.

The financial statements are prepared under the historical cost convention, modified to include investments at fair value.

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

1.2 Income

Investment income is included in the financial statements when received and is stated gross of any recoverable tax deducted at source. Other income is included in the financial statements on an accruals basis.

1.3 Direct charitable expenditure

Direct charitable expenditure is included in the financial statements as and when paid by the charity.

1.4 Other expenditure

Other expenditure is included in the financial statements on an accruals basis.

1.5 Taxation

The charity is exempt from income and capital gains tax to the extent that income and gains are applied for charitable purposes. The trust is unable to recover value added tax on its expenditure and accordingly expenses are shown gross of value added tax.

1.6 Investments

Investments are stated in the balance sheet at their open market value.

Both realised and unrealised gains and losses on investments are included in other recognised gains and losses on the Statement of Financial Activities.

Realised gains and losses on investments are calculated as the difference between disposal proceeds and carrying value at the date of disposal.

Carrying value is the sum of market value brought forward at the beginning of the accounting period and the cost of subsequent acquisitions.

2. Trustees' remuneration

None of the Trustees receive any remuneration for their work as a Trustee.

3. Independent Examiner's remuneration

Fees in relation to accountancy and examination services amounting to £1,800 including VAT are for the preparation of the financial statements and independent examination thereof.

The Kenneth Hargreaves Charitable Trust

**Notes to the financial statements (continued)
for the year ended 5th April 2019**

4. Income from investments

	2019	2018
	£	£
Investment income arose from the following sources:		
<i>United Kingdom</i>		
Companies	20,526	22,511
Collectives: dividends	2,861	2,643
Collectives: interest	615	2,290
UK Treasury: fixed interest	2,388	2,439
Property income distributions	1,983	590
<i>Overseas</i>		
Dividends	4,452	11,846
Interest	1,562	1,287
	<u>34,387</u>	<u>43,606</u>

5. Charitable donations

During the year ended 5th April 2019, aggregate grants made to charitable institutions amounted to £29,051 (2018: £28,400) and were allocated to the following sectors.

	2019	2018	2019	2018
	No. Grants	No. Grants	£	£
Arts	11	11	6,150	9,000
Medical	9	9	4,951	7,000
Conservation	5	4	2,500	1,800
Animal welfare	9	4	3,750	1,500
Children	3	5	2,750	3,000
Social welfare	14	11	8,950	6,100
Total for the year	51	44	<u>29,051</u>	<u>28,400</u>

6. Investments

	2019	2018
	£	£
Market value brought forward	909,886	929,541
Additions at cost	49,651	42,325
Disposal at carrying value	(23,852)	(36,357)
Revaluation to carrying value	9,600	(25,623)
Market value carried forward	<u>945,285</u>	<u>909,886</u>
Historical cost	<u>781,145</u>	<u>773,156</u>

The Kenneth Hargreaves Charitable Trust

**Notes to the financial statements (continued)
for the year ended 5th April 2019**

6. Investments (continued)

Investments are held within the following categories:

	2019 £	2018 £
Listed on a recognised stock exchange:		
United Kingdom based organisations		
Companies	467,149	442,283
Collectives	188,075	186,256
United Kingdom Treasury	80,506	79,565
Overseas based organisations	209,555	201,782
	<u>945,285</u>	<u>909,886</u>

Investments are held in nominee accounts on behalf of the Trustees but in all other respects are considered to be directly held investments.

7. Cash at bank

	2019 £	2018 £
Lloyds	8,545	9,196
Investment adviser account: income	7,314	22,927
Investment adviser account: capital	6,681	3,788
	<u>22,540</u>	<u>35,911</u>

8. Creditors

	2019 £	2018 £
Accountancy and taxation	<u>1,800</u>	<u>1,800</u>

The Kenneth Hargreaves Charitable Trust

**Notes to the financial statements (continued)
for the year ended 5th April 2019**

9. Note of historical cost income and expenditure

	2019	2018
	£	£
Historical cost income and expenditure	(5,382)	21,654
Difference between the historical cost gain/(loss) arising from the realisation of investments and the actual gain/(loss) calculated using carrying values	17,810	(633)
Unrealised gain/(loss) on revaluation of investments	9,600	(25,623)
Movement in funds on Statement of Financial Activities	<u>22,028</u>	<u>(4,602)</u>

10. Funds

The accumulated fund comprises the original settled capital as adjusted for subsequent realised and unrealised investment gains and losses, together with the annual surpluses or deficits of income.

The Trustees are able to apply capital and income for charitable purposes as they think fit and separate income and capital funds are therefore not maintained.

11. Related party transactions

There have been no transactions with related parties during the year.