

THE ELM TREE TRUST

(Charity Registration Number: 1072197)

**UNAUDITED ACCOUNTS AND ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

THE ELM TREE TRUST
UNAUDITED ACCOUNTS AND ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2024

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THE ELM TREE TRUST
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Trustees' Annual Report

The Trustees have pleasure in submitting their Annual Report and unaudited Financial Statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's trust deed and applicable law.

REFERENCE AND ADMINISTRATION DETAILS

**Trustees who served during
the year and on the date
the Report was approved:** Nancy Naidoo
Rathbones Trust Company
Helen Clark

Principal address: Rathbones Trust Company Limited, Port of Liverpool Building, Pier Head, Liverpool, L3 1NW

Charity Number: 1072197

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

Independent Examiner: Tony Stanley, Mitchell Charlesworth, 14th Floor, The Plaza, 100 Old Hall Street,
Liverpool, L3 9QJ

Bankers: Rathbones Investment Management, 30 Gresham Street, London, EC2V 7QN
Barclays Bank Leicester, Leicestershire, LE87 2BB

OBJECTIVES AND ACTIVITIES

The funds are to be applied for or towards such charitable purposes at such time or times and in such manner as the Trustees shall in their absolute discretion think fit. The objectives are fulfilled by the Trustees through consideration of appeals and making grants or donations in response thereto. Funds held pending disbursement may be invested in securities of whatsoever nature the Trustees think fit.

The only costs incurred to raise funds are investment management fees, as detailed in the notes to the accounts.

ACHIEVEMENTS AND PERFORMANCE

The Trustees continued to consider requests for funding and responded thereto. The Trustees resolved to make a number of donations during the financial year which are detailed in the notes to these accounts, totalling £22,000 (£15,000 - 2023).

The majority of donations made are one-off, however, multi-year grants are pledged. All such donations are subject to a thorough review of performance to date prior to the next payment being made.

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the general guidance issued by the Charities Commission on public benefit.

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Trustees' Annual Report

FINANCIAL REVIEW

A generous donation was made by the founder of the charity in the sum of £49,999 (£50,000 - 2023) and income generated by the charity's investments totalled £11,389 (£8,108 - 2023). As detailed in the notes to the accounts, £29,748 (£23,304 - 2023) was spent on charitable activities, including governance costs and support costs. A further £3,858 was spent to raise funds (£3,471 - 2023).

The SOFA includes net gains and losses arising on the charity's investment assets. Net gains of £56,937 were generated for the year (net losses of £31,713 - 2023). The Trustees continue to review the movements within the portfolio and are satisfied with the investments' performance during the financial year, understanding the circumstances contributing to the results.

After taking all other costs into account, the charity's funds increased by £84,719 during the year (decreased £380 - 2023), resulting in a balance of Total Funds held as at 31st March 2024 in the sum of £665,945 (£581,226 - 2023) of which £32,499 (£50,858 - 2023) represented Unrestricted Income Funds and £633,446 (£530,368 - 2023) represented Expendable Endowment capital.

INVESTMENTS

There are no restrictions in the Trust's deed and the Trustees have resolved to delegate their investment duties to Rathbones Investment Management. The Trust's capital is invested in marketable investments or held in cash. The Trustees operate a low risk policy with an objective of a balanced approach, to secure reasonable growth in income consistent with the long term preservation of capital in real terms.

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

The Trustees operate within the constraints applying to trusts governed by the Trustee Act 2000.

The value of the Trust's portfolio as at 31st March 2024 totalled £640,105 an increase from £573,751 as at 31st March 2023. The Trustees have reviewed the movements within the portfolio and are satisfied with the performance. They do not intend to make any change to the investment policies at this time.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Elm Tree Trust is constituted by a Trust Deed dated 20th August 1998 and is a registered Charity number 1072197 under clause 4(1). The statutory power of appointing new or additional Trustees is by a resolution of the Trustees passed at a special meeting. There is a minimum of two Trustees.

The Trust is governed by the board of Trustees, as listed above, who served during the year. Procedures to appoint new Trustees are stated in the Trust's governing document. The Board of Trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee. New Trustees are selected in accordance with their connection to the current trustees and the experience and expertise they bring to the Board, to ensure that between them they govern the charity effectively and achieve its objectives.

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Trustees' Annual Report

RISK

The Trustees have given consideration to the major risks to which the charity is exposed and are satisfied that systems or procedures have been established in order to manage those risks. After considering the areas of governance, operational, financial, environmental and compliance the Trustees have identified that major negative fluctuations in the investment assets could cause a material risk to the charity's funds.

In order to mitigate this risk the Trustees are establishing a Policy Statement to be adhered to by the Investment Manager, which will be regularly reviewed against with investment performance.

RESERVES

It is the Trustees policy to restrict outgoing resources to the available income. Clause 2 of the Trust Deed gives the power to apply the Trust fund and the income thereof for such Charitable purposes as the Trustees shall in their absolute discretion determine. Accordingly it is possible to maintain reserves at a minimal level.

PLANS FOR THE FUTURE

The Trustees aim to give judiciously in the coming years, with focus on applying the charity's funds towards projects and initiatives which aim to make the world a better place for the benefit of the next generation.

The Trustees are satisfied that their current approach will meet with the Charity's objectives, and so do not envisage making any changes to their policies in the near future.

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and 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.

The Trustees must not approve the financial statements unless they are satisfied that they 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 the financial period.

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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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:

DocuSigned by:



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Kerry Roberts
On behalf of Rathbones Trust Company

30 January 2025 | 4:43 PM GMT

Date

THE ELM TREE TRUST
UNAUDITED ACCOUNTS AND ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Independent Examiner's Report

I report to the trustees on my examination of the financial statements of The Elm Tree Trust (the charity) for the year ended 31 March 2024.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have 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 financial statements to be reached.

Signed by:

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30 January 2025 | 7:12 PM GMT

Tony Stanley ACA - Mitchell Charlesworth

Date

14th Floor, The Plaza, 100 Old Hall Street, Liverpool, L3 9QJ

THE ELM TREE TRUST
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FOR THE YEAR ENDED 31 MARCH 2024

Statement of Financial Activities

		Expendable Endowment 2024 £	Unrestricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
	<i>Notes</i>				
Income and Endowments from:					
Donations	3	49,999	0	49,999	50,000
Investments	4	0	11,389	11,389	8,108
Total Income		49,999	11,389	61,388	58,108
Expenditure on:					
Raising funds	5	3,858	0	3,858	3,471
Charitable activities	6	0	29,748	29,748	23,304
Total Expenditure		3,858	29,748	33,606	26,775
Net gains/ (losses) on investments	9	56,937	0	56,937	(31,713)
Net movement in Funds		103,078	(18,359)	84,719	(380)
Transfer between funds		0	0	0	0
Total funds brought forward 1 April 2023		530,368	50,858	581,226	581,606
Total funds as at 31 March 2024		633,446	32,499	665,945	581,226

The notes on pages 7 to 14 form part of these accounts.

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Balance Sheet as at 31 March 2024

	Notes	Expendable Endowment 2024 £	Unrestricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Fixed Assets					
Investments	9	640,105	0	640,105	573,751
Total		640,105	0	640,105	573,751
Current Assets					
Cash at bank	10	8,352	32,499	40,851	15,539
Total Current Assets		8,352	32,499	40,851	15,539
Liabilities					
Creditors:					
Amounts falling due within one year	11	15,011	0	15,011	8,064
Net Current Assets		(6,659)	32,499	25,840	7,475
Total Net Assets as at 31 March 2024		633,446	32,499	665,945	581,226
Represented by:					
Total Funds as at 31 March 2024		633,446	32,499	665,945	581,226

30 January 2025 | 4:43 PM GMT

Approved on behalf of the Charity's Trustees on _____

DocuSigned by:

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Kerry Roberts
On behalf of Rathbones Trust Company

THE ELM TREE TRUST

UNAUDITED ACCOUNTS AND ANNUAL REPORT

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Notes to the Accounts

1 Accounting Policies

Charity Information

The Elm Tree Trust is a Trust and Public Benefit Entity as defined by FRS 102. It is governed by a declaration of Trust dated 20 August 1998 and registered in England and Wales with the Charity Commission (charity number: 1072197). Its principal address is c/o Rathbones Trust Company, Port of Liverpool Building, Pier Head, Liverpool, L3 1NW.

Accounting convention

These financial statements have been prepared 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) (effective 1 January 2019), the Charities Act 2011 and FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The Trustees have assessed whether the use of Going Concern is appropriate and have concluded that the charity has adequate resources and reserves to enable it to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern and thus the Trustees continue to adopt the 'going concern' basis of accounting in preparing the financial statements.

Fund accounting

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

Expendable Endowment funds are to be retained for the benefit of the charity as a capital fund and are largely invested to produce income that is to be spent for the purposes of the charity. These funds are released as expendable and transferred to unrestricted funds of the Charity for distribution.

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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.

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 balance sheet 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.

Governance costs are those incurred in relation to the general running of the Charity, including activities that allow the Charity to operate and generate the information required for public accountability. They are not related to the direct management function. These costs include accountancy, examination and legal fees, together with costs of trustees' meetings. They are attributable to the capital and the income of the fund according to the nature of the expense incurred. These costs are recognised on an accruals basis, being included when the liability has been incurred as at the balance sheet date.

Taxation

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

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 and bank overdrafts.

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.

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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, including trade and other receivables, cash and bank balances and investments in commercial paper are initially recognised at transaction price. Such assets are subsequently carried at the amortised cost using the effective interest method, less impairment. Financial assets classed as receivable within one year are not amortised.

Other financial assets, including equity instruments which are not subsidiaries, associated or joint ventures, are initially measured at value with subsequent changes in value recognised in the SOFA.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and loans from third parties 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. Such liabilities are subsequently measured at amortised cost using the effective interest method. Financial liabilities classified as payable within one year are not amortised.

Cancellation of financial assets and liabilities

Financial assets and liabilities are derecognised when the charity's contractual rights or obligations expire or are settled or cancelled.

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. No critical accounting estimates or judgements have been applied in preparing these accounts.

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Notes to the Accounts

3 Donations	2024	2023
	£	£
Investments transferred from Mrs N Naidoo	49,999	50,000
	<u>49,999</u>	<u>50,000</u>

The donor is a Trustee of the Charity. The donation was made to the Trust with no conditions attached which would require the charity to alter its existing activities in any way.

4 Investment Income	2024	2023
	£	£
Dividend Income	10,832	7,966
Bank Interest	557	142
	<u>11,389</u>	<u>8,108</u>

5 Raising Funds	2024	2023
	£	£
Investment Management fees	3,858	3,471
	<u>3,858</u>	<u>3,471</u>

6 Charitable activities	2024	2023
Grant making - donations made:	£	£
<i>Organisations:</i>		
Donations made (note 7)	22,000	15,000
Support and administration (note 8)	1,240	1,200
Governance costs (note 8)	6,508	7,104
	<u>29,748</u>	<u>23,304</u>

7 Grant making - donations made:	2024	2023
<i>Organisations:</i>	£	£
Eden Project	0	12,000
Family Survival	2,000	1,000
Foundation of Peace	1,000	500
Key4Life	15,000	20,000
Need to Talk London	2,000	2,000
Signpost Youth Counselling	2,000	2,000
World Food	0	1,000
Various Donations	0	6,500
Total donations	<u>22,000</u>	<u>45,000</u>
Reversal of accrual for grant	0	(30,000)
Net donations	<u>22,000</u>	<u>15,000</u>

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8 Governance costs	2024	2023
	£	£
Sayers Butterworth	918	516
Accountancy and compliance fee	3,090	3,000
Independent Examination fee	2,200	1,800
Independent Examination fee - prior year under provision	300	0
Administration fee	1,240	1,200
Legal fee	0	708
	<u>7,748</u>	<u>7,104</u>

9 Investment assets	<i>Value at 31/03/2023</i>	<i>Purchases at cost</i>	<i>Sales proceeds</i>	<i>Realised Gains /(losses)</i>	<i>Unrealised Gains /(losses)</i>	<i>Value at 31/03/2024</i>
Unit Trusts	573,751	416,988	(407,571)	9,275	47,662	640,105

Investment funds have been allocated between Expendable Endowment and Unrestricted Funds to represent the balance of cash held and charitable activities during the year which is Unrestricted.

10 Cash at Bank and in hand	2024	2023
	£	£
Barclays	0	11,403
Rathbones Investment Management	40,851	4,136
	<u>40,851</u>	<u>15,539</u>

11 Current liabilities: amounts falling due within one year	2024	2023
	£	£
Rathbones Trust Company	4,330	5,400
Rathbones Trust Company - Prior years	5,400	0
BWM Accountants - Independent Examination fee	2,200	1,800
BWM Accountants - Prior years	2,100	0
Rathbones Investment Management	981	864
	<u>15,011</u>	<u>8,064</u>

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12 Conflicts of Interest and Related Party Transactions

Related parties include charity's trustees, close family members and entities which they control or have a significant interest in.

A transaction involving a trustee or other related party is regarded as material.

No trustee expenses have been incurred during the year, or the previous year.

None of the trustees have been paid any remuneration or received any other benefit from an employment with this charity or a related entity.

Rathbones Trust Company served as a Trustee during the year, of which a payment of £4,330 was made (£4,716 in 2023) to Rathbones Trust Company as detailed in note 9.

Nancy Naidoo served as a Trustee during the year, and donated shares to the Trust valued at £49,999 (£50,000 in 2023) as detailed in note 3.

There were no other transactions during the year, or previous year, requiring disclosure.

13 Remuneration and Other Information

The charity has no employees and none of the Trustees received any remuneration or were reimbursed expenses during the period (£0 during the period ended 31st March 2023).

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14 Comparative Statement of financial activities

	Expendable Endowment 2023	Unrestricted Funds 2023	Total Funds 2023
	£	£	£
Income and Endowments from:			
Donations	50,000	0	50,000
Investments	0	8,108	8,108
Total Income	50,000	8,108	58,108
Expenditure on:			
Raising funds	3,471	0	3,471
Charitable activities	0	23,304	23,304
Total Expenditure	3,471	23,304	26,775
Net gains/ (losses) on investments	(31,713)	0	(31,713)
Net movement in Funds	14,816	(15,196)	(380)
Transfer between funds			
Total funds brought forward 1 April 2022	515,552	66,054	581,606
Total funds as at 31 March 2023	530,368	50,858	581,226