

REGISTERED CHARITY NUMBER: 1072769

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 5 April 2021
for
M R Cannon 1998 Charitable Trust**

Wills Bingley Limited
Chartered Accountants
St Denys House
22 East Hill
St. Austell
Cornwall
PL25 4TR

M R Cannon 1998 Charitable Trust

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for the Year Ended 5 April 2021**

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M R Cannon 1998 Charitable Trust

Report of the Trustees for the Year Ended 5 April 2021

The trustees present their report with the financial statements of the charity for the year ended 5 April 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

The objectives of the Charity are general charitable purposes to the benefit of the general public.

The Trustees have no specific grant making criteria.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Achievement and performance

A list of the grants made during the year, totalling £101,000 is set out in notes 3 to the financial statements.

The trustees regard the level of grants made as satisfactory.

Financial review

The Covid-19 pandemic significantly affected the rental income received from 36 St Andrew's Hill, with one tenant of 4 apartments being given a partial rent reduction and a previous (corporate) tenant of the 5th apartment being placed in liquidation requiring a write off of £23,166. The Trustees had previously decided to place the property on the market and after following the independent valuation and advertising requirements of the Charities Act 2011 its sale was completed on 15 January 2021 for £4,100,000 (historical cost - £3,956,743), which we consider a reasonable outcome. The various costs of the sale, including estate agents and legal fees, came to £79,978.

The Trustees consider it prudent that unrestricted funds should be sufficient to cover any long-term commitments made (to the extent not specifically covered by restricted funds) plus approximately six months of general charitable expenditure.

The Trustees have decided to reduce the level of reserves to £10,000. The level of reserves will be monitored and reviewed by the Trustees on an annual basis.

Future plans

The Trustees have decided to support the restoration and contemporary extension works being made to Sherborne House in Sherborne, North Dorset, a prestigious but grossly neglected grade 1 listed building that is being converted into a regional arts and events centre. The works should be completed by early summer 2023 and will be funded by the Trust and the Cannon Foundation. This will likely exhaust the funds held by the Trust.

It should be noted that the trustees do not consider unsolicited requests for assistance through the post.

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

M R Cannon 1998 Charitable Trust

Report of the Trustees for the Year Ended 5 April 2021

Structure, governance and management

The M R Cannon 1998 Charitable Trust is constituted under a trust deed dated 11th September 1998 and is a registered charity number 1072769.

The Trustees who have served during the year and since the year end are set out below. The declaration of trust states that the number of trustees shall not be more than six. The power of appointment of new trustees is vested with the settlor or by resolution of the meeting of trustees. The Trustees meet periodically to assess grant applications and donations are made on a regular basis.

The Charity intends to make grants to organisations and individuals in line with its charitable objectives. During the year, the Charity made grants of £101,000.

The Trustees have examined the major strategic, business and operation risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Reference and administrative details

Registered Charity number

1072769

Principal address

Suite 1
Westbury Court
Church Road
Westbury On Trym
Bristol
BS9 3EF

Trustees

M R Cannon
Mrs S A T Cannon
C J Mitchell

Independent Examiner

P A Smith FCCA
Wills Bingley Limited
Chartered Accountants
St Denys House
22 East Hill
St. Austell
Cornwall
PL25 4TR

Approved by order of the board of trustees on 20 January 2022 and signed on its behalf by:



C J Mitchell
Trustee

**Independent Examiner's Report to the Trustees of
M R Cannon 1998 Charitable Trust**

Independent examiner's report to the trustees of M R Cannon 1998 Charitable Trust

I report to the charity trustees on my examination of the accounts of M R Cannon 1998 Charitable Trust (the Trust) for the year ended 5 April 2021.

Responsibilities and basis of report

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.



P A Smith FCCA
Wills Bingley Limited
Chartered Accountants
St Denys House
22 East Hill
St. Austell
Cornwall
PL25 4TR

Date: 20 January 2022

M R Cannon 1998 Charitable Trust

**Statement of Financial Activities
for the Year Ended 5 April 2021**

		5/4/21 Unrestricted fund £	5/4/20 Total funds £
Income and endowments from	Notes		
Investment income	2	63,584	107,030
Expenditure on Charitable activities			
Grants to Institutions		101,000	13,710
Other		<u>80,741</u>	<u>1,032</u>
Total		181,741	14,742
Net gains/(losses) on investments		<u>(35,359)</u>	<u>143,257</u>
NET INCOME/(EXPENDITURE)		(153,516)	235,545
Reconciliation of funds			
Total funds brought forward		<u>4,316,994</u>	<u>4,081,449</u>
Total funds carried forward		<u><u>4,163,478</u></u>	<u><u>4,316,994</u></u>

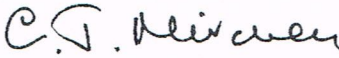
The notes form part of these financial statements

M R Cannon 1998 Charitable Trust

**Balance Sheet
5 April 2021**

	Notes	5/4/21 Unrestricted fund £	5/4/20 Total funds £
Current assets			
Debtors	6	-	29,956
Investments	7	-	4,100,000
Cash at bank		<u>4,164,312</u>	<u>188,088</u>
		4,164,312	4,318,044
Creditors			
Amounts falling due within one year	8	(834)	(1,050)
		<u>4,163,478</u>	<u>4,316,994</u>
Net current assets			
		4,163,478	4,316,994
Total assets less current liabilities			
		<u>4,163,478</u>	<u>4,316,994</u>
NET ASSETS			
		<u>4,163,478</u>	<u>4,316,994</u>
Funds	9		
Unrestricted funds		<u>4,163,478</u>	<u>4,316,994</u>
Total funds		<u>4,163,478</u>	<u>4,316,994</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20 January 2022 and were signed on its behalf by:



 C J Mitchell
 Trustee

The notes form part of these financial statements

M R Cannon 1998 Charitable Trust

**Cash Flow Statement
for the Year Ended 5 April 2021**

	Notes	5/4/21 £	5/4/20 £
Cash flows from operating activities			
Cash generated from operations	1	<u>4,091,561</u>	<u>105,258</u>
Net cash provided by operating activities		<u>4,091,561</u>	<u>105,258</u>
 Cash flows from investing activities			
Cost of selling Property		(79,978)	-
Sale of current asset investments		(10,952)	-
Sale of investment property		<u>(24,407)</u>	<u>-</u>
Net cash (used in)/provided by investing activities		<u>(115,337)</u>	<u>-</u>
 Change in cash and cash equivalents in the reporting period		<u>3,976,224</u>	<u>105,258</u>
Cash and cash equivalents at the beginning of the reporting period		<u>188,088</u>	<u>82,830</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>4,164,312</u></u>	<u><u>188,088</u></u>

The notes form part of these financial statements

M R Cannon 1998 Charitable Trust

**Notes to the Cash Flow Statement
for the Year Ended 5 April 2021**

1. Reconciliation of net (expenditure)/income to net cash flow from operating activities			
	5/4/21	5/4/20	
	£	£	
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(153,516)	235,545	
Adjustments for:			
Losses/(gain) on investments	35,359	(143,257)	
Cost of selling Property	79,978	-	
Proceeds from Sale of Property	4,100,000	-	
Decrease in debtors	29,956	12,970	
Decrease in creditors	(216)	-	
	<u>4,091,561</u>	<u>105,258</u>	
Net cash provided by operations			
 2. Analysis of changes in net funds			
	At 6/4/20	Cash flow	At 5/4/21
	£	£	£
Net cash			
Cash at bank	<u>188,088</u>	<u>3,976,224</u>	<u>4,164,312</u>
	<u>188,088</u>	<u>3,976,224</u>	<u>4,164,312</u>
 Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	<u>4,100,000</u>	<u>(4,100,000)</u>	<u>-</u>
	<u>4,100,000</u>	<u>(4,100,000)</u>	<u>-</u>
 Total	<u><u>4,288,088</u></u>	<u><u>(123,776)</u></u>	<u><u>4,164,312</u></u>

The notes form part of these financial statements

M R Cannon 1998 Charitable Trust

Notes to the Financial Statements for the Year Ended 5 April 2021

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Fixed Assets previously stated at cost, which in the opinion of the Trustees was at least market value, have been revalued to sale price during the following year and reclassified as current assets.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

2. Investment income

	5/4/21	5/4/20
	£	£
Rents received	<u>63,584</u>	<u>107,030</u>

The Covid-19 pandemic significantly affected the rental income received from 36 St Andrew's Hill, with one tenant of 4 apartments being given a partial rent reduction and a previous (corporate) tenant of the 5th apartment being placed in liquidation requiring a write off of £23,166.

M R Cannon 1998 Charitable Trust

**Notes to the Financial Statements - continued
for the Year Ended 5 April 2021**

3. Grants payable

	5/4/21 £	5/4/20 £
Grants to Institutions	<u>101,000</u>	<u>13,710</u>

Institutional Grants Paid comprised:

Sherborne House Trust 2018	100,000
Middleton Lunch Club	1,000

4. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 5 April 2021 nor for the year ended 5 April 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2021 nor for the year ended 5 April 2020.

5. Comparatives for the statement of financial activities

	Unrestricted fund £
Income and endowments from	
Investment income	107,030
Expenditure on Charitable activities	
Grants to Institutions	13,710
Other	<u>1,032</u>
Total	14,742
Net gains on investments	<u>143,257</u>
NET INCOME	235,545
Reconciliation of funds	
Total funds brought forward	4,081,449
Total funds carried forward	<u>4,316,994</u>

M R Cannon 1998 Charitable Trust

**Notes to the Financial Statements - continued
for the Year Ended 5 April 2021**

6. Debtors: amounts falling due within one year		5/4/21	5/4/20
		£	£
Rent Account		<u>-</u>	<u>29,956</u>
7. Current asset investments		5/4/21	5/4/20
		£	£
Freehold Property		<u>-</u>	<u>4,100,000</u>
8. Creditors: amounts falling due within one year		5/4/21	5/4/20
		£	£
Other creditors		<u>834</u>	<u>1,050</u>
9. Movement in funds			
	At 6/4/20	Net movement	At
	£	in funds	5/4/21
		£	£
Unrestricted funds			
General fund	4,316,994	(153,516)	4,163,478
TOTAL FUNDS	<u>4,316,994</u>	<u>(153,516)</u>	<u>4,163,478</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	63,584	(181,741)	(35,359)	(153,516)
TOTAL FUNDS	<u>63,584</u>	<u>(181,741)</u>	<u>(35,359)</u>	<u>(153,516)</u>

Comparatives for movement in funds

	At 6/4/19	Net movement	At
	£	in funds	5/4/20
		£	£
Unrestricted funds			
General fund	4,081,449	235,545	4,316,994
TOTAL FUNDS	<u>4,081,449</u>	<u>235,545</u>	<u>4,316,994</u>

M R Cannon 1998 Charitable Trust

**Notes to the Financial Statements - continued
for the Year Ended 5 April 2021**

9. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	107,030	(14,742)	143,257	235,545
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>107,030</u>	<u>(14,742)</u>	<u>143,257</u>	<u>235,545</u>

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

	At 6/4/19 £	Net movement in funds £	At 5/4/21 £
Unrestricted funds			
General fund	4,081,449	82,029	4,163,478
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>4,081,449</u>	<u>82,029</u>	<u>4,163,478</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	170,614	(196,483)	107,898	82,029
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>170,614</u>	<u>(196,483)</u>	<u>107,898</u>	<u>82,029</u>

10. Related party disclosures

The Trustees are also trustees of Sherborne House Trust 2018. Sherborne House Trust 2018 received a grant during the year as referred to in note 3.

M R Cannon 1998 Charitable Trust
Detailed Statement of Financial Activities
for the Year Ended 5 April 2021

	5/4/21 £	5/4/20 £
Income and endowments		
Investment income		
Rents received	<u>63,584</u>	<u>107,030</u>
Total incoming resources	63,584	107,030
Expenditure		
Charitable activities		
Grants to institutions	101,000	13,710
Other		
Property Sale Costs	79,978	-
Support costs		
Management		
Accountancy	738	1,020
Finance		
Bank charges	<u>25</u>	<u>12</u>
Total resources expended	<u>181,741</u>	<u>14,742</u>
Net (expenditure)/income before gains and losses	(118,157)	92,288
Realised recognised gains and losses		
Realised gains/(losses) on current asset investments	(10,952)	-
Costs of Sale of Investment Property	<u>(24,407)</u>	<u>-</u>
Net (expenditure)/income	<u>(153,516)</u>	<u>92,288</u>

This page does not form part of the statutory financial statements