

**Report of the Trustees and
Financial Statements for the Year Ended 30 April 2021
for
Huntingdon Freeman's Trust**



Huntingdon Freeman's Trust
Supporting the residents of Huntingdon since 1993

**Contents of the Financial Statements
for the Year Ended 30 April 2021**

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**Report of the Chief Executive
for the Year Ended 30 April 2021**

INTRODUCTION

On behalf of the Trustees, I would like to welcome you to our annual report.

I hope that you will find this report both interesting and informative, providing you with an insight into the working of this long-standing and unique charity.

Since its inception in 1993 the Trust has gone from strength to strength, providing grants to both local individuals and to groups and organisations within the geographical area of remit covered by Huntingdon Town Council. Whilst the charity cannot subsidize the public purse for statutory provision of services, it is uniquely well-placed to be able to provide additional support where gaps appear.

As another financial year closes, Trustees and staff can reflect on the excellent work of the Trust achieved over this time, whilst recognising the significant challenges faced along the way, particularly and not least as we work through the unprecedented Covid-19 pandemic, with all the difficulties that this is presenting.

RESEARCH PROJECT

In 2020 we reported on the financial challenges faced by public spending bodies and the impact of budget cuts on our local services, with reduced levels of welfare support already proving to be significantly detrimental to individual's lives and wellbeing. This social policy context underpinned the Trustee Board's decision to conduct a programme of research into local needs to thereby ensure that we are aligned with current and emerging gaps in provision.

The research project, completed by March 2020, and the subsequent report published as 'Grants for Our Times' is the foundation for informing Trustees ongoing decisions from April 2020 in respect of balancing the needs and priorities of our community, and the sustainability of the Trust, thereby ensuring the most impactful use of our resources.

COVID-19

As we started the financial year we were faced with the unprecedented situation of the global coronavirus pandemic and a national lockdown put in place from the end of March 2020. The timing of this coincided exactly with the publication of our research report "Grants for our Times" which informed the Trustees on issues of balancing the needs of the community with sustainability of funds and impactful use of resources.

The impact of the pandemic on our working practice, as with many organisations, has been significant with staff having to work from home and our office being closed to the public. We continued throughout the year to rise to this exceptional challenge with systems and processes for administering grants and managing the organisation being adapted accordingly. Meetings being held virtually, and greater use of email and digital services has in some cases increased efficiencies, but often has not been everyone's preference.

In response to the hardship created by the pandemic, the Trustees took an immediate decision to allocate emergency funds to alleviate some of the pressures on the local community. In previous years, exceptional income from mineral extraction has been ring-fenced for exceptional purposes, and a pandemic seems like a fitting reason to make exceptional grants.

Emergency grants were provided for two local foodbanks and also a grant was awarded to Hunts Forum, an umbrella organisation. This latter grant was to help Huntingdon voluntary groups to survive in this crisis and also to provide funding to train new volunteers. This emergency funding has supported several groups into and through the last year enabling them to sustain their services into 2021.

Whilst the impact of the Covid-19 pandemic is ongoing, work also continued on developing our strategy in line with the findings of the research report, as all the evidence gathered is as relevant now as it was before the outbreak of the pandemic.

**Report of the Chief Executive
for the Year Ended 30 April 2021**

FUTURE PLANS

The Charity exists as a grant-making Trust and that is its core business. Applications for grants are received and processed by the small staff team and decisions on whether to award a grant or not are made by Trustees accordingly based on consideration of eligibility and need. There has been little change to the way in which the Trust works over many years.

Our process of review and research has resulted in the identification of several priorities on which the Trust will focus for the future direction of the Charity. Decisions on these and any new priorities will be underpinned by the financial position of the charity, both now and in planning for any future significant income or expenditure. In the coming year the Trustees will continue to provide grants to relieve hardship for Huntingdon residents and also to award per capita grants to schools and to students attending university to assist with accommodation costs.

In addition, our research provided evidence of high levels of need for pre-school and early years development support and also increasingly high numbers of people, particularly young people, experiencing a range of mental health and wellbeing difficulties. It was agreed that the Trust will allocate significant funds to these two priority areas of need as well as providing grants to alleviate the impact of Covid-19 on our Huntingdon Community.

TRUSTEE REMEMBERED

It was with great sadness that we heard of the death of one of our Trustees, Mrs Jill Watkin-Tavener in February 2021. Mrs Watkin-Tavener was a highly valued Trustee, nominated by Huntingdon District Council. Her local knowledge and experience is a great loss to the Trust along with her friendly and supportive disposition and personality that will be sorely missed.

STAFFING

During the year we said farewell to two members of our staff team who decided to move on. Jane Curr, Assistant Grants Officer and Sona Maiden, Finance Officer both left for pastures new. I personally thank them both for their years of commitment and hard work whilst working with the Trust.

THANK YOU

The staff team has worked incredibly hard to overcome the difficulties of remote, and separate working in this last year and have always focussed on finding solutions rather than obstacles. I take this opportunity to thank them and the Board of Trustees for their support over what has been an exceptionally challenging time.

Ruth Black
CEO

**Report of the Trustees
for the Year Ended 30 April 2021**

The trustees present their report with the financial statements of the charity for the year ended 30 April 2021. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and Activities

The Trust exists for exclusively charitable purposes for the benefit of individual residents within the boundaries of Huntingdon Town Council, or organisations primarily or exclusively benefiting them.

The objectives of the charity and the specific geographical remit has been set by a High Court Order dated 1993.

Grants or other material assistance are available within the following categories:

- (a) relief in need
- (b) the promotion of education
- (c) the provision and support of facilities for recreation and leisure

Significant Activities

Relief-in-need

The Trust's strategy under this objective is to respond to Huntingdon residents - its public - who cannot afford to help themselves and who have basic needs that are not met by public services. Relief in need is applied to a number of sub-categories, such as: medical, children, elderly, unemployment / low income and domestic violence needs.

Up until the pandemic lockdown, all applicants were visited by the Grants Officers in order to elicit relevant information for the Trustees, who then allocated grants according to their assessment of the severity of the need and the applicant's ability to pay for the relevant items themselves. Since lockdown, all applicants are interviewed by telephone with no physical home visits being made. Successful applicants benefit from the provision of items such as mobility aids, domestic appliances, furniture and carpets (particularly where young children are involved).

The Trustees will be looking to provide support within these areas as well as to provide funds to individuals to relieve hardship under the 'Relief in Need' category of grants.

Education

In this area, the Trust seeks to enhance the educational opportunities of Huntingdon residents both in their early years and in vocational and higher education.

Local pupils benefit from grants to nursery and primary schools in the town to supplement local education authority provision. In 2020-2021 the rate awarded per pupil remained at £21, as in the previous year.

Post 16 students taking vocational courses in local colleges are assisted with course fees and some equipment costs. Trustees have also agreed to pay student's travel costs in some situations of hardship. Students going away to university or further education colleges are helped with accommodation costs. Given the large number of applications in this category, grants to students are capped at £1,000 per student per year. In the year 2020-2021, 75 students were awarded grants compared with 75 in 2019-2020 and 86 in 2018-2019. Educational achievement has emerged as a priority area of need in parts of Huntingdon, ranging from Early Years, pre-school and Nursery through to adulthood and this is to be considered in more detail by Trustees in the coming year.

Recreation and Leisure

Benefits to local residents are mainly provided through grants to local clubs, groups and societies catering for a wide variety of recreational and leisure activities to all age groups.

Numbers of applications in this category have tended to be low. However, they often represent larger funding requests and applicants are sometimes required to find matched funding, which can prove to be a challenge. Trustees are aiming to increase the number of applications in this category through an upgraded website and promotion of the Trust through local publication networks. At the current time many of our local groups are already struggling to survive the pandemic crisis.

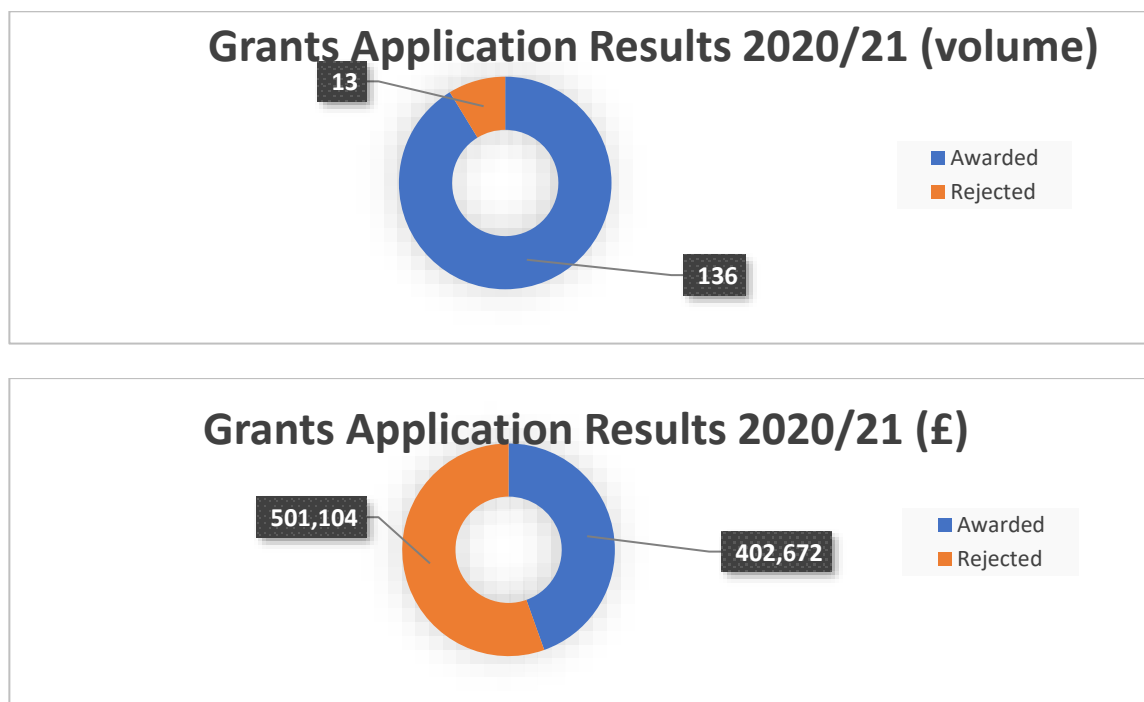
**Report of the Trustees
for the Year Ended 30 April 2021**

OBJECTIVES AND ACTIVITIES continued

Performance & Public benefit

The Trust mainly works by responding to applications from individuals and organisations. The chart below shows the analysis of grants awarded compared to grants rejected.

Grant Analysis Totals



In the year, there were 152 applications received. Of these, 136 applications were totally or partially awarded and 13 were rejected. Grants applications of £1,024,089 were received compared to £494,435 in 2019-20. Of these 39% were awarded, in accordance with the Trust grant guidelines and c£120k was deferred. One of those rejected was worth c£395k and so is the key reason for the change in acceptance rate.

Use of Extraordinary Funds

As described by our CEO in her report, the Trustees have agreed that the pandemic represents exceptional circumstances and so find cause to use the funds ringfenced from previous mineral extraction, which as suggested by our accountants was itself considered exceptional.

We have therefore awarded £97,850 to a local voluntary organisation and foodbanks in May 2020 to support with their COVID-relief activities in our community.

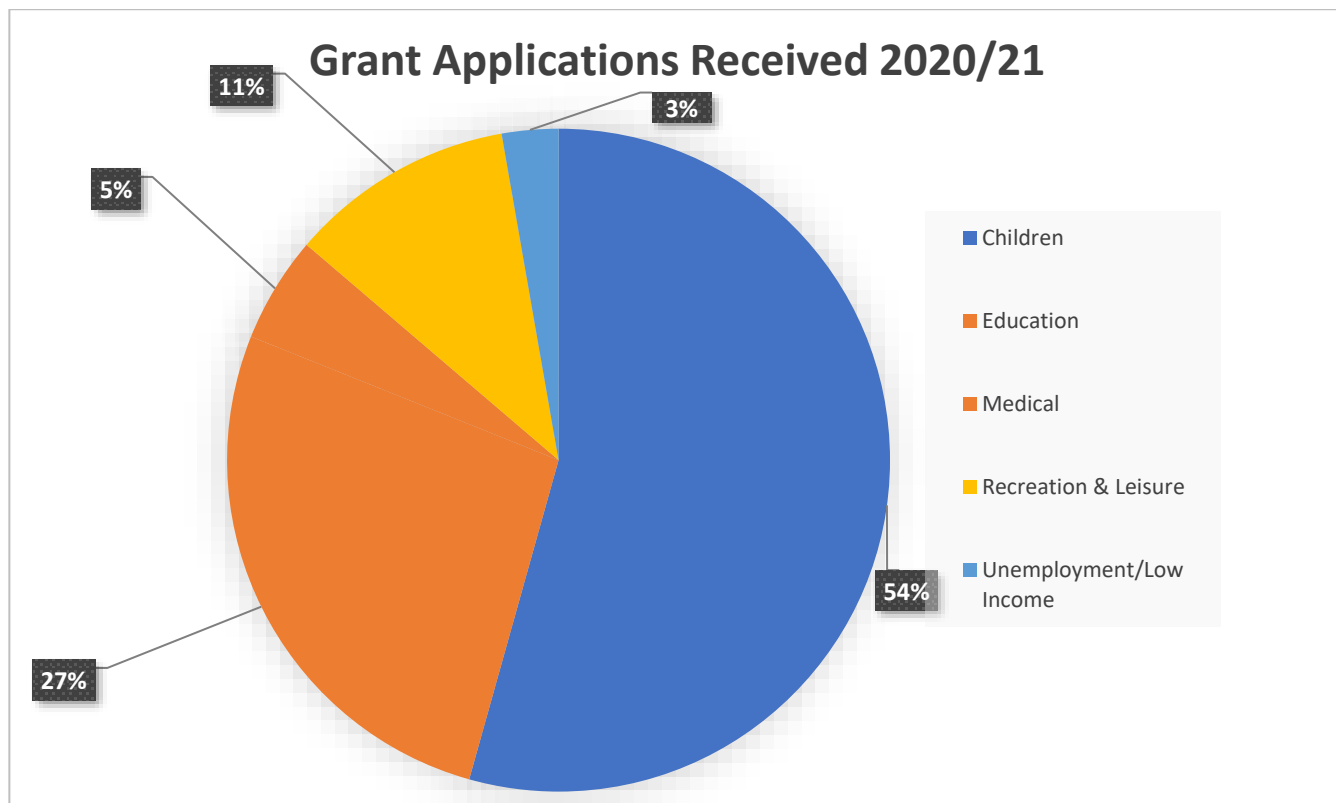
In addition to this, an exceptional grant of £135,000 was awarded to schools for an early year's development project, payable over three years, in response to the priorities identified in our "Grants for our times" research. The first tranche of £45,000 was paid in June 2021 and therefore sits in grants payable (note 12 of the financial statements) and the balance of £90,000 is shown as a long term creditor (note 13).

We have also allocated but not yet awarded £50,000 from general, unrestricted funds for mental health support projects, as COVID has clearly exacerbated and accelerated this need. This is shown in the accounts as a designated fund and will be paid as appropriate applications are received.

**Report of the Trustees
for the Year Ended 30 April 2021**

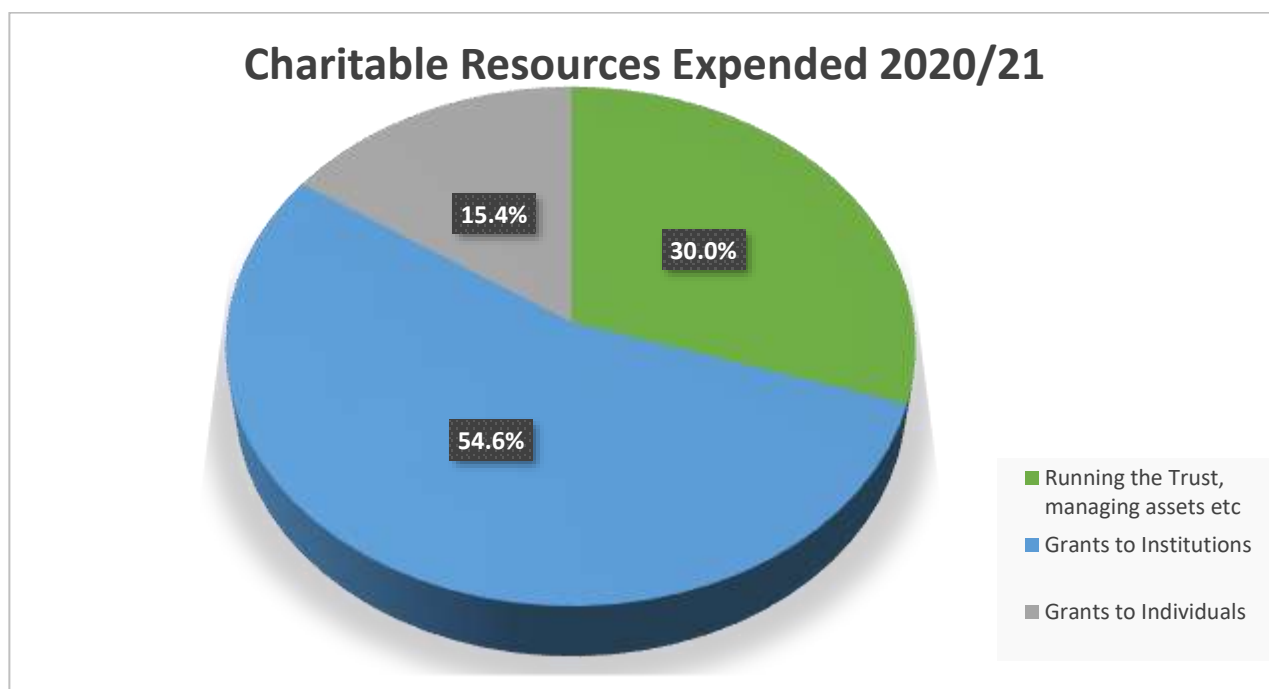
FINANCIAL REVIEW

The chart below indicates the breakdown of grant categories for applications received during the year.



The largest percentage of grant applications received within the year was for supporting children 54% (2020, 5%). This uplift is due to the aforementioned “early years” support grant awarded in the year.

Conversely, Grants for the unemployed represent just 3% (2019, 36%)

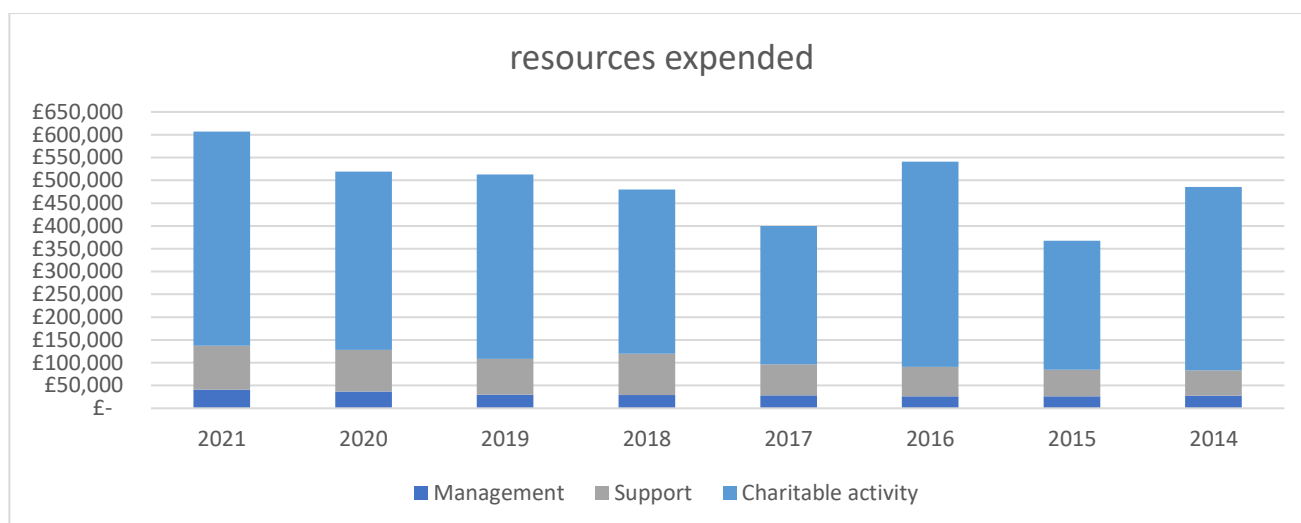


**Report of the Trustees
for the Year Ended 30 April 2021**

The Trustees have successfully managed to keep governance costs at a minimum, the most significant cost being the fees of our expert fund managers Rathbones, without whom we would not be able to achieve the high levels of investment returns that we do.

Staff salaries were reviewed, and Trustees approved and implemented a 3% pay increase for all staff from May 2020. A 4% pay increase for all staff has been approved from the beginning of the new financial year. The Freeman's Trust pay scheme is structured in close alignment with the NJC Pay spine although pay awards are at the discretion of Trustees. A staff pension scheme introduced as required by legislation has two employees enrolled. Trustees continue to make an employer's contribution of 5% which is the same as the previous year.

Historically, the Trustees and staff have managed to keep overheads modest.



During the financial year, income exceeded expenditure by £996,529 [2020: (£821,651)] however this is as a result of the recovery of the investment portfolio. Taking this valuation out of the equation, rental income plus realised income from the investments, less grants and supporting activities, the result is a deficit of £129,104. The Trust had adequate free reserves to finance this deficit and continues to look for appropriate uses of its funds.

As detailed elsewhere in this report, the Trustees are planning to raise their profile strategically so that reserves do not continue to increase. The graph above shows the consistency and moderately low cost of running the Trust. The Trustees do not wish to increase these costs, but to spend reserves by increasing the grants available to the community.

Grants paid in the year are 13% higher than last year and the costs of running the charity have increased by 17%.

Much of the Trust's financial growth is attributed to endowed assets and cannot therefore be spent, simply retained for the future sustainability of the Trust, ensuring its ability to generate funds long-term.

The major upgrade of the A14 road continues to impact on Trust land around Huntingdon during the year with some being subject to either temporary or permanent compulsory purchase by Highways England. The disruption caused by the project is creating an increased workload for our surveyors with a resulting increase in fees, some of which, but not all, are reclaimable from Highways England.

Plans continue to be developed by Highways England for an upgrade of the A428/421 and this will impact Trust land at Roxton, Bedfordshire. The proposed works to improve the A428/421 are due to start during the coming year.

**Report of the Trustees
for the Year Ended 30 April 2021**

FINANCIAL REVIEW continued

Investment Policy and Performance

In accordance with the terms of the Order made by the Charity Commission, the Trustees confirm that:

- the Trustees first identified the value of the initial founding gift in 1967. No further gifts have been made.
- when determining the amount to transfer to income the Trustees have considered the requirements to maintain the current level of charitable activity, the likely benefit to future generations of Huntingdon, and the likely needs of future beneficiaries; and
- when reaching their decision as to the amount of return to transfer to income, the Trustees have taken professional advice from their investment advisors regarding the market outlook, investment trends and yield and the prospects for future capital growth.

Our investment advisors, Rathbones Investment Management Ltd [Rathbones] are instructed to invest to maximise the total return on permanent endowment funds.

The Trust has been relatively financially secure in that its income largely derives from investments in permanently endowed funds and agricultural land. The Trustees safeguard the income from these investments by a policy of diversification across sectors, countries and funds, which it regularly reviews with its fund managers.

Regular financial reviews confirmed that the performance of the investments has matched both the agreed benchmark comparator and the projected performance level. Ongoing uncertainty related to first Brexit and now Covid-19 along with the wider political influences continue to affect the volatility of the markets and Rathbones highlight this point in regular updates provided for the Trust.

The Trust owns the three-storey listed office building which had previously been rented. The ground floor is occupied by the Trust as head office and the upper floors have been let through the year to four tenants, with interim gaps as two tenants vacated and new tenants took up occupation. The Trust derives an income from rent received.

Banking and Investments

Barclays continues to be the bank of choice for the day-to-day running of the charity and access security measures are in place to allow for electronic banking to be carried out. During the pandemic bank transactions have been made mostly by BACS, thereby reducing, though not eliminating the use of cheques and the associated charges of cheque processing and also keeping to a minimum the trips to the bank. Rathbones continue to hold the charity's invested funds and report regularly to a financial sub-group of Trustees who hold delegated authority on behalf of the Board. There has been no cause to consider changing the arrangements for the management of the portfolio.

Liquid Reserves Policy

Trustees have adopted a financial management policy which sets the parameters for the handling and management of free funds and cash. A cash reserve of £350,000 is considered sufficient to administer the Trust's aims and objectives for up to one year.

Free funds (unrestricted net current assets) currently stand at £571,173 [2020: £533,221 and 2019: £521,646] with a further £90,000 of grants awarded over a three year period. Trustees continue to consider reducing these to be a priority.

**Report of the Trustees
for the Year Ended 30 April 2021**

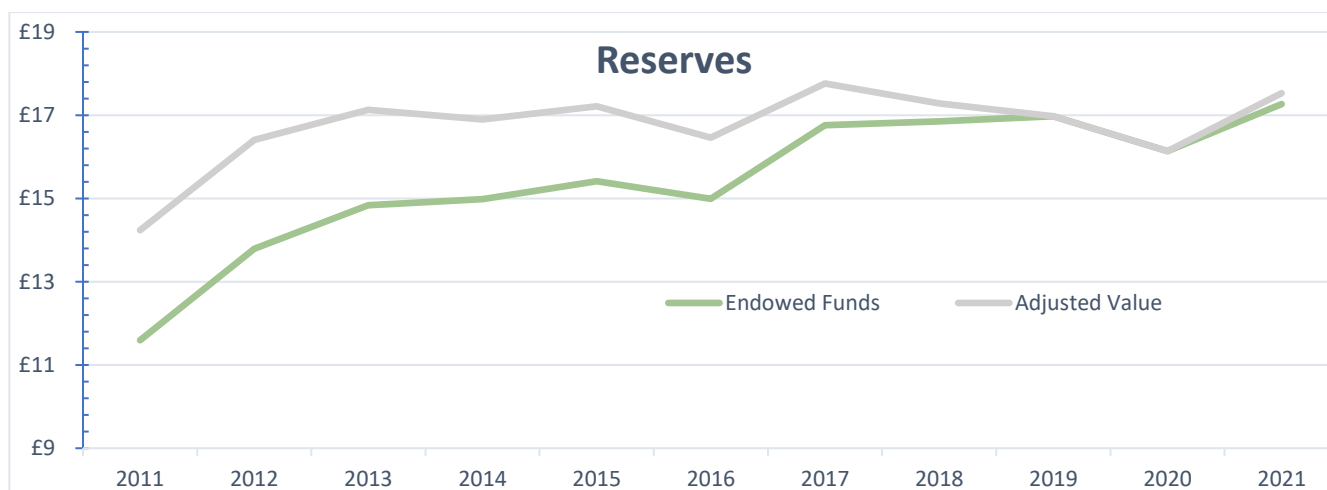
FINANCIAL REVIEW

Reserves Policy

The level of income required to be drawn down from the Rathbones portfolio is regularly reviewed by the Investment sub-group, to ensure no erosion of capital. There is therefore, a sufficient safeguard in place to make sure any action required (if there is a downturn in the market), would be taken in a timely manner.

In addition to rents received from land and buildings, £360,000 is withdrawn from invested funds each year on a monthly basis, to maintain the cash flow of the Trust. All budgetary activity is based on this and Rathbones focus their work on achieving this by altering the risk strategy and balance of income generating and growth funds within the portfolio. As we do not spend the full amount year on year, Rathbones will reduce our monthly draw down figure from £30,000pm to £25,000pm from the beginning of the new financial year. This will be monitored closely and adjusted in the future as necessary.

The chart below shows the value (c£17 million) of endowed reserves in the last decade. The adjusted value shown in grey restates the value of the fund in today's money by stripping out the effect of inflation. The result confirms relatively stable funds held, as a result of the consistent policy of balancing income with gains.



The Trust could comfortably continue to provide grants from unrestricted cash reserves in line with the normal policy and aims for a period of 12 months, if there was a significant downturn in the investment market. This would give the Trustees and Rathbones enough time to reconsider their investment policy and review grant giving criteria.

FUTURE PLANS

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Our process of review and research has resulted in the identification of several priorities on which the Trust will focus for the future direction of the Charity. Decisions on these and any new priorities will be underpinned by the financial position of the charity, both now and in planning for any future significant income or expenditure. In the coming year the Trustees will continue to provide grants to relieve hardship for Huntingdon residents and also to award per capita grants to schools and to students attending university to assist with accommodation costs. In addition, our research provided evidence of high levels of need for pre-school and early years development support and also increasingly high numbers of people, particularly young people, experiencing a range of mental health and wellbeing difficulties. It was agreed that the Trust will allocate significant funds to these two priority areas of need as well as providing grants to alleviate the impact of Covid-19 on our Huntingdon Community.

**Report of the Trustees
for the Year Ended 30 April 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Scheme of this unincorporated charity was set in the High Court Order which created it in December 1993. Minor amendments since then, approved by the Charity Commission, have produced a structure of four Trustees nominated by the local County Council, District Council, Town Council and the remaining Freeman of Huntingdon, together with three co-opted Trustees. This ratio was amended in 2018 following the decision by the Freeman of Huntingdon to no longer be represented. The Charity Commission approved the amended ratio to 3 nominated and 4 co-opted Trustees.

The Trustees are supported by 3 part-time staff managed by the Chief Executive.

Appointment of Trustees

Induction of Trustees is conducted by the Chief Executive and existing Trustees through provision of relevant documents on the constitution, practices and policies of the Charity and through participation in the Trustees' monthly meetings which deal with policy and administrative issues and grant applications. From April, the monthly meetings have been held through Zoom and this will continue for some time.

All Trustees have declared that they are "fit and proper" in accordance with the Charity Commission's guidelines.

Appointed nominated Trustees serve a four-year term and co-opted Trustees serve a five-year term.

There has been one change of Trustee personnel during the year. The Nominated Trustee representing Huntingdon Town Council, Mrs Ann Beevor, stood down in March 2020 and a new representative, Ms Juliet Cole, was nominated by the Town Council and took up the role in April. Trustees welcomed Ms Cole and gave thanks to Mrs Beevor for her many years of commitment to the Trust. At no time has the Board of Trustees been less than quorate.

Personnel

The Trust continues to benefit from the high level of staff commitment to their roles. The Grant Officer's role includes office and building management responsibility.

During the year our Assistant Grants Officer and Finance Officer both left for pastures new.

Our accountants are assisting us with the automation of some of our finance functions and the compiling of management accounts for Trustees' meetings and we will be reviewing whether a replacement Assistant Grants Officer is needed later in the year.

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 Board retains, and regularly consults, its solicitors, surveyors and accountants to protect its interests in all its activities, particularly management of its land holdings and financial investments.

Claims for grants are thoroughly checked for compliance with the Trust's Scheme and for veracity of the information supplied on residence, need and income. Individual applicants are visited and interviewed at home, or latterly interviewed by telephone, by the Grants Officers; applicant organisations also have their claims and accounts checked before reporting to the Trustees for their decision.

All grants and administrative expenses over £500 are approved by the Trustees as a body, either individually at monthly meetings or as specific items in the approved annual budget, and until March 2020 have usually paid by cheques signed by two Trustees and the Chief Executive. At the start of the pandemic, the CEO was authorised to make BACS payments, thereby reducing the need for cheque signing and visits to the bank. Expenditure up to £500 can be approved by Chair's Action. Trustees agreed that the Chief Executive can authorise non-grant payments up to £500 to facilitate the efficient day-to-day management of the Trust's business.

**Report of the Trustees
for the Year Ended 30 April 2021**

Close attention is given to the security of confidential client information. Paper documents are kept securely locked in an alarmed office building, computerised records are isolated from the Trust's internet connection and sensitive information is only transferred electronically with password protection. Computer files are backed up on a remote server in an encrypted format.

In line with policy, documentation pre-dating a 10-year period is securely disposed of. This process of archiving is completed on an annual basis. Electronic data undergoes a similar archiving process.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1044573

Principal address

37 High Street
Huntingdon
Cambridgeshire
PE29 3AQ

Trustees

Mr J R Hough
Mr J Hampstead
Mr B Bradshaw
Mr M Shellen
Mrs J Cole
Mrs K Parker
Mrs J Watkin-Tavener (deceased 1.3.21)

Auditors

George Hay Partnership LLP, Chartered Accountants and Statutory Auditor
St George's House, George Street, Huntingdon, Cambridgeshire PE29 3GH

Solicitors

Roythornes Ltd
The Incubator, Alconbury Campus, Huntingdon PE28 4XA

Surveyors

Brown & Co
The Fairways, Wyboston Lakes, Bedfordshire MK44 3AL

Bankers

Barclays Bank Plc
Huntingdon Business Centre, High Street, Huntingdon, Cambridgeshire PE29 3AE

Clydesdale Bank
40 Vincent Place, Glasgow, G1 2HL

Fund Managers

Rathbones Investment Management
1 Curzon Street, London, W1J 5FB

COIF Charity Funds
80 Cheapside, London, EC2V 6DZ

STAFF:

Mrs Ruth Black	Chief Executive Officer
Mrs Karen Clark	Grants Officer & Office Manager
Mrs Janice Smith	Administrative Assistant

**Report of the Trustees
for the Year Ended 30 April 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Report of the Trustees and the financial statements 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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, 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 Charity 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;
- 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 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.

Approved by order of the board of trustees on 16th December 2021 and signed on its behalf by:

Mr J Hampstead
Trustee

Report of the Independent Auditors to the Trustees of Huntingdon Freeman's Trust

Opinion

We have audited the financial statements of Huntingdon Freeman's Trust (the 'charity') for the year ended 30 April 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2021 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- 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.

Report of the Independent Auditors to the Trustees of Huntingdon Freeman's Trust

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Mrs Toni Hunter FCCA ACA DChA
On behalf of:

George Hay Partnership LLP
Chartered Accountants and Statutory Auditor
St George's House
George Street
Huntingdon
Cambridgeshire
PE29 3GH



Date: 17th December 2021.

**Statement of Financial Activities
for the Year Ended 30 April 2021**

	Notes	Unrestricted funds £	Endowment fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Rental income		140,284	-	140,284	114,040
Investment income	2	<u>337,748</u>	<u>-</u>	<u>337,748</u>	<u>424,822</u>
Total		478,032	-	478,032	538,862
EXPENDITURE ON					
Charitable activities	4				
Relief in need		24,525	-	24,525	65,580
Education		269,024	-	269,024	101,819
Recreation & leisure		21,405	-	21,405	22,486
Large grants		110,155	-	110,155	150,795
Other charitable activities		170,814	-	170,814	169,588
Management & administration		11,213	-	11,213	8,917
Total		<u>607,136</u>	<u>-</u>	<u>607,136</u>	<u>519,185</u>
Net gains/(losses) on investments		<u>(5,754)</u>	<u>1,131,387</u>	<u>1,125,633</u>	<u>(841,328)</u>
NET INCOME/(EXPENDITURE)		(134,858)	1,131,387	996,529	(821,651)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,408,371</u>	<u>16,135,690</u>	<u>17,544,061</u>	<u>18,365,712</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,273,513</u></u>	<u><u>17,267,077</u></u>	<u><u>18,540,590</u></u>	<u><u>17,544,061</u></u>

The notes form part of these financial statements

Balance Sheet
30 April 2021

	Notes	Unrestricted funds £	Endowment fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	9	408,518	5,840,000	6,248,518	6,248,518
Investments	10	<u>400,678</u>	<u>11,410,221</u>	<u>11,810,899</u>	<u>10,762,322</u>
		809,196	17,250,221	18,059,417	17,010,840
CURRENT ASSETS					
Debtors	11	35,309	-	35,309	24,637
Cash at bank and in hand		<u>683,290</u>	<u>16,856</u>	<u>700,146</u>	<u>837,033</u>
		718,599	16,856	735,455	861,670
CREDITORS					
Amounts falling due within one year	12	<u>(164,282)</u>	-	<u>(164,282)</u>	<u>(328,449)</u>
NET CURRENT ASSETS		<u>554,317</u>	<u>16,856</u>	<u>571,173</u>	<u>533,221</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,363,513	17,267,077	18,630,590	17,544,061
CREDITORS					
Amounts falling due after more than one year	13	<u>(90,000)</u>	-	<u>(90,000)</u>	-
NET ASSETS		<u>1,273,513</u>	<u>17,267,077</u>	<u>18,540,590</u>	<u>17,544,061</u>
FUNDS	14				
Unrestricted funds				1,273,513	1,408,371
Endowment funds				<u>17,267,077</u>	<u>16,135,690</u>
TOTAL FUNDS				<u>18,540,590</u>	<u>17,544,061</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 16th December 2021 and were signed on its behalf by:

Mr J Hamstead
Trustee

**Cash Flow Statement
for the Year Ended 30 April 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(472,728)</u>	<u>(340,155)</u>
Net cash used in operating activities		<u>(472,728)</u>	<u>(340,155)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,907)	-
Interest received		<u>337,748</u>	<u>424,822</u>
Net cash provided by investing activities		<u>335,841</u>	<u>424,822</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(136,887)	84,667
Cash and cash equivalents at the beginning of the reporting period		<u>837,033</u>	<u>752,366</u>
Cash and cash equivalents at the end of the reporting period		<u><u>700,146</u></u>	<u><u>837,033</u></u>

**Notes to the Cash Flow Statement
for the Year Ended 30 April 2021**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	996,529	(821,651)
Adjustments for:		
Depreciation charges	1,907	-
(Gain)/losses on investments	(1,048,577)	833,408
Interest received	(337,748)	(424,822)
(Increase)/decrease in debtors	(10,672)	61,748
(Decrease)/increase in creditors	<u>(74,167)</u>	<u>11,162</u>
Net cash used in operations	<u><u>(472,728)</u></u>	<u><u>(340,155)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.5.20 £	Cash flow £	At 30.4.21 £
Net cash			
Cash at bank and in hand	<u>837,033</u>	<u>(136,887)</u>	<u>700,146</u>
	<u>837,033</u>	<u>(136,887)</u>	<u>700,146</u>
Total	<u><u>837,033</u></u>	<u><u>(136,887)</u></u>	<u><u>700,146</u></u>

**Notes to the Financial Statements
for the Year Ended 30 April 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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 2019)', 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, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property - not provided

No depreciation is provided on freehold buildings, as it is the charity's policy to maintain these so as to extend their useful lives.

Purchases are capitalised if the trustees believe that the asset has a useful economic life of more than one year and cost at least £500. They are valued at historic cost.

Scooters, wheelchairs, lifts, computer equipment and orthopaedic beds and chairs have been written down to a nil value in the year of purchase as in the opinion of the Trustees these assets, while remaining the property of the Charity, have no residual value.

These assets are subsequently removed from the fixed asset register when it is considered that the extent of their useful life has been reached or the ownership of the asset has been formally transferred.

Taxation

The charity is exempt from 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2021**

1. ACCOUNTING POLICIES - continued**Investment assets**

Investments are shown in the accounts at their market value at the balance sheet date and the income arising in the year is shown in the Statement of Financial Activities. Land held as investments is professionally valued every five years.

Realised and unrealised gains and losses on investment assets are recorded in the Statement of Financial Activities.

2. INVESTMENT INCOME

	2021 £	2020 £
Bank interest	590	2,990
Rathbones Portfolios	<u>337,158</u>	<u>421,832</u>
	<u>337,748</u>	<u>424,822</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Rentals from land & property (including wayleaves)	Rental income	98,853	93,933
Office rent	Rental income	19,499	20,107
Mineral extraction	Rental income	<u>21,932</u>	<u>-</u>
		<u>140,284</u>	<u>114,040</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5) £	Support costs (see note 6) £	Totals £
Relief in need	24,525	-	24,525
Education	269,024	-	269,024
Recreation & leisure	21,405	-	21,405
Large grants	110,155	-	110,155
Other charitable activities	44,877	125,937	170,814
Management & administration	<u>-</u>	<u>11,213</u>	<u>11,213</u>
	<u>469,986</u>	<u>137,150</u>	<u>607,136</u>

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2021**

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	32,406	38,135
Printing, postage & stationery	804	2,534
Sundries	1,718	5,172
Grants payable	425,109	340,680
Property maintenance & management	5,064	8,243
Repairs & renewals	<u>4,885</u>	<u>2,461</u>
	<u>469,986</u>	<u>397,225</u>

6. SUPPORT COSTS

	Grant making £	Other £	Totals £
Other charitable activities	96,100	29,837	125,937
Management & administration	<u>-</u>	<u>11,213</u>	<u>11,213</u>
	<u>96,100</u>	<u>41,050</u>	<u>137,150</u>

Support costs, included in the above, are as follows:

			2021	2020
	Other charitable activities £	Management & administration £	Total activities £	Total activities £
Investment Management Fees	54,214	-	54,214	53,912
Insurance	2,411	-	2,411	3,722
Office rent, rates, light & heat	14,120	-	14,120	8,589
Telephone	1,861	-	1,861	3,550
Legal fees	21,587	-	21,587	21,360
Depreciation of tangible fixed assets	1,907	-	1,907	-
CEO fees	18,755	-	18,755	15,950
Auditors' remuneration	11,082	-	11,082	8,917
Payroll & bookkeeping	<u>-</u>	<u>11,213</u>	<u>11,213</u>	<u>5,960</u>
	<u>125,937</u>	<u>11,213</u>	<u>137,150</u>	<u>121,960</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 April 2021 nor for the year ended 30 April 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 April 2021 nor for the year ended 30 April 2020.

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2021**

8. STAFF COSTS

	2021 £	2020 £
Wages and salaries	<u>32,406</u>	<u>38,135</u>
	<u><u>32,406</u></u>	<u><u>38,135</u></u>

The Trustees delegate day to day operational management to their CEO, who works part-time and was paid a gross salary of £18,755 during the financial year [2020: £15,950]

The average monthly number of employees during the year was as follows:

	2021	2020
Governance	1	2
Charitable Activities	<u>3</u>	<u>3</u>
	<u><u>4</u></u>	<u><u>5</u></u>

No employees received emoluments in excess of £60,000.

9. TANGIBLE FIXED ASSETS

	Freehold property £	Computer equipment £	Totals £
COST			
At 1 May 2020	6,248,518	-	6,248,518
Additions	<u>-</u>	<u>1,907</u>	<u>1,907</u>
At 30 April 2021	<u>6,248,518</u>	<u>1,907</u>	<u>6,250,425</u>
DEPRECIATION			
Charge for year	<u>-</u>	<u>1,907</u>	<u>1,907</u>
NET BOOK VALUE			
At 30 April 2021	<u><u>6,248,518</u></u>	<u><u>-</u></u>	<u><u>6,248,518</u></u>
At 30 April 2020	<u><u>6,248,518</u></u>	<u><u>-</u></u>	<u><u>6,248,518</u></u>

Included in cost or valuation of land and buildings is freehold land of £6,242,763 (2020 - £6,242,763) which is not depreciated.

The properties held as investments, were re-valued as at 30 April 2017 by Robinson & Hall LLP, Chartered Surveyors, on 01 June 2017 (Previously valued on 30 April 2012 by Robinson & Hall LLP), except for the building known as 37 High Street, Huntingdon which was valued on 22 November 2017 by Brown & Co Barfords, RICS Registered Valuers. All independent valuations were made on the basis of open market value for current use.

The trustees are not aware of any significant changes since the valuation.

The historical cost of the assets forming the permanent endowment of the Charity has not been included as the original cost (if any) is unknown and as the land can not be sold, an open market value can not be obtained.

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2021**

10. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 May 2020	10,762,322
Revaluations	<u>1,048,577</u>
At 30 April 2021	<u>11,810,899</u>
NET BOOK VALUE	
At 30 April 2021	<u>11,810,899</u>
At 30 April 2020	<u>10,762,322</u>

There were no investment assets outside the UK.

All investments are carried at their market value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The historical cost of the permanent endowment when gifted to the Charity is unknown.

Only the income received during the year is made available for drawdown, and therefore forms the budget for approving grant applications.

During the year the Trustees chose to drawdown £360,000 [2020: £360,000]. In deciding on the amount to transfer to income, the trustees took the advice of their investment advisors, Rathbone Investment Management, as to the likely investment trends and the sustainability of the investment fund after considering various levels of transfer to income.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	25,500	17,000
Sundry debtors and prepayments	<u>9,809</u>	<u>7,637</u>
	<u>35,309</u>	<u>24,637</u>

Trade debtors for the year comprised of £25,500 owed in respect of Water Tower rent.

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2021**

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Grants payable	139,502	286,169
Trade creditors	3,721	29,738
Taxation and social security	678	1,935
Other creditors	<u>20,381</u>	<u>10,607</u>
	<u>164,282</u>	<u>328,449</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Other creditors	<u>90,000</u>	<u>-</u>

14. MOVEMENT IN FUNDS

	At 1.5.20 £	Net movement in funds £	Transfers between funds £	At 30.4.21 £
Unrestricted funds				
General fund	1,221,993	76,060	(74,540)	1,223,513
Extraordinary funds	186,378	(210,918)	24,540	-
Mental Health support fund	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
	1,408,371	(134,858)	-	1,273,513
Endowment funds				
Endowment	<u>16,135,690</u>	<u>1,131,387</u>	<u>-</u>	<u>17,267,077</u>
TOTAL FUNDS	<u>17,544,061</u>	<u>996,529</u>	<u>-</u>	<u>18,540,590</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	456,100	(374,286)	(5,754)	76,060
Extraordinary funds	<u>21,932</u>	<u>(232,850)</u>	<u>-</u>	<u>(210,918)</u>
	478,032	(607,136)	(5,754)	(134,858)
Endowment funds				
Endowment	<u>-</u>	<u>-</u>	<u>1,131,387</u>	<u>1,131,387</u>
TOTAL FUNDS	<u>478,032</u>	<u>(607,136)</u>	<u>1,125,633</u>	<u>996,529</u>

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2021**

14. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1.5.19 £	Net movement in funds £	At 30.4.20 £
Unrestricted funds			
General fund	1,201,500	20,493	1,221,993
Extraordinary funds	<u>186,378</u>	<u>-</u>	<u>186,378</u>
	1,387,878	20,493	1,408,371
Endowment funds			
Endowment	<u>16,977,834</u>	<u>(842,144)</u>	<u>16,135,690</u>
TOTAL FUNDS	<u><u>18,365,712</u></u>	<u><u>(821,651)</u></u>	<u><u>17,544,061</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	538,862	(519,185)	816	20,493
Endowment funds				
Endowment	<u>-</u>	<u>-</u>	<u>(842,144)</u>	<u>(842,144)</u>
TOTAL FUNDS	<u><u>538,862</u></u>	<u><u>(519,185)</u></u>	<u><u>(841,328)</u></u>	<u><u>(821,651)</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.5.19 £	Net movement in funds £	Transfers between funds £	At 30.4.21 £
Unrestricted funds				
General fund	1,201,500	96,553	(74,540)	1,223,513
Extraordinary funds	186,378	(210,918)	24,540	-
Mental Health support fund	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
	1,387,878	(114,365)	-	1,273,513
Endowment funds				
Endowment	<u>16,977,834</u>	<u>289,243</u>	<u>-</u>	<u>17,267,077</u>
TOTAL FUNDS	<u><u>18,365,712</u></u>	<u><u>174,878</u></u>	<u><u>-</u></u>	<u><u>18,540,590</u></u>

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2021**

14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	994,962	(893,471)	(4,938)	96,553
Extraordinary funds	<u>21,932</u>	<u>(232,850)</u>	<u>-</u>	<u>(210,918)</u>
	1,016,894	(1,126,321)	(4,938)	(114,365)
Endowment funds				
Endowment	-	-	289,243	289,243
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>1,016,894</u></u>	<u><u>(1,126,321)</u></u>	<u><u>284,305</u></u>	<u><u>174,878</u></u>

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 April 2021.

Huntingdon Freeman's Trust

Detailed Statement of Financial Activities for the Year Ended 30 April 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Investment income		
Bank interest	590	2,990
Rathbones Portfolios	<u>337,158</u>	<u>421,832</u>
	337,748	424,822
Charitable activities		
Rentals from land & property (including wayleaves)	98,853	93,933
Office rent	19,499	20,107
Mineral extraction	<u>21,932</u>	<u>-</u>
	<u>140,284</u>	<u>114,040</u>
Total incoming resources	478,032	538,862
EXPENDITURE		
Charitable activities		
Staff costs, including recruitment & travel expenses	32,406	38,135
Printing, postage & stationery	804	2,534
Sundries	1,718	5,172
Grants payable	425,109	340,680
Property maintenance & management	5,064	8,243
Repairs & renewals	<u>4,885</u>	<u>2,461</u>
	469,986	397,225
Support costs		
Grant making		
Investment Management Fees	54,214	53,912
Insurance	2,411	3,722
Office rent, rates, light & heat	14,120	8,589
Telephone	1,861	3,550
Legal fees	21,587	21,360
Computer equipment	<u>1,907</u>	<u>-</u>
	96,100	91,133
Other		
CEO fees	18,755	15,950
Auditors' remuneration	11,082	8,917
Payroll & bookkeeping	<u>11,213</u>	<u>5,960</u>
	<u>41,050</u>	<u>30,827</u>
Total resources expended	<u>607,136</u>	<u>519,185</u>
Net (expenditure)/income	<u>(129,104)</u>	<u>19,677</u>

This page does not form part of the statutory financial statements