

The Wharton Trust
Company Limited by Guarantee
Unaudited Financial Statements
31 December 2020

CENSIS

Chartered accountant
Exchange Building
66 Church Street
Hartlepool
TS24 7DN

The Wharton Trust

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2020

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	5
Statement of financial activities (including income and expenditure account)	7
Statement of financial position	8
Statement of cash flows	9
Notes to the financial statements	10

The Wharton Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2020

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Registered charity name The Wharton Trust

Charity registration number 01059956

Company registration number 03296566

Principal office and registered office The Annexe
Wharton Terrace
Hartlepool
TS24 8NS

The trustees

A Leighton
A Callaghan
J Pullman
T D Sherwood

Accountants Censis
Chartered accountant
Exchange Building
66 Church Street
Hartlepool
TS24 7DN

The Wharton Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Structure, governance and management

Constitution policies and objectives

The company is registered as a charitable company limited by guarantee and governed by its Memorandum and Articles of Association dated 27 December 1996.

Established in 1990, the aims and objectives of the Wharton Trust Community Centre, known as 'The Annexe', are to help and support local residents of all ages, and to offer facilities for meeting and socialising, education and training, and to assist the unemployed of all eligible ages into work.

Method of appointment or election of Council Management

The management of the company is the responsibility of the Council of Management who are elected and co-opted under the terms of the Articles of Association.

The Council of Management is authorised to appoint new members to fill vacancies arising or as an addition to existing members. The Council members named on page 1 served during the year.

The Council of Management take responsibility for the induction of new Trustee Board members and this induction process can include:

- provision of written background information about the charity
- meetings with key and other staff members
- one to one meetings
- provision of regular reports on the work of the organisation

Objectives and activities

The relief of poverty and sickness and the advancement of education and the promotion of any other charitable purpose for the benefit of the inhabitants of Dyke House, Jackson and Stranton Wards of Hartlepool.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

The Wharton Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Achievements and performance

What started out like any other year, with an organisation preparing for a year of serving our local community quickly became a year like no other.

Covid quickly became our new reality and impacted every single thing we did. We needed to close the building to the public for periods of time, we needed to support people who were losing incomes, those people without access to IT were, welfare support and so on.

So we distributed approximately 30 tonnes of food and hygiene products, we galvanised our community to deliver stocks wellbeing items, we raised funds for devices and kept quietly working behind the scenes to affect change. With a couple of our national colleagues we launched Operation Wi-Fi to highlight the impact of digital inequality, we worked with government to support and improve the rollout of Test and Trace, we also worked with local partners to highlight the public safety messages.

We strengthened our working relationships with colleagues in Hartlepool that had a similar approach to ours; we worked with our cohort of community businesses to help them through the pandemic; and supported new ones to launch at this time of need.

But we didn't just focus on our Covid response; we began to build for a new sustainable future.

With support from Power to Change we bought two houses and a shop. Annexe Housing moved from being an idea to a reality!

With financial support from Tudor Trust we were finally able to buy The Annexe from Hartlepool Borough Council and have sufficient money left over to eventually overhaul the heating and improve the energy efficiency of the lighting.

These purchases put us on a road to become truly self-sustaining and ensuring that Dyke House will always have a charity of its own.

2020 was the most extraordinary year but it proved that most people, most of the time will look out for one another. A community which is rooted in kindness supported one another at the most hideous of times and we are proud to have played a small role in it.

Tony Leighton
Chair

The Wharton Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Financial review

The Statement of Financial Activities shows a surplus for the year of £257,725 and the Charity holds reserves of £738,765. At the end of the year the unrestricted free reserves amounted to £617,492, those reserves not tied up in fixed assets amounted to a surplus of £80,515.

The Council of Management recognise the need to work towards building an unrestricted reserve of at least 3 month's running costs.

Reserves Policy and Risk Management

The Council of Management have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate our exposure to the major risks. Trustees are actively seeking new sources of funding to continue future activities.

The trustees' annual report and the strategic report were approved on 20 October 2021 and signed on behalf of the board of trustees by:

J Pullman
Trustee

The Wharton Trust

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of The Wharton Trust

Year ended 31 December 2020

I report to the trustees on my examination of the financial statements of The Wharton Trust ('the charity') for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Wharton Trust

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of The Wharton Trust *(continued)*

Year ended 31 December 2020

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

CENSIS
Chartered accountant

Exchange Building
66 Church Street
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TS24 7DN

The Wharton Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

31 December 2020

			2020		2019
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	75,617	438,292	513,909	306,000
Charitable activities	6	11,230	—	11,230	10,580
Total income		<u>86,847</u>	<u>438,292</u>	<u>525,139</u>	<u>316,580</u>
Expenditure					
Expenditure on charitable activities	7	19,693	247,721	267,414	273,291
Total expenditure		<u>19,693</u>	<u>247,721</u>	<u>267,414</u>	<u>273,291</u>
Net income		<u>67,154</u>	<u>190,571</u>	<u>257,725</u>	<u>43,289</u>
Transfers between funds		534,060	(534,060)	—	—
Net movement in funds		<u>601,214</u>	<u>(343,489)</u>	<u>257,725</u>	<u>43,289</u>
Reconciliation of funds					
Total funds brought forward		16,278	464,762	481,040	437,751
Total funds carried forward		<u>617,492</u>	<u>121,273</u>	<u>738,765</u>	<u>481,040</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 10 to 18 form part of these financial statements.

The Wharton Trust

Company Limited by Guarantee

Statement of Financial Position

31 December 2020

		2020 £	2019 £
Fixed assets			
Tangible fixed assets	12	536,977	374,636
Current assets			
Debtors	13	26,557	22,239
Cash at bank and in hand		180,218	95,271
		<u>206,775</u>	<u>117,510</u>
Creditors: amounts falling due within one year	14	<u>4,987</u>	<u>11,106</u>
Net current assets		201,788	106,404
Total assets less current liabilities		<u>738,765</u>	<u>481,040</u>
Net assets		<u>738,765</u>	<u>481,040</u>
Funds of the charity			
Restricted funds		121,273	464,762
Unrestricted funds		<u>617,492</u>	<u>16,278</u>
Total charity funds	16	<u>738,765</u>	<u>481,040</u>

For the year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 20 October 2021, and are signed on behalf of the board by:

J Pullman
Trustee

The notes on pages 10 to 18 form part of these financial statements.

The Wharton Trust

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2020

	2020 £	2019 £
Cash flows from operating activities		
Net income	257,725	43,289
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	13,165	12,746
<i>Changes in:</i>		
Trade and other debtors	(4,318)	(11,337)
Trade and other creditors	(6,119)	(2,620)
Cash generated from operations	<u>260,453</u>	<u>42,078</u>
Net cash from operating activities	<u>260,453</u>	<u>42,078</u>
Cash flows from investing activities		
Purchase of tangible assets	<u>(175,506)</u>	<u>(9,670)</u>
Net cash used in investing activities	<u>(175,506)</u>	<u>(9,670)</u>
Net increase in cash and cash equivalents	84,947	32,408
Cash and cash equivalents at beginning of year	<u>95,271</u>	<u>62,863</u>
Cash and cash equivalents at end of year	<u>180,218</u>	<u>95,271</u>

The notes on pages 10 to 18 form part of these financial statements.

The Wharton Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Annexe, Wharton Terrace, Hartlepool, TS24 8NS.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Wharton Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The Wharton Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2% straight line
Fixtures and fittings	-	25% reducing balance

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The Wharton Trust is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

The Wharton Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	1,555	–	1,555
Councillor Ward Budgets	290	–	290
Grants			
CDCF	–	5,000	5,000
Tudor Trust	1,978	80,000	81,978
Tees Valley Community	500	–	500
Early Intervention Grant	1,334	–	1,334
Community Business Fund	–	75,000	75,000
Locality Community Organiser	–	10,968	10,968
Joseph Rowntree Charitable Trust	–	15,000	15,000
Ballinger Charitable Trust	–	5,000	5,000
Empowering places	6,085	–	6,085
CoOperative	–	14,166	14,166
Masonic Lodge	4,500	–	4,500
Hospital of God Greatham	1,500	–	1,500
Colonel Cohen Charitable Trust	–	2,000	2,000
Job Retention Scheme	42,473	–	42,473
HBC Business Support Grant	10,000	–	10,000
Youth Investment Fund	5,402	–	5,402
Peoples Postcode Lottery	–	19,972	19,972
Power to Change	–	211,186	211,186
	<u>75,617</u>	<u>438,292</u>	<u>513,909</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £

The Wharton Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations	2,748	–	2,748
Asda	500	–	500
Councillor Ward Budgets	760	–	760
Grants			
Tudor Trust	10,000	5,000	15,000
Big Local	–	74,637	74,637
Early Intervention Grant	–	7,999	7,999
Key Fund	–	570	570
Locality Community Organiser	–	20,832	20,832
Esmee Fairburn Trust	–	30,000	30,000
Empowering places	6,620	9,276	15,896
Bringing Communities Together	4,195	–	4,195
Hartlepool Borough Council	–	1,900	1,900
Youth Investment Fund	–	22,568	22,568
Power to Change	–	108,395	108,395
	<u>24,823</u>	<u>281,177</u>	<u>306,000</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Room hire	11,230	11,230	8,911	8,911
Other	–	–	1,669	1,669
	<u>11,230</u>	<u>11,230</u>	<u>10,580</u>	<u>10,580</u>

The Wharton Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

7. Expenditure on charitable activities by activity type

	Activities undertaken directly	Total funds	Total fund
	£	2020	2019
	£	£	£
General Fund	10,608	10,608	23,712
Early Intervention	—	—	7,999
Community Organisers	10,968	10,968	20,832
Esmee Fairburn Trust	24,600	24,600	5,400
Joseph Rowntree Trust	—	—	81
Youth Investment Fund	—	—	24,512
Tudor Trust	—	—	5,000
The Key Fund	—	—	5,820
Building Renovation	—	—	8,661
CoOperative	14,166	14,166	—
Colonel Cohen Trust	2,000	2,000	—
Hunger Fund	—	—	1,900
Empowering Places	9,085	9,085	—
CDCF - Covid	5,000	5,000	—
Big Local Delivery	56,316	56,316	33,945
Power to Change	134,671	134,671	120,429
Paul Hamlyn Foundation	—	—	15,000
	<u>267,414</u>	<u>267,414</u>	<u>273,291</u>

8. Net income

Net income is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible fixed assets	<u>13,165</u>	<u>12,746</u>

9. Independent examination fees

	2020	2019
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,200</u>	<u>960</u>

10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	138,456	140,897
Social security costs	7,257	7,537
Employer contributions to pension plans	6,972	6,248
	<u>152,685</u>	<u>154,682</u>

The Wharton Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

10. Staff costs *(continued)*

The average head count of employees during the year was 10 (2019: 11). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No.
Charitable activities	8	9
Management	2	2
	<u>10</u>	<u>11</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees

12. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 1 January 2020	433,043	69,994	503,037
Additions	175,506	—	175,506
At 31 December 2020	<u>608,549</u>	<u>69,994</u>	<u>678,543</u>
Depreciation			
At 1 January 2020	69,189	59,212	128,401
Charge for the year	9,085	4,080	13,165
At 31 December 2020	<u>78,274</u>	<u>63,292</u>	<u>141,566</u>
Carrying amount			
At 31 December 2020	<u>530,275</u>	<u>6,702</u>	<u>536,977</u>
At 31 December 2019	<u>363,854</u>	<u>10,782</u>	<u>374,636</u>

13. Debtors

	2020	2019
	£	£
Trade debtors	25,950	22,232
Other debtors	607	7
	<u>26,557</u>	<u>22,239</u>

The Wharton Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

14. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	728	5,010
Accruals and deferred income	960	960
Social security and other taxes	2,752	2,753
Other creditors	547	2,383
	<u>4,987</u>	<u>11,106</u>

15. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £6,972 (2019: £6,248).

16. Analysis of charitable funds

Unrestricted funds

	At 1 January 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
General fund	16,278	86,847	(10,608)	(5,300)	87,217
Freehold Property Fund	—	—	(9,085)	539,360	530,275
	<u>16,278</u>	<u>86,847</u>	<u>(19,693)</u>	<u>534,060</u>	<u>617,492</u>

The Wharton Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

16. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
Power to Change	19,992	211,186	(134,671)	(90,206)	6,301
Big Local Delivery	56,316	—	(56,316)	—	—
CoOperative	—	14,166	(14,166)	—	—
Building Renovation	363,854	—	—	(363,854)	—
Tudor Trust	—	82,000	(2,000)	(80,000)	—
Community Organisers	—	10,968	(10,968)	—	—
Joseph Rowntree Foundation	—	15,000	—	—	15,000
Ballinger Charitable Trust	—	5,000	—	—	5,000
Esmee Fairburn Trust	24,600	—	(24,600)	—	—
CDCF - Covid	—	5,000	(5,000)	—	—
Community Business Fund	—	75,000	—	—	75,000
Peoples Postcode Lottery	—	19,972	—	—	19,972
	<u>464,762</u>	<u>438,292</u>	<u>(247,721)</u>	<u>(534,060)</u>	<u>121,273</u>

17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Tangible fixed assets	536,977	—	536,977	374,636
Current assets	85,502	121,273	206,775	117,510
Creditors less than 1 year	(4,987)	—	(4,987)	(11,106)
Net assets	<u>617,492</u>	<u>121,273</u>	<u>738,765</u>	<u>481,040</u>