

THE HADFIELD CHARITABLE TRUST

Charity Registration Number: 1067491

**ACCOUNTS FOR THE YEAR ENDED
31st AUGUST 2022**

The Hadfield Charitable Trust

Accounts for the year ended 31st August 2022

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The Hadfield Charitable Trust

Accounts for the year ended 31st August 2022

Trustees' Annual Report

The Trustees have pleasure in submitting their Annual Report and Financial Statements for the year ended 31st August 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (second edition - October 2019 - effective 1 January 2019).

REFERENCE AND ADMINISTRATION DETAILS

**Trustees who served during
the year and on the date
the Report was approved:**

Mr R A Morris (Chairman of Trustees)
Mr W Rathbone (until 31st December 2022)
Mr A T Morris
Mrs C F E Addison
Mr D Bailey
Mr A W N Forsyth (Chairman of the Advisory Panel - n.b. resigned from Panel
and as Chair of Panel with effect from 1 November 2022)

The Trustees wish to acknowledge Mr Rathbone's invaluable input during his time as Trustee. Hadfield Trust greatly undertake to research applications submitted. Mr Rathbone always asked relevant questions of all and had a keen eye for detail.

Principal Office: Shoestone Cottage, Garnett Bridge, Kendal, Cumbria LA8 9AZ

Charity Registration Number: 1067491

Administrator to the Trust: Ms S Berriman

Assistant to the Administrator: Mrs V Hewitt

Accountancy: Rathbone Trust Company Limited, Port of Liverpool Building,
Pier Head, Liverpool, L3 1NW

Auditor: BWM, Suite 5.1, 12 Tithebarn Street, Liverpool, L2 2DT

Bankers: Rathbone Investment Management Ltd, Port of Liverpool Building,
Pier Head, Liverpool, L3 1NW

Investment Managers: Rathbone Investment Management Ltd, Port of Liverpool Building,
Pier Head, Liverpool, L3 1NW

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STRUCTURE, GOVERNANCE AND MANAGEMENT

The Hadfield Charitable Trust is an unincorporated grant-making trust, a registered charity constituted under a trust deed dated 1 September 1997. The Trust was established through the generosity of the late Mrs Kathleen Hadfield Bibby. The capital is invested and the work of the Trust is primarily reliant on income generated by, and returns from, its investments. The Trust's sole activity is grant-making.

By deed dated 1st August 2010 the Trustees varied the original deed to extend the total number of trustees at no time to exceed eight. At the end of the financial year under review the Trust had six trustees, each chosen for their particular skills which they bring to its governance. It is considered that the Trustees between them have the appropriate experience and skills to fulfil the Trust's objectives. Two of these trustees live and work in Cumbria.

The Trustees held three meetings during the financial year under review and each was held via on-line video conferencing facilities as this gave the Trustees the opportunity to discuss each grant application as well as to discuss strategy and governance matters. The Trust's investment managers from Rathbone Investment Management attended all three meetings. The 2022 Annual Report and Accounts were presented to, considered and approved by the Trustees before being signed by the Chair in time to meet its statutory obligations.

The Trustees have delegated the day to day management of the Charity to the Administrator of the Trust.

At each Trustees' meeting the Trustees decide what awards should be made in response to grant applications received for consideration. The Trustees are guided in their deliberations by an Advisory Panel. Panel members are appointed by the Trustees who are chosen for their knowledge of the county and its charitable sector. There are currently seven members on the Advisory Panel including the Chairman of this Panel, Mr A.W.N. Forsyth, who is one of the Cumbrian Trustees. Mr Forsyth announced he is to step down from the Panel but remain as a Trustee, with effect from 1st November 2022. The Trustees thanked Mr Forsyth for all his hard work on the Panel. There are three Panel meetings each year, held approximately four weeks prior to each Trustee Meeting. These are held in person, in Cumbria, at a time to suit the Panel Members.

Recruitment, appointment and induction of new trustees

Prospective trustees are nominated by a Trustee for the specific skills they possess, and which will be of particular benefit to the Trust. Typically, candidates are asked to submit a letter of application detailing their skills and experience and then invited for a discussion with the Chairman and the Administrator on the work of the charity and its history. Candidates are then invited to attend a Trustees' meeting and if possible, an Advisory Panel meeting.

A new trustee must be elected by a majority of the Trustees and is provided with an induction pack containing relevant information including a copy of the Trust Deed, minutes of past Trustees' and Advisory Panel meetings and the latest Annual Report and Accounts. New Trustees are asked to read the Charity Commission guidance on the role, responsibilities and conduct of trustees (CC3: The Essential Trustee) and to visit the Charity Commission website.

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Principal Risks and Uncertainties

The Trustees have considered the major risks to which the charity is exposed, together with the system which have been established to mitigate those risks. A risk management document is in place and is reviewed each year at the November meeting of the Trustees with a view to identifying any new risks and ensuring that the systems aimed at mitigating those risks remain appropriate.

The Trustees consider that the greatest risk affecting its ability to carry out its objectives would arise from a serious shortfall in its annual income caused by, for example, a collapse of dividend flow as a result of a major international financial crisis. In order to mitigate this risk (and in accordance with s15 Trustee Act 2000) the Trustees have established a policy statement for the investment of funds for the guidance of the discretionary fund manager, which is reviewed annually in line with investment performance.

The underlying capital can be used for grants in exceptional circumstances. The Trustees do not feel that it is necessary to establish reserves to enable them to smooth fluctuations in income.

OBJECTIVES AND ACTIVITIES

The Settlor had family roots in Cumbria and a deep affection for the county. In reflecting her wishes the Trustees determined that the Hadfield Charitable Trust should primarily provide assistance to community organisations with charitable objectives in Cumbria, particularly those whose work addresses the following priorities: social needs, youth and employment, older people, the arts, and the environment. However, from time to time, it has, and may in the future, make grants to charities operating outside the county.

How the Trust delivers public benefit through its activities:

The Trust primarily delivers public benefit through the distribution of income generated from its capital funds by making grants to suitable community projects in Cumbria. The application process is designed to be straightforward and accessible. All applicants are encouraged to discuss projects before applying and the Trust is keen to build a rapport with organisations to help develop an effective and resilient charitable sector.

The Trust actively seeks good community projects to fund and aims to do this in various ways principally through attending the 5 annual charity funding fairs held throughout the county and through its website which was redeveloped working with design students at the University of Cumbria Institute of Arts. The Trust also sends funding plaques for display to organisations, thereby raising public awareness of its work.

There has been an increasing requirement for grants to cover salaries and annual running costs and in acknowledging the difficult environment many charities are operating under the Trustees have been supportive of these applications.

The Trustees have also noted an increase in requests for multi-year grants. The Trustees have approved these as and where appropriate.

To ensure that public benefit is delivered widely and fairly, the Trustees apply a 'two year rule' i.e. a minimum two year gap between the payment of awards.

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The Trustees consider applications from national charities if there is evidence of the public benefit to the Cumbrian community from their work. All applicants are asked to provide a Cumbria-based referee who can vouch for that organisation's work in the county.

From time to time the Trustees decide to hold back the grant until certain conditions and criteria are met. The applicant then has two years from the date of agreement to provide evidence that all conditions and criteria have been met. At that point the pledged award is paid. The as yet unpaid pledged awards are not included in these accounts. This principle also applies to as yet unpaid multi-year awards.

Working with third parties to maximise delivery of public benefit

The Trustees are always willing to support organisations which work county wide with numerous community groups. The Trustees were once again happy to support the Cumbria Community Foundation's Winter Warmth Appeal.

Performance-related awards

Grants are applied towards one-off projects; however, the Trustees recognise how critical it is to ensure the sustainability of effective organisations. When considered necessary, key projects may receive multi-year grants which are always performance related; subsequent payments are wholly dependent upon the receipt of satisfactory reporting to the Trustees. Examples in 2021/22 of multi-year grants include awards to Cockermouth Linking Lives, Great North Air Ambulance Service, Growing Well and Hospice at Home

The Trustees also pledge awards where an additional condition needs to be fulfilled, particularly in the case of large capital schemes when remaining funds often need to be secured. These pledged awards frequently help organisations to lever additional funding.

The Trustees have complied with the duty in s17(5) of the Charities Act 2011 to have due regard to the Charity Commission's Public Benefit guidance when exercising any relevant powers or duties.

ACHIEVEMENTS AND PERFORMANCE

Since the Trust started to make grants in March 1998 a total of £6,266,955 had been donated to 2,840 charitable causes, mostly in Cumbria, by 31 August 2022.

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Donations made

During the year, donations totalling £350,558 (£281,235 in 2021) were made from the Trust. Grants ranging from £419 to £5,000 were made to 110 (96 in 2021) charitable causes. The total value and proportion of grants awarded by priority type from Unrestricted Funds were as follows:

	£	%
<i>Social Needs</i>	144,565	42
<i>Youth and Employment</i>	135,758	39
<i>Help for the Elderly</i>	25,163	7
<i>The Arts</i>	34,463	10
<i>The Environment</i>	7,961	2
	<u>347,910</u>	<u>100</u>

In dividing projects by priority there is always a degree of overlap, particularly under the 'Social Needs' priority, so projects can deliver benefit to several categories such as the elderly and disabled. A full list of all the donations made in the year is shown within the notes to these accounts.

Rapid Response Activity

The Trust established a reputation for effectively meeting community need in Cumbria during the Foot and Mouth Disease crisis of 2001/2002.

In January 2016 the Trustees responded to the winter storms that devastated much of Cumbria by setting aside £50,000, from capital, into a Flood Relief Fund to meet the needs of the communities severely impacted by flooding. Urgent applications were dealt with outside the meeting structure: considered by the Cumbrian based Trustees and approved by the Chairman and these groups received payments within days of applying. The final payment was made during 2020 and this Fund is now closed.

When considering the impact of COVID-19 the Trustees agreed to continue with its three funding rounds during 2021. They also considered that its five criteria of Social Need, Youth and Employment, the Elderly, the Arts and the Environment were sufficiently broad to cover any COVID-19 related need that may arise. The Trustees also accepted non-COVID-19 related applications.

Social Need

Extracts from the Evaluation Forms returned to the Trustees from successful applicants

"....established a well-attended weekly community lunch and volunteer day which upskills local people and also provides a space for those struggling with rural isolation to meet others"

"The grant helped a lot of people with basic food like fruit and vegetables"

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"we have been able to finish our refurbishment, support our community with Foodshares during the cost of living crisis and support our Ukrainian refugees to become part of the local community and has allowed us to remain in touch with our community's social needs..... We have also continued to make a difference in the lives of our local community with our day to day work, supporting people with food, white goods and to form local community bonds."

"Treatment time is now down to 10 minutes from 45 minutes. This means we can see even more patients"

"With the gradual lifting of Covid restrictions the hall is now being used more by public groups and the upgrades to the toilet and kitchen facilities have lifted the facilities from being dark and rather dank to friendly usable spaces suitable and welcoming for groups to use."

This is the criteria which receives the largest number of applications and the Trustees were keen to continue their long time support for community facilities such as village halls and community centres, sports clubs, hospices and citizens advice offices. They were particularly keen to support several organisations providing cooked meals and/or food and support to alleviate increases in the cost of living.

Youth and Employment Activities

"... young people were fully committed and really thrived ..."

"since the re-development the play area has become a buzzing centre for the children.....the feedback from the Village has been very positive"

"the interventions we teach provide individuals with tools that help overcome anxiety and understand the importance of self-care. We deliver the programme in an outdoor environment surrounded by nature..... improving well-being."

The Trust was pleased that, in conjunction with the University of Cumbria, the Hadfield Trust Creative Travel Award was able to be re-introduced. This scheme enables Cumbrian students an opportunity to travel to develop their career opportunities through access to activities that without the bursary would not be possible. Each bursary is worth up to £500 and is awarded to students from the University's Institute of the Arts. In the financial year 2021/22 there were 3 successful awards at £500 each.

Help For The Elderly

Extracts from the Evaluation Forms returned to the Trustees from successful applicants

"The new access has been completed in just 6 weeks and has been welcomed by all users and members. The work has already helped to make the Centre lighter, brighter and more welcoming. Membership is increasing."

"These grant payments can make a huge difference. If it allows you to turn up the heating so that you don't have to go to bed in the middle of the day to stay warm, that's life changing. If you don't have to make a choice between skipping lunch or switching on the heating, that too is life changing."

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"Although there are very few grants allocated to this important criteria this demographic does benefit from grants awarded under the Social Needs, Arts and Environment category."

Arts

Extracts from the Evaluation Forms returned to the Trustees from successful applicants

"The grant was to support the cost of performing a new piece of music commissioned from a Cumbrian composer, to mark the 250th anniversary of the birth of William Wordsworth. It was a highly successful concert"

"Having the star cloth has been fantastic. We then knew we would have magical backdrops for some of our scenes. We can now plan, without worry, on using it in our future productions. Lifting the financial worry from our smallgroup and help keep us viable."

The Trustees are great supporters of the Arts and were keen to award grants to ensure sustainability and longevity.

The Environment

Extracts from the Evaluation Forms returned to the Trustees from successful applicants

"The surveys conducted as part of the Fish and Habitat Improvement Project provide vital data for the Rivers Trust and partner organisations, to undertake other environmental restoration & improvement projects."

"Now that the windows are in, this has had a large impact on the look of the outside of the building especially the car park side which is where most people approach from. This will encourage people to use the building more. Inside the building it has made the room much warmer and quieter which again makes it more pleasant for the users. The decreased heat loss from the double glazing will help to reduce our gas usage. This will assist in keeping our costs down and help to reduce our environmental impact "

The Trustees are always happy to receive applications under this criteria and anticipate the number increasing in the years to come.

PLANS FOR THE FUTURE

The Trustees will continue to target their priority categories to maximise public benefit and actively promote the work of the Trust to attract appropriate applications and effectively meet community need. It is anticipated that requests for revenue funding to cover annual running costs and salaries along with requests for multi-year awards will continue. There are no plans to change the application process.

The Trust will continue to monitor achievement by measuring impact through analysis of the evaluation reporting of every successful applicant. The Trustees decided that former applicants can only reapply if they have evaluated previously funded projects. Analysis of application by priority and location will continue to help identify gaps in uptake.

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Some awards in the Arts category can only be claimed if the event has made a deficit and the Trustees are continuing to measure the impact of this approach.

The Trust will continue to develop its working with key organisations to maximise the delivery of public benefit.

FINANCIAL REVIEW

Income generated by investments during the year totalled £396,445 (£298,118 in 2021) and £36,814 (£33,714 in 2021) was spent to raise funds. The amount applied directly towards charitable purposes during the year, excluding returned donations, totalled £350,558 (net donations made of £289,883 in 2021) and £45,159 was spent on support and governance costs (£43,488 in 2021).

The SoFA includes the net gains and losses arising on revaluations and disposals throughout the year. In the year end 31st August 2022 net investment gains totalled £65,656 (gains of £1,266,014 in 2021). There was a net increase in funds during the year ended 31st August 2022 of £29,571 (net increase of £1,205,695 in 2021). The Trustees held £9,790,230 of Unrestricted Funds as at 31st August 2022, compared with £9,760,659 held as at 31st August 2021. All Funds held at the financial year-end were Unrestricted in nature.

Reserves

The Trustees do not consider the underlying capital to be reserves since they provide the sole source of income for the Trust. The Trustees aim to expend each year's income, net of administration expenses, through the donation of grants with any under or over expenditure being balanced by over or under expenditure in subsequent years. Given the above, coupled with the low annual administrative expenditure, the Trustees do not consider it necessary to maintain designated free reserves. As explained under the section of "Achievements and Performance", the Trustees from time to time respond to a particular crisis or opportunity by agreeing to donate an appropriate sum from capital to meet that need and all funds may be applied at the Trustees' discretion. The Trust has no long-term commitments as at the balance sheet date.

Investments

The Trust's capital is invested in marketable investments or cash. There are no specific restrictions under the terms of the governing document. The Trustees have full discretion over the investments. The Trustees have delegated to Rathbones full discretionary day to day control of the investments. Assets have been acquired and disposed of in accordance with the powers available to the Trustees.

Investment Objectives and Performance

The Trustees have agreed with the Investment Managers the objectives to secure a reasonable growth in income, consistent with the long term preservation of capital in real terms. Investment decisions should be made based on the views of a prudent person in accordance with the standard of investment criteria relating to suitability and diversification. These objectives are reviewed at least once a year at a Trustee meeting.

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The Trustees wish to ensure that the objectives outlined above are achieved with an acceptable risk. This implies the need for diversification of investment by the Trust to include a range of assets including fixed interest stocks, UK and overseas shares.

Investments comprise holdings in the UK, larger overseas listed companies, unit and investment trusts including those investing in major international markets and also fixed interest securities. The portfolio can therefore include a proportion of medium-sized, or smaller, UK companies and have exposure to international markets.

The Trustees are aware that significant enhancements have been and continue to be made to the investment process at Rathbones which will allow a deeper understanding of the Environmental, Social and Governance (ESG) aspects of the investments and identify any risks associated with these. This development is welcomed and the Trustees will keep their position on this reviewed and the Policy Statement will be updated accordingly should any changes to the current objectives be identified.

The Investment Managers are required to operate within the constraints applying to trusts governed by the Trustee Act 2000.

The performance of the fund is monitored and the Trustees review each individual asset class against its appropriate benchmark.

The Investment Manager provides regular reports to the Trustees who review the performance of the portfolio and of the Investment Manager at least three times a year. The Trustees are satisfied with the performance during the period under review.

TRUSTEES' RESPONSIBILITIES

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

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

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards (FRS102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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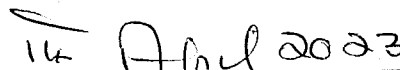
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The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity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

As approved and signed on behalf of the Board of Trustees:



Mr R A Morris (Chairman of Trustees)



Date

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Independent Auditor's Report

To the Trustees of The Hadfield Charitable Trust

Opinion

We have audited the financial statements of The Hadfield Charitable Trust (the 'charity') for the year ended 31 August 2022 which comprise of the Statement of Financial Activities, the Balance Sheet and the notes to the accounts, 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 31 August 2022 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 Auditor's 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 other information comprises of the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or

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To the Trustees of The Hadfield Charitable Trust

- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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 cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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:

The extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including taxation legislation and data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and

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Independent Auditor's Report

To the Trustees of The Hadfield Charitable Trust

- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

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.

BWM
Chartered Accountants
Statutory Auditor

BWM

Dated

10 May 2023

Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

BWM is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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Statement of financial activities

		Unrestricted Funds 2022 £	Total 2022 £	Total Unrestricted 2021 £
	Notes			
Income from:				
Investments	3	396,445	396,445	298,118
Total		396,445	396,445	298,118
Expenditure on:				
Raising funds	4	36,814	36,814	33,714
Charitable activities	5	393,069	393,069	324,723
Total		429,883	429,883	358,437
Net gains/(losses) on investments	11	65,657	65,657	1,266,014
Net movement in funds		32,219	32,219	1,205,695
Reconciliation of funds:				
Balance as at 1 September 2021		9,760,659	9,760,659	8,554,964
Balance as at 31 August 2022		9,792,878	9,792,878	9,760,659

There are no acquisitions or discontinued operations in the year.

The notes on pages 16 to 26 form part of these accounts.

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Balance Sheet

		Unrestricted Funds 2022 £	Total Funds 2022 £	Total Unrestricted Funds 2021 £
	Notes			
Fixed Assets				
Investments	11	9,586,701	9,586,701	9,542,163
Total Fixed Assets		<u>9,586,701</u>	<u>9,586,701</u>	<u>9,542,163</u>
Current Assets				
Debtors	12	63,692	63,692	71,615
Cash at bank		153,975	153,975	160,571
Total Current Assets		<u>217,667</u>	<u>217,667</u>	<u>232,186</u>
Liabilities:				
Creditors: Amounts falling due within one year	13	11,490	11,490	13,690
Net Current Assets		<u>206,177</u>	<u>206,177</u>	<u>218,496</u>
Total Net Assets		<u><u>9,792,878</u></u>	<u><u>9,792,878</u></u>	<u><u>9,760,659</u></u>
Funds of the Charity				
Total Funds as at 31 August 2022		<u><u>9,792,878</u></u>	<u><u>9,792,878</u></u>	<u><u>9,760,659</u></u>

Approved by the Board of Trustees and signed on its behalf on:

14 April 2023



Mr R A Morris (Chairman of Trustees)

The notes on pages 16 to 26 form part of these accounts.

Notes to the Accounts

1 Accounting Policies

The Hadfield Charitable Trust is a Public Benefit Entity governed by a Settlement Deed dated 1st September 1997 and registered in England and Wales. The principal address is Shoestone Cottage, Garnett Bridge, Kendal, Cumbria, LA8 9AZ.

Accounting Convention

The accounts have been prepared in accordance with the charity's Constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective from 1 January 2019).

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

The accounts have been prepared on the historical cost convention, modified to include the revaluation of investments at fair value. The principal accounting policies adopted are set out below.

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

Going Concern

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

Charitable Funds

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

Income

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

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

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

All dividend income is recorded net and includes tax deducted only when it is repayable to the charity.

Notes to the Accounts

Expenditure

Expenditure is recognised when paid or when there is a legal or constructive obligation for which it is more likely than not that a transfer of economic benefit will be required in settlement and the amount can be reliably measured as at the reporting date. A constructive obligation exists where the charity has communicated the commitment to provide particular goods, services or funding to the recipient by the reporting date and there are no conditions attached to its payment falling due after the reporting date.

Provisions for liabilities must be recognised when either the timing or the amount of future expenditure required to settle the obligation is uncertain. These are distinguished separately on the balance sheet. If a transfer of resources is no longer required, provisions are reversed and charged to the SoFA.

Support Costs and Employee Benefits

All support costs and employee benefits are paid from Unrestricted Funds.

The employees of the charity do not accrue holiday entitlement. Any termination benefits awarded are recognised immediately as an expense.

Retirement Benefits

The charity is required to provide a pension scheme for one employee; the Administrator, only. A Defined Contribution scheme commenced 1st August 2016.

Investments

Investments held in the fund are included at their market value as follows:

- (a) Listed securities are valued at the mid market value ruling at the balance sheet date.
- (b) Listed securities held in foreign currencies have been valued at the mid market value and translated into their sterling equivalents at the rates ruling at the balance sheet date.
- (c) Gilts are valued at the mid market value ruling at the Balance Sheet date and include interest that has accrued up to that date.

Investments are classified as a fixed asset except when classified as a current asset where the intention of the Trustees is to dispose of the asset and not reinvest the proceeds.

Other recognised Gains and Losses

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost and are charged or credited to the Statement of Financial Activities in the year of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities resulting from revaluing investments to market value at the Balance Sheet date.

Taxation

The Charity is not liable to income tax or capital gains tax on its charitable activities. Irrecoverable VAT is included in the asset cost or the expense to which it relates.

Accounts for the year ended 31st August 2022

Notes to the Accounts

Cash and cash equivalents

Cash at bank and in hand is held to meet short-term cash commitments as they fall due rather than for investment purposes. Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Financial Instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Cancellation of financial liabilities

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

Accounts for the year ended 31st August 2022

Notes to the Accounts

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3 Income from Investments

	2022 £	2021 £
<i>Net of non reclaimable tax deducted at source:</i>		
Overseas	106,173	26,048
UK Fixed Interest	2,539	2,823
UK Unit Trust Income	52,969	81
UK Equities and Income	226,264	256,901
Other Income	8,826	12,265
Bank Interest	297	0
Non reclaimable tax	(623)	0
	396,445	298,118

4 Raising funds

	2022 £	2021 £
Rathbone Investment Management fees	36,814	33,714
	36,814	33,714

5 Charitable activities

Grant making:

	Unrestricted Funds		Total Funds	Total Funds
	Direct Activities	Support Costs	2022 £	2021 £
	£	£		
Donations made (note 6)	347,910	0	347,910	281,235
Salaries (note 8)	0	27,318	27,318	26,507
Office costs	0	2,214	2,214	1,898
Governance costs (note 9)	0	15,627	15,627	15,083
	347,910	45,159	393,069	324,723

Accounts for the year ended 31st August 2022

Notes to the Accounts

6 Donations made

An analysis of donations made from Unrestricted Funds by type is summarised as follows:

	£	%
Social Needs	144,565	42
Youth and Employment	135,758	39
The Elderly	25,163	7
The Arts	34,463	10
The Environment	7,961	2
Total unrestricted donations	347,910	100

A full list of donations made to institutions from Unrestricted Funds and analysed by type for the year:

	£	£
<i>Social Needs:</i>		
Allerdale Disability Association	3,500	
Arnside Educational Institute	1,000	
Askham and District Community Centre	3,000	
Bay Search and Rescue	3,000	
Blue Sky Trust	3,000	
Carlisle Community Church of The Nazarene	600	
Citizens Advice Allerdale	5,000	
Citizens Advice South Lakes	5,000	
Cockermouth Linking Lives	2,000	
Cumbria Alcohol and Drug Advisory Service (CADAS)	3,000	
Fairoak Housing Association	1,500	
Friends of The X112 Bus	3,000	
Grange Over Sands Community Foodshare	2,500	
Growing Well Ltd	5,000	
Healthy Hopes Cumbria LTD	3,000	
Home To Work Limited	5,000	
Hospice at Home Carlisle & North Lakeland	5,000	
Hospice of St Mary of Furness	5,000	
Hunsonby Swimming Club	2,500	
Huntington's Disease Association	3,500	
Hutton Roof Village Hall	3,000	
Millom Baptist Church	3,000	
Mind in Furness Limited	3,742	
Motor Neurone Disease Association	3,000	
Multicultural Cumbria	5,000	
Penrith Pumas WRC CIC	3,000	
Penrith Tennis Club	5,000	
Pride In North Cumbria	2,000	
Rosemere Cancer Foundation	3,000	
Sandylands Residents Association	2,500	
St Cuthbert's Wigton	2,000	

The H. field Charitable Trust

Accounts for the year ended 31st August 2022

Notes to the Accounts

	£	£
St Herberts Community Chef Homeless Project	5,000	
Stricklandgate House Trust Ltd	5,000	
Suicide Bereavement Support (SBS)	2,500	
The Great North Air Ambulance Service	5,000	
The Lunesdale Hall	3,000	
Time For Change (CIC) - Calderwood House	5,000	
Tirril and Sockbridge Village	3,000	
Walney Community Trust	723	
Warcop Parish Council	5,000	
West Cumbria Domestic Violence	5,000	
Wigton Road Methodist Church Carlisle	5,000	
Total Social Needs		144,565
<i>Youth and Employment</i>		
1st Cockermouth Scout Group	5,000	
1st Kirkby Stephen Scout Group	2,500	
1st Wetheral Brownie Pack	3,000	
Allithwaite Playing Fields	3,500	
Be Me Project (BMP)	2,500	
Bee Unique	3,000	
CancerCare North Lancashire and South Cumbria	5,000	
Carlisle Mencap Limited	5,000	
Carlisle Sea Cadets	5,000	
Cartmel Priory C Of E Primary School	3,000	
Citizens Advice Barrow	5,000	
Cumbria Crimestoppers	5,000	
Farmer Network	2,500	
Friends Of Beaumont	2,700	
Friends Of Bram	1,798	
Happy Days Children Charity	4,000	
Haverigg Nursery and The Clubbers	5,000	
Islanders Dance Troupe	2,000	
NISCU	2,500	
Oughterside & Allerby Parish Council	2,000	
Our Place Youth Club, Ambleside	2,500	
Owl Blue	5,000	
Project John Limited	3,000	
Rainbow Trust Children's Charity	3,300	
SAFA Cumbria	5,000	
Safety Net UK	5,000	
Shackles Off Youth Community Project	3,000	
Spiral (Preventing the Effects of Bullying)	4,000	
Starr In The Community	1,000	
Staveley Village Association	4,760	
Tall Ships Youth Trust	3,000	

The Huddersfield Charitable Trust

Accounts for the year ended 31st August 2022

Notes to the Accounts

	£	£
The Kent Estuary Youth Project	3,000	
The Panathlon Foundation Ltd	1,000	
The Rock Youth Project	3,200	
The Share Foundation	4,000	
The Windmill Trust	2,000	
University Of Cumbria - Travel Award	1,500	
Whitehaven Community Trust	5,000	
Wigton Youth Station	4,000	
Windermere Youth Project Ltd	2,500	
		135,758
<i>Total Youth and Employment</i>		
<i>The Elderly</i>		
Age UK Barrow and District Ltd	2,663	
Bowness Bowling Club	3,000	
Copeland Age and Advice Service	5,000	
Cumbria Community Foundation	5,000	
Keswick Senior Citizens Club	4,000	
Millom Pensioners Association	3,500	
Royal Air Force Benevolent Fund	1,000	
The Studio Morland CIC	1000	
		25,163
<i>Total The Elderly</i>		
<i>The Arts</i>		
Alston Live Music Festival	419	
Borderline Book Festival	1,433	
Cumbria Opera Group	1,000	
Furness Creatives	1,448	
Kendal Windows On Art	1,021	
Lakeland Arts	3,000	
Littoral Arts Trust	2,000	
Lower Holker Village Hall	4,000	
Reivers Arts & Crafts Society	1,000	
Rosehill Youth Theatre	5,000	
The Lakes Players	1,142	
The Telling	1,500	
The Vulture Club	5,000	
The Wordsworth Singers	1,000	
Whitehaven Theatre Group Trust	2,000	
Wigton Theatre Club	3,500	
		34,463
<i>Total The Arts</i>		

The Houlfield Charitable Trust

Accounts for the year ended 31st August 2022

Notes to the Accounts

	£	£
<i>The Environment</i>		
Castle Carrock and Geltsdale Parish Council	3,000	
Eden Rivers Trust	4,035	
Field Studies Council Ltd	926	
<i>Total The Environment</i>		7,961
 Total Unrestricted Donations made		<u>347,910</u>
 Returned donations and retracted pledges		<u>0</u>
 Net Total Unrestricted Donations made		<u><u>347,910</u></u>

7 Trustee and Key Management Personnel Remuneration and benefits

Clause 7.8 of the deed bestows power on the trustees to employ any person, firm or company to manage or assist in managing the day to day running of the Trust Fund upon such reasonable terms as the Trustees think fit and to pay, enter into agreements and fix such reasonable salary as the Trustees deem proper and to make all necessary provisions for the payment of pensions on behalf of employees.

8 Paid employees	2022	2021
	£	£
Gross wages	26,794	26,005
Employer's contribution to defined contribution pension scheme	523	502
	<u>27,318</u>	<u>26,507</u>

The charity is required to provide a pension scheme for one employee; the Administrator, only.

Employment Allowance reduced Employer's NIC contributions for the year to nil.

No employee received emoluments in excess of £60,000 (none in 2021).

Average number of part-time employees in the year:	2022	2021
Charitable activities - administration and support	2	2

Accounts for the year ended 31st August 2022

Notes to the Accounts

9 Governance Costs	2022	2021
	£	£
Panel expenses and meeting room hire	520	417
Accountancy and administration fees	8,280	8,130
Tax and Pension Administration fees	1,420	1,320
Audit fees	4,284	4,200
Insurance	1,123	1,016
	<u>15,627</u>	<u>15,083</u>

10 Details of certain expenditure

Trustee Remuneration and benefits

None of the Trustees have been paid any remuneration or received any other benefits during the year ended 31st August 2022.

Trustee expenses

No amounts were reimbursed to any Trustees for expenses incurred (0 in 2021) during the year ended 31st August 2022.

11 Investments	Value at 31/08/21 £	Purchases at cost £	Sales proceeds £	Realised Gains/(Losses) £	Unrealised Gains/(Losses) £	Value at 31/08/22 £
Listed:						
Overseas	3,656,815	331,201	(408,445)	1,091	45,373	3,626,034
Fixed Interest	444,645	0	0	0	(35,678)	408,967
UK Equities and Income	5,440,703	1,312,780	(1,256,654)	(11,407)	66,278	5,551,700
	<u>9,542,163</u>	<u>1,643,981</u>	<u>(1,665,098)</u>	<u>(10,317)</u>	<u>75,973</u>	<u>9,586,701</u>

12 Current assets	2022	2021
Debtors	£	£
Income Tax repayable	(2,175)	1,477
Dividend income - XD	65,867	65,691
Dividends receivable	0	4,447
	<u>63,692</u>	<u>71,615</u>

The Hadfield Charitable Trust

Accounts for the year ended 31st August 2022

Notes to the Accounts

13 Liabilities:	2022	2021
<i>Creditors: Amounts falling due within one year</i>	£	£
Accrual for grant	1,433	0
Rathbone Trust Company Ltd	4,700	4,450
Rathbone Trust Company Ltd - prior year	0	3,900
BWM	4,200	4,200
HM Revenue & Customs	1,157	1,140
	<u>11,490</u>	<u>13,690</u>
14 Financial Instruments	2022	2021
	£	£
Carrying amount of financial assets		
Debt instruments receivable within one year		
- Debtors	65,867	70,138
- Cash	153,975	160,571
	<u>219,842</u>	<u>230,709</u>
Carrying amount of financial liabilities		
Payable within one year		
- Creditors	<u>10,333</u>	<u>12,550</u>
Instruments measured at fair value through SOFA		
Investments at value	<u>9,586,701</u>	<u>9,542,163</u>

15 Related Party Transactions

Other charitable organisations of which the Trustees of this charity have an interest in are always properly declared and acknowledged during determination of applications. If such a situation arises, the Trustee with the related party interest does not participate in the decision other than to clarify facts.

Amounts paid from the Hadfield Charitable Trust to any such charitable organisations are disclosed in note 6.

As at 31st August 2022 the Trustees had no interest in any charitable organisation affected by the above.

Outside of reimbursed expenses disclosed in note 10, there have been no other related party transactions requiring disclosure in the reporting period.

The H. J. Field Charitable Trust

Accounts for the year ended 31st August 2022

Notes to the Accounts

16 Comparative Charitable activities

Grant making:

	Unrestricted Funds		Total Funds
	Direct	Support	
	Activities	Costs	2021
	£	£	£
Donations made (note 6)	281,235	0	281,235
Salaries - Net (note 8)	0	26,507	26,507
Office costs	0	1,898	1,898
Governance costs (note 9)	0	15,083	15,083
	<hr/>	<hr/>	<hr/>
	281,235	43,488	324,723