

The Three Ells Trust
Annual Report and Financial Statements
For the Year Ended 5 April 2021

Charity Registered in England and Wales Number: 1084237

The Three Ells Trust

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The Three Ells Trust
Reference and Administrative Details
For the Year Ended 5 April 2021

Trustees

Mr C M Berry
Mr G R Hodges
Mrs H Naerger
Mr L Naerger

Principal Office

5 Three Yards Close
Portland
Dorset
DT5 1JN

Independent Examiner

Michelle Ferris BSc (Hons) FCA DChA
Albert Goodman LLP
Leanne House
6 Avon Close
Weymouth
Dorset
DT4 9UX

Bankers

Lloyds Bank plc
Weymouth Branch
92 St Mary Street
Weymouth
Dorset
DT4 8PA

Investment Managers

Redmayne Bentley LLP
139 Commercial Road
Ashley Cross
Poole
Dorset
BH14 0JD

The Trustees have pleasure in presenting their annual report and the financial statements for the year ended 5 April 2021. 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 Constitution and the Charities Act 2011. 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) - (Charities SORP (FRS 102)) have been adopted in preparing the annual report and financial statements of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document and Constitution

The Three Ells Trust is a registered charity in England and Wales, charity number 1084237. The charity's principal office is 5 Three Yards Close, Portland, Dorset DT5 1JN. It is governed by its Constitution which was originally adopted under a trust deed dated 15 November 2000.

Recruitment and Appointment of Trustees

Appointment of Board members ("Trustees" for Charity legislation purposes) is governed by the Constitution of the charity. The Trustees are authorised to co-opt new members on to the Board to fill vacancies in order to ensure adequate representation and diversity.

The following people were Trustees of the charity during the year:

Mr C M Berry
Mr G R Hodges
Mrs H Naerger
Mr L Naerger

None of the trustees have any beneficial interest in the Charity.

The Trust's Board of Trustees is responsible for the overall governance and strategic direction of the charity.

Induction and Training of Trustees

New Trustees undergo an induction period in which they become familiar with the governance process of the charity, the structure of the organisation and the role of the Trustees before they become a Trustee. Once appointed, new Trustees are supplied with guidance notes issued by the Charity Commission, along with support, mentoring and supervision. Trustees meet bimonthly to discuss the business and governance of the organisation. This includes strategy, operations and financial information for the charity. Trustees are included and encouraged to participate in staff team building events and Forum activities. Development work is ongoing with the Trust Board in preparation for future business and with the recruitment of further Trustees to broaden the skill set and diversity of the Board. The Trust provides full indemnity insurance for its Trustees.

Investment Powers

The Constitution authorises the trustees to use all money raised to further its objects and to do all things that are lawful and conducive to the attainment of those objects and does not prevent investment.

Risk Management

The Trustees acknowledge their responsibility to give due consideration to the risks to which the charity is exposed and have set in place processes to identify and manage risks through Risk Registers. Risks are regularly reviewed, assessed, managed and escalated appropriately in accordance with the Risk Management policy. Risk management processes are in place and continue to be developed as required throughout the organisation.

OBJECTIVES AND ACTIVITIES

Statement of Purpose

The Trust is constituted by the Constitution and its objects are:

- a) The relief of sickness especially in children suffering from cancer and other life threatening conditions by the provision of buildings, medical, educational and recreational equipment and support for research for the public benefit into cancer, especially bone cancer, prosthetics, physiotherapy and orthopaedic surgery.
- b) To provide additional funding for the provision of support services and equipment within the community, surgeries, hospital, hospice and at home for the care treatment, education and welfare of children with cancer and other life threatening conditions.

Summary of Charitable Activities

The Trust works within its Objects by:

1. Making grants as determined by its Trustees.

Policies

The Trust is committed to the continuous improvement of our practices, policies and procedures and continues to review and update policies as required.

ACHIEVEMENTS AND PERFORMANCE

The Charity has continued with its increased level of activity in terms of the volume and variety of grants which it can now make following the receipt of a substantial legacy during the year ended 5 April 2010. The majority of that legacy received continues to be invested in a portfolio of fixed asset investments. The Trustees and their advisors are satisfied with the levels of both capital growth and income achieved from the investment portfolio during the year which continues to fund the Charity's activity. Further grants have been made since the year end and the Trustees continue to have more in mind.

Covid-19

Unfortunately, during the ongoing Covid situation a number of fund raising events have had to be put on hold. However, the Trustees believe the charity is still in a healthy financial position.

Though face to face contact has been limited the Trustees have been in contact with each other on a regular basis.

FINANCIAL REVIEW

Financial Position

Incoming resources in the year were £36,011 (2020: £43,187).

A profit of £62,450 was made in the year (2020: Loss of £202,571). At the balance sheet date total unrestricted reserves were £915,422 (2020: £852,972).

The charity maintains a cash balance of £165,737 (2020: £120,234), and has net current assets of £164,627 (2020: £119,124). Total net assets are £915,422 (2020: £852,972).

Reserves Policy

At 5 April 2021, this policy equated to total reserves of approximately £915,422 in total of unrestricted reserve funds. The policy currently requires investments of approximately £800,000. The Covid-19 pandemic had resulted in a depression of the market valuation of the investments, but this has largely recovered by the year end.

The Three Ells Trust are aware of the need to retain funding for future endeavours and developments and review the amount of reserves required on a quarterly basis, to ensure that they are adequate to fulfil the charity's continuing obligations.

Going Concern

The Trustees have no uncertainties concerning the charity's ability to continue as a going concern.

PLANS FOR THE FUTURE

The Trustees intend to carry on with their existing policy of making grants to suitable organisations and individuals out of the income and any capital growth achieved on the Charity's investments. The Trustees do however plan to maintain the capital value of the Charity's investments at a level of approximately £800,000 in order that future income and capital growth may be achieved.

TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with 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).

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 income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed/constitution. 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.

Approved by the board on 30 January 2022 and signed on their behalf by:

H Naerger
Trustee

The Three Ells Trust

Independent Examiners' Report to the Trustees For the Year Ended 5 April 2021

I report to the trustees on my examination of the accounts of The Three Ells 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 2011 Act and in carrying out my examination I have followed all the 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.

Michelle Ferris BSc(Hons) FCA DChA
for and on behalf of Albert Goodman LLP
Chartered Accountants

31 January 2022

Leanne House
6 Avon Close
Weymouth
Dorset

The Three Ells Trust
Statement of Financial Activities
For the Year Ended 5 April 2021

	Notes	Unrest- ricted Funds £	Rest- ricted Funds £	Total Funds 2021 £	Unrest- ricted Funds £	Rest- ricted Funds £	Total Funds 2020 £
Income from:							
Donations and legacies	2	10,102	-	10,102	7,299	-	7,299
Investments	3	25,909	-	25,909	35,888	-	35,888
Total income		<u>36,011</u>	<u>-</u>	<u>36,011</u>	<u>43,187</u>	<u>-</u>	<u>43,187</u>
Expenditure on:							
Raising funds	4	9,312	-	9,312	8,797	-	8,797
Charitable activities	5	139,663	-	139,663	142,715	-	142,715
Total expenditure		<u>148,975</u>	<u>-</u>	<u>148,975</u>	<u>151,512</u>	<u>-</u>	<u>151,512</u>
Net (expenditure)/income		(112,964)	-	(112,964)	(108,325)	-	(108,325)
Gains/ (losses) on investment assets		175,414	-	175,414	(94,246)	-	(94,246)
Net income/ (expenditure) before transfers		<u>62,450</u>	<u>-</u>	<u>62,450</u>	<u>(202,571)</u>	<u>-</u>	<u>(202,571)</u>
Transfers between funds		-	-	-	-	-	-
Net movement in funds		<u>62,450</u>	<u>-</u>	<u>62,450</u>	<u>(202,571)</u>	<u>-</u>	<u>(202,571)</u>
Reconciliation of funds:							
Total funds brought forward		<u>852,972</u>	<u>-</u>	<u>852,972</u>	<u>1,055,543</u>	<u>-</u>	<u>1,055,543</u>
Total funds carried forward		<u><u>915,422</u></u>	<u><u>-</u></u>	<u><u>915,422</u></u>	<u><u>852,972</u></u>	<u><u>-</u></u>	<u><u>852,972</u></u>

The Three Ells Trust
Balance Sheet
As at 5 April 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Investments	8		750,795		733,848
Current assets					
Cash at bank and in hand		165,737		120,234	
Creditors					
Amounts falling due within one year	9	(1,110)		(1,110)	
Net current assets			164,627		119,124
Net assets			915,422		852,972
The funds of the charity					
Unrestricted funds:					
General funds	10		915,422		852,972
Total charity funds			915,422		852,972

Approved by the Board of Trustees for issue on 30 January 2022 and signed on their behalf by:

H Naerger
Trustee

1 Accounting Policies

1.1 General information and basis of accounting

The Three Ells Trust is an unincorporated charity governed by its Constitution. The address of the principal office is given on page 1. The nature of the charity's operations and its principal activities are set out in the Trustees report on pages 2-5.

The financial statements have been prepared in £ sterling on the historical cost basis and 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) - (Charities SORP (FRS 102)) and the Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Income

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Donation and legacy income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Investment income in respect of funds held on deposit is included when receivable and the amount can be measured reliably. This is normally upon notification of the interest paid by the bank.

1.3 Donated services

In accordance with the Charities SORP (FRS 102), any unpaid general volunteer time is not recognised in the financial statements.

1.4 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its charitable activities and services. It includes both costs that can be allocated directly to such activities and costs of an indirect nature which are necessary to support them.

1.5 Fixed asset investments

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1.6 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.7 Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

1.8 Taxation

The Three Ells Trust is a registered charity and is therefore not liable to taxation to the extent that its income and gains are applicable to charitable purposes only. Value added tax is not recoverable and is therefore included in the relevant costs in the Statement of Financial Activities.

1.9 Fund accounting

General funds are unrestricted funds receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets this criterion is charged to the fund, together with a fair allocation of management and support costs as appropriate.

1.10 Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and liabilities of the charity and their measurements are as follows:

Financial assets – Investments are debt instruments measured at fair value through the profit and loss account as detailed in note 12.

Cash at bank – is classified as a basic financial instrument and is measured at amortised cost.

Financial liabilities – Creditors are financial instruments and are measured at amortised cost and detailed in note 12.

2 Income from donations and legacies

	Unrest- ricted Funds £	Rest- ricted Funds £	Total Funds 2021 £	Unrest- ricted Funds £	Rest- ricted Funds £	Total Funds 2020 £
Donations and gifts	10,102	-	10,102	7,299	-	7,299
	<u>10,102</u>	<u>-</u>	<u>10,102</u>	<u>7,299</u>	<u>-</u>	<u>7,299</u>

3 Investment Income

	Unrest- ricted Funds £	Rest- ricted Funds £	Total Funds 2021 £	Unrest- ricted Funds £	Rest- ricted Funds £	Total Funds 2020 £
Dividends from Investments	21,617	-	21,617	35,859	-	35,859
Interest from Investments	4,289	-	4,289	-	-	-
Interest on cash deposits	3	-	3	29	-	29
	<u>25,909</u>	<u>-</u>	<u>25,909</u>	<u>35,888</u>	<u>-</u>	<u>35,888</u>

4 Expenditure on raising funds

	Unrest- ricted Funds £	Rest- ricted Funds £	Total Funds 2021 £	Unrest- ricted Funds £	Rest- ricted Funds £	Total Funds 2020 £
Investment management fees	<u>9,312</u>	<u>-</u>	<u>9,312</u>	<u>8,797</u>	<u>-</u>	<u>8,797</u>

5 Expenditure on charitable activities

	Unrest- ricted Funds £	Rest- ricted Funds £	Total Funds 2021 £	Unrest- ricted Funds £	Rest- ricted Funds £	Total Funds 2020 £
Grants:						
Grants to individuals (towards Christmas hampers)	-	-	-	855	-	855
Grants to individuals (towards hospital travel and equipment costs etc)	38,769	-	38,769	43,255	-	43,255
Grants to individuals (towards funding of toy boxes)	50	-	50	150	-	150
Dorset County Hospital NHS Foundation Trust (towards funding of a palliative care post)	60,712	-	60,712	59,070	-	59,070
Teenage Cancer Trust (towards Youth Empowerment Programme)	39,034	-	39,034	38,269	-	38,269
	<u>138,565</u>	<u>-</u>	<u>138,565</u>	<u>141,599</u>	<u>-</u>	<u>141,599</u>
Accountancy fees	588	-	588	606	-	606
Independent examination fees	510	-	510	510	-	510
	<u>139,663</u>	<u>-</u>	<u>139,663</u>	<u>142,715</u>	<u>-</u>	<u>142,715</u>

6 Wages and salaries

The charity does not have any employees (2020 – none) and therefore has not paid any wages or salaries in the year (2020- £nil), and has no employee earning more than £60,000 (2020 – none). There is no key management personnel remuneration to be disclosed.

7 Related parties

None of the trustees (or any persons connected with them) received any remuneration during the year (2020: none), and there were no related party transactions (2020: none).

8 Investments

	2021 £	2020 £
Market value as at 6 April 2020	733,848	861,509
Additions at cost	126,548	72,093
Disposal proceeds	(285,015)	(105,508)
Net gain / (loss) on disposals	82,771	47,400
Net gain / (loss) on revaluation	92,643	(141,646)
	<u>750,795</u>	<u>733,848</u>
Market value as at 5 April 2021	<u>750,795</u>	<u>733,848</u>

9 Creditors: Amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	1,110	1,110
	<u>1,110</u>	<u>1,110</u>

10 Statement of funds - 2021

	Balance 06.04.20 £	Income £	Expenditure £	Gains / (losses) £	Balance 05.04.21 £
Unrestricted funds					
General funds	852,972	36,011	(148,975)	175,414	915,422
	<u>852,972</u>	<u>36,011</u>	<u>(148,975)</u>	<u>175,414</u>	<u>915,422</u>
Total unrestricted funds	<u>852,972</u>	<u>36,011</u>	<u>(148,975)</u>	<u>175,414</u>	<u>915,422</u>

Statement of funds – 2020

	Balance 06.04.19 £	Income £	Expenditure £	Gains / (losses) £	Balance 05.04.20 £
Unrestricted funds					
General funds	1,055,543	43,187	(151,512)	(94,246)	852,972
	<u>1,055,543</u>	<u>43,187</u>	<u>(151,512)</u>	<u>(94,246)</u>	<u>852,972</u>
Total unrestricted funds	<u>1,055,543</u>	<u>43,187</u>	<u>(151,512)</u>	<u>(94,246)</u>	<u>852,972</u>

11 Analysis of net assets between funds

	Unrest- ricted Funds £	Rest- ricted Funds £	Total Funds 2021 £	Unrest- ricted Funds £	Rest- ricted Funds £	Total Funds 2020 £
Tangible fixed assets	750,795	-	750,795	733,848	-	733,848
Current assets	165,737	-	165,737	120,234	-	120,234
Creditors due within one year	(1,110)	-	(1,110)	(1,110)	-	(1,110)
	<u>915,422</u>	<u>-</u>	<u>915,422</u>	<u>852,972</u>	<u>-</u>	<u>852,972</u>

12 Financial instruments

Categorisation of financial instruments

	2021 £	2020 £
Financial assets that are debt instruments measured at amortised cost	165,737	120,234
Financial assets measured at fair value through profit and loss account	750,795	733,848
	<u>916,532</u>	<u>854,082</u>
Financial liabilities measured at amortised cost	1,110	1,110
	<u>1,110</u>	<u>1,110</u>

Items of income, expenditure, gains and losses

In relation to the financial assets measured at fair value through profit and loss account, there was income of £25,906 (2020 - £35,859), expenditure of £9,312 (2020 - £8,797), gains on investment of £175,414 (2020 loss on investment - £94,246).

In respect of the financial assets that are debt instruments measured at amortised cost, there was income of £3 (2020 - £29), there were no items of expenditure, gains or losses (2020 – none).