

The Arnold Burton 1998 Charitable Trust

**Annual Report and Financial Statements
for the year ended 5 April 2023**

Charity Commission Reference Number 1074633

**Castlegarth
Scott Lane
Wetherby
LS22 6LH**

The Arnold Burton 1998 Charitable Trust

Year ended 5 April 2023

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The Arnold Burton 1998 Charitable Trust

Trustees' Report for the year ended 5 April 2023

Legal and administrative information

Charity number:	1074633
Trustees:	Jeremy John Burton Nicholas Anthony Burton Mark Timothy Burton
Independent Examiner:	Martin Knaggs
Accountants:	Armstrong Watson LLP Third Floor 10 South Parade Leeds LS1 5QS
Bankers:	Bank of Scotland plc 33 Old Broad Street London BX2 1LB
Investment manager:	Rathbones Ltd 1 Curzon Street London W1J 5FB
Principal address and trust managers:	Castlegarth Scott Lane Wetherby LS22 6LH
Solicitors:	Wrigleys LLP 3 Wellington Place Leeds LS1 4AP

The trustees present their report together with the financial statements of the charity for the year ended 5 April 2023. 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, the Charities Act 2011, the Charities (Accounting and Reports) Regulations 2008 and the Statement of Recommended Practice "Accounting and Reporting by Charities" (Charities SORP (FRS102)).

History and constitution

The trust was created by the Settlor, Mr A J Burton, by the execution of a Trust Deed dated 17 December 1998 and was granted charitable status by the Charity Commission on 11 March 1999.

Structure, governance and management

The trust is managed by the trustees and policy decisions are determined by consensus. The capital fund is invested in a portfolio of equity based quoted investments. Investments are managed by the investment manager on a discretionary basis with the objective of obtaining an acceptable level of income with a reasonable prospect of medium-term capital growth.

Appropriate policies are determined to achieve a balanced investment strategy taking account of the investment risks to which the portfolio is exposed.

The Arnold Burton 1998 Charitable Trust

Trustees' Report (continued) for the year ended 5 April 2023

Structure, governance and management (continued)

Trustees are appointed based on recommendations from the family of the settlor and current trustees. The induction process for newly appointed trustees comprises of a series of meetings with the trustees.

Risk management

The charity trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks. The trustees hold regular meetings to consider the performance of the investment portfolio and the recommendations of the investment managers.

Main objectives and activities

The objective of the trust is to apply the whole of the trust fund in furtherance of charitable purposes, charitable institutions or charitable foundations in a manner determined by and at the discretion of the trustees.

Although donations are made at the discretion of the trustees, special consideration will be given to registered institutions relating to Jewish charities, medical research, education, social welfare and heritage. Donations to individuals will not be considered. Appeals should be in writing only to trust managers. Unsuccessful appeals will not necessarily be acknowledged. The trustees meet as necessary to consider appeals received and to determine charitable donations.

Public benefit statement

The trustees of the Arnold Burton 1998 Charitable Trust confirm that they have complied with their duty under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Reserves policy

Reserves at 5 April 2023 amounted to £5,227,095 and are held for the generation of income for the furtherance of the charity's objectives.

The trustees aim to maintain the existing investment portfolio at current levels and to make charitable donations in line with their income each year.

Financial activities and affairs

Total income for the year under review amounted to £188,237 (2022: £163,698) whilst total expenditure amounted to £223,049 (2022: £197,712). Expenditure on grants and donations was £191,150 (2022: £163,500).

During 2021, a provision was raised against a loan of £105,000 made to Donisthorpe Hall, which had entered administration. The loan was recovered in full during the year ended 5 April 2022 and the provision was released. The loan provision release is shown in the comparative information on the Statement of Financial Activities.

Losses realised on the sale of investments amounted to £75,582 (2022: £52,354 gain) and unrealised losses attributable to the change in the market value of investments amounted to £514,187 (2022: £335,822 gain).

Net expenditure for the year was £34,812 (2022: net income £70,986).

The overall net decrease in funds for the year is £624,581 (2022: £459,162 increase) resulting in funds of £5,227,095 to carry forward at 5 April 2023.

During the year under review the charity purchased investments costing £697,698 and received proceeds of £761,820 from the sale of investments.

The Arnold Burton 1998 Charitable Trust

Trustees' Report (continued) for the year ended 5 April 2023

Financial activities and affairs (continued)

The market value of the charity's investments at 5 April 2023 amounted to £4,967,138 (2022: £5,621,029). After taking into account the net realisations during the year this represents a decrease of 9.4%, in line with general market performance.

Plans for the future

The Arnold Burton 1998 Charitable Trust looks to further its charitable objectives as set out above under "Main objectives and activities" as opportunities and needs arise.

Trustees' responsibility for the financial statements

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- value assets and liabilities in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (Charities SORP (FRS102));
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records which are sufficient to:

- show and explain the charity's transactions;
- disclose with reasonable accuracy at any time the financial position of the charity;
- enable them to ensure that any financial statements comply with the requirements of the Charities (Accounting and Reports) regulations 2008.

The trustees are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Compliance and statutory requirements

The Trustees' Report has been prepared in accordance with the provisions of the Charities (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice "Accounting and Reporting by Charities" (Charities SORP (FRS102)).

Trustees' Approval

The Trustees' Report was approved by the trustees and signed on their behalf by

Jeremy Burton
Trustee

Date: 3 July 2023

The Arnold Burton 1998 Charitable Trust
Independent Examiner's Report to the Trustees
for the year ended 5 April 2023

Charity Commission Reference Number 1074633

I report to the trustees on my examination of the financial statements of the Arnold Burton 1998 Charitable Trust on pages 6 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act.
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act); and
- to state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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 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.

Martin Knaggs
Chartered Certified Accountant

Date: 3 July 2023

Armstrong Watson LLP
Third Floor
10 South Parade
Leeds LS1 5QS

The Arnold Burton 1998 Charitable Trust

**Statement of Financial Activities
for the year ended 5 April 2023**

		Unrestricted funds			
	Note	Capital	Income	Total	Total
		2023	2023	2023	2022
		£	£	£	£
Income					
Income from investments	3	-	187,517	187,517	163,698
Deposit interest		-	720	720	-
Total income		-	188,237	188,237	163,698
Expenditure					
Charitable donations	7	-	191,150	191,150	163,500
Costs of generating funds					
Administrative expenditure					
Accountancy		1,105	1,105	2,210	2,010
Independent examination		1,105	1,105	2,210	2,010
Investment management		27,479	-	27,479	30,192
Loan provision		-	-	-	(105,000)
Total expenditure		29,689	193,360	223,049	92,712
Net income/(expenditure)		(29,689)	(5,123)	(34,812)	70,986
Other recognised gains and losses					
Gains on charitable investment assets					
Realised gains on disposals		(75,582)	-	(75,582)	52,354
Unrealised gains on revaluation		(514,187)	-	(514,187)	335,822
Total other recognised gains		(589,769)	-	(589,769)	388,176
Net movement in funds		(619,458)	(5,123)	(624,581)	459,162
Reconciliation of funds					
Funds brought forward		5,662,929	188,747	5,851,676	5,392,514
Funds carried forward		5,043,471	183,624	5,227,095	5,851,676

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been presented.

See note 6 on page 10 for the note of historical cost income and expenditure.

The notes on pages 8 to 11 form part of these financial statements.

The Arnold Burton 1998 Charitable Trust

Balance Sheet as at 5 April 2023

		Unrestricted funds			
		Capital fund	Income fund	Total	Total
	Note	2023	2023	2023	2022
		£	£	£	£
Charitable fixed assets					
Investments	4	4,967,138	-	4,967,138	5,621,029
Current assets					
Cash in bank		30,264	177,121	207,385	226,587
Cash held by investment adviser		55,089	8,713	63,802	15,705
		85,353	185,834	271,187	242,292
Creditors: Amounts falling due within one year	5	(9,020)	(2,210)	(11,230)	(11,645)
Net current assets		76,333	183,624	259,957	230,647
Total assets less current liabilities		5,043,471	183,624	5,227,095	5,851,676
Funds	9	5,043,471	183,624	5,227,095	5,851,676

The notes on pages 8 to 11 form part of these financial statements.

The financial statements were approved by the trustees and signed on their behalf by:

Jeremy Burton
Trustee

Date: 3 July 2023

The Arnold Burton 1998 Charitable Trust

Notes to the financial statements for the year ended 5 April 2023

1. Accounting policies

Charity information

The Arnold Burton 1998 Charitable Trust is a charity which is registered with the Charity Commission for England and Wales under the registered number 1074633. The principal address is Castlegarth, Scott Lane, Wetherby, LS22 6LH.

1.1 Basis of accounting

The financial statements are prepared in accordance with FRS102 and The Charities SORP (FRS102) and are in compliance with the Charities (Accounts and Reports) Regulations 2008 issued under the Charities Act 2011. The financial statements are prepared under the historical cost convention, modified to include investments at fair value. The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

There are no material uncertainties about the charity's ability to continue as a going concern for period of at least 12 months from the date of approval of the accounts. The charity has adequate reserves to meet its liabilities as they fall due.

1.3 Income

Donations are accounted for when the charity becomes unconditionally entitled to the income. Investment income is stated net of unrecoverable foreign tax and is accounted for as and when received by the charity. All other income is accounted for in the financial statements on an accruals basis.

1.4 Direct charitable expenditure

Direct charitable expenditure is included in the financial statements as and when paid by the charity.

1.5 Other expenditure

Other expenditure is included in the financial statements on an accruals basis.

1.6 Taxation

The charity is exempt from income and capital gains tax to the extent that income and gains are applied for charitable purposes. The charity is able to recover UK income tax deducted at source from investment income. The charity is unable to recover value added tax on its expenditure and accordingly expenses are shown gross of value added tax.

1.7 Investments

Investments are stated in the balance sheet at their open market value. Both realised and unrealised gains and losses on investments are included in other recognised gains and losses on the Statement of Financial Activities. Realised gains and losses on investments are calculated as the difference between disposal proceeds and carrying value at the date of disposal. Carrying value is the sum of market value brought forward at the beginning of the accounting period and the cost of subsequent acquisitions.

2. Trustees' remuneration

None of the trustees receive any remuneration for their work as a trustee.

The Arnold Burton 1998 Charitable Trust

**Notes to the financial statements (continued)
for the year ended 5 April 2023**

3. Income from investments

Investment income arose from the following sources:

	2023 £	2022 £
United Kingdom		
Equities	65,449	64,928
Collectives	32,691	30,396
Fixed interest securities	3,326	2,695
Property income dividends	11,584	13,729
Overseas		
Equities	62,858	36,320
Fixed interest securities	11,609	15,630
	<u>187,517</u>	<u>163,968</u>

4. Investments

	2023 £	2022 £
Market value brought forward	5,621,029	5,217,415
Additions at cost	697,698	1,091,729
Disposal at carrying value	(837,402)	(1,023,937)
Revaluation to carrying value	(514,187)	335,822
	<u>4,967,138</u>	<u>5,621,029</u>
Market value carried forward		
	<u>4,240,685</u>	<u>4,108,844</u>

All investments are listed on a recognised stock exchange and are held within the following categories:

	2023 £	2022 £
United Kingdom based organisations:		
Companies	1,056,103	1,236,629
Collectives	1,818,166	1,938,395
Fixed interest securities	309,206	352,730
	<u>3,183,475</u>	<u>3,527,754</u>
Overseas based organisations:		
Companies	1,631,463	1,733,680
Collectives	152,200	359,595
	<u>1,783,663</u>	<u>2,093,275</u>
	<u>4,967,138</u>	<u>5,621,029</u>

Investments are held in nominee accounts on behalf of the trustees but in all other respects are considered to be directly held investments.

The Arnold Burton 1998 Charitable Trust

**Notes to the financial statements (continued)
for the year ended 5 April 2023**

5. Creditors

	2023	2022
	£	£
Accountancy and examination fees	4,420	4,020
Investment management fees	6,810	7,625
	<u>11,230</u>	<u>11,645</u>

6. Note of historical cost income and expenditure

	2023	2022
	£	£
Net income/(expenditure) for the year	(34,812)	70,986
Realised gains on investments calculated using cost	<u>195,963</u>	<u>308,353</u>
Historical cost income and expenditure	161,151	379,339
Difference between the historical cost gain arising from the realisation of investments and the actual gain calculated using carrying values	(271,545)	(255,999)
Unrealised gain on revaluation of investments	<u>(514,187)</u>	<u>335,822</u>
Movement in funds on Statement of Financial Activities	<u>(624,581)</u>	<u>459,162</u>

7. Charitable donations

During the year ended 5 April 2023 aggregate grants made to charitable institutions amounted to £191,150 (2022: £163,500) which were allocated to the following sectors:

	2023	2022	2023	2022
	No.	No.	£	£
	Grants	Grants		
Arts and amenities	9	5	93,000	50,000
Education	-	-	-	-
Health	2	2	7,500	10,000
Heritage	1	1	10,000	5,000
Social and welfare	6	6	60,650	68,500
International	2	3	20,000	30,000
	<u>20</u>	<u>17</u>	<u>191,150</u>	<u>163,500</u>

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**Notes to the financial statements (continued)
for the year ended 5 April 2023**

7. Charitable donations (continued)

Recipients of the donations analysed by sector are shown below.

	£	£
Art And Amenities		
Garsington Opera	50,000	
Gladrags Community Costume Resource	15,000	
Northern Ballet	5,000	
Opera North	5,000	
Yorkshire Sculpture Park	5,000	
The Hepworth Wakefield (2 grants)	10,000	
Airedale Symphony	2,000	
Wetherby Council (bandstand bench)	1,000	
	<hr/>	93,000
Health		
Antibiotic Research UK	5,000	
Action Medical Res	2,500	
	<hr/>	7,500
Heritage		
Yorkshire Air Museum	10,000	
	<hr/>	10,000
Social/Welfare		
Citizens Advice West Oxfordshire	15,000	
Leeds Community Foundation	35,000	
Merchant Taylors (2 Grants)	1,150	
The Conservation Volunteers	2,500	
The Sea Change Trust	7,000	
	<hr/>	60,650
Third World and Overseas		
Hands Up Foundation	20,000	
	<hr/>	20,000
		<hr/>
		191,150

8. Related Parties

There were no transactions with related parties during the year.

9. Funds

The capital fund comprises investment assets held for the generation of income. The income fund comprises assets to fund charitable donations.

The trustees are free to use both the income and capital funds accordance with the objects of the charity.