

The Scotshill Trust

**Annual Report and Financial Statements
for the year ended 5 April 2021**

Charity Commission Reference Number 1113071

**Castlegarth
Scott Lane
Wetherby
LS22 6LH**

The Scotshill Trust
Year ended 5 April 2021

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The Scotshill Trust
Trustees' Report
for the year ended 5 April 2021

Legal and administrative information

Charity number:	1113071
Trustees:	Jeremy John Burton (principal trustee) Deborah Maureen Hazan Mark Timothy Burton
Independent Examiner:	Ross Preston
Accountants:	Armstrong Watson Audit Limited Third Floor 10 South Parade Leeds LS1 5QS
Bankers:	Bank of Scotland plc 33 Old Broad Street London BX2 1LB
Investment managers:	Rathbone Investment Management 1 Curzon Street London W1J 5FB
Principal address:	Castlegarth Scott Lane Wetherby LS22 6LH
Solicitors:	Wrigleys Solicitors LLP 19 Cookridge Street Leeds LS2 3AG

The Trustees present their report together with the financial statements of the charity 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 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)).

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 Scotshill Trust

Trustees' Report (continued) for the year ended 5 April 2021

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.

History and constitution

The trust is an unincorporated trust constituted under a trust deed dated 17 February 2006. The trust was established by an initial settlement of £1,000 from Amanda Claire Burton.

The trust does not fund raise and seeks to continue the philanthropic intentions of the donor through the careful stewardship of the existing resources.

The trust is registered with the Charity Commission under number 1113071.

Amanda Claire Burton settled funds upon the trustees for such charitable institutions, objects or purposes, as the trustees shall in their absolute discretion think fit.

The trustees have chosen an accounting reference date of 5 April to coincide with the tax year and to facilitate the efficient repayment of income tax suffered.

Objectives and activities

Donations are made at the discretion of the trustees and grants are normally made for the following objects:

- the advance of education of all members of the public in the arts, in particular the education of those that are disadvantaged by reason of poverty, disability, ill health, youth or age and those attending performing arts colleges;
- to educate the public in matters pertaining to animal welfare in general and the prevention of cruelty and suffering among animals;
- the advancement of education and relief of poverty for those who are disadvantaged by reason of youth, age, ill health, disability, financial hardship or other disadvantage;
- to promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment;
- the advancement of health for the saving of lives;
- such other charitable purposes for the benefit of the community

Donations to individuals will not be considered. Appeals should be in writing only to the trust managers. At present appeals will not be considered from charities not previously supported. Unsuccessful appeals will not necessarily be acknowledged

Donations are paid out of income but the trustees may, if they feel it necessary, pay donations out of capital.

The Scotshill Trust

Trustees' Report (continued) for the year ended 5 April 2021

Public benefit statement

The trustees of The Scotshill 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.

Financial activities and affairs

Income from investments for the year under review amounted to £30,173, a decrease of £4,244 (12%) as compared with the previous year. During the year the charity received a donation of £300,000 from a private donor.

Charitable donations amounting to £352,000 were made in the year (2020: £301,500). Trust management expenditure amounted to £11,234 (2020: £10,701).

Overall net expenditure amounted to £32,964 (2020: £27,430).

Gains realised on the sale of investments amounted to £32,759 (2020: £1,121) and unrealised gains attributable to the change in the market value of investments amounted to £329,113 (2020: losses of £178,384).

The overall net increase in funds for the year is £328,908 resulting in total funds of £1,758,685 to carry forward at 5 April 2021.

During the year under review, the charity purchased investments at a cost of £245,393 and received proceeds of £262,309 from the sale of investments.

The market value of the charity's investments at 5 April 2021 amounted to £1,655,150 (2020: £1,310,194). After taking into account the net realisations during the year this represents a gain of 24.8%. The increase is primarily the result of market volatility at the end of the previous year caused by the coronavirus pandemic.

The investments of the trust are administered by portfolio managers on a discretionary basis. Environmental and ethical considerations are given on an individual basis when changes to the investments are discussed with the managers.

The trustees receive no remuneration and charged no expenses whilst acting in their capacity as trustee or otherwise.

Reserves policy

The trustees aim to maintain the existing reserves and make charitable donations in line with available resources.

Plans for the future

The trust will continue to support charitable organisations in accordance with the objectives of the trusts.

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 Scotshill Trust

Trustees' Report (continued) for the year ended 5 April 2021

Trustees' responsibility for the financial statements (continued)

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 Trustee's 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: 15 December 2021

The Scotshill Trust

Independent Examiner's Report to the Trustees for the year ended 5 April 2021 Charity Commission Reference Number 1113071

I report to the trustees on my examination of the financial statements of the Scotshill Trust on pages 7 to 12.

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.

Ross Preston
Chartered Accountant

Date: 17 December 2021

Armstrong Watson Audit Limited
Third Floor
10 South Parade
Leeds LS1 5QS

The Scotshill Trust

Statement of Financial Activities
for the year ended 5 April 2021

		Unrestricted funds			
		Capital	Income	Total	Total
		2021	2021	2021	2020
	Note	£	£	£	£
Income and expenditure					
Income					
Income from investments	3	-	30,173	30,173	34,417
Deposit interest		-	97	97	354
Donations received		-	300,000	300,000	250,000
Total income		-	330,270	330,270	284,771
Expenditure					
Direct charitable expenditure					
Charitable donations	8	-	352,000	352,000	301,500
Administrative expenditure					
Accountancy		600	600	1,200	1,200
Independent examination		600	600	1,200	1,200
Investment management		8,834	-	8,834	8,301
Total expenditure		10,034	353,200	363,234	312,201
Net expenditure					
		(10,034)	(22,930)	(32,964)	(27,430)
Other recognised gains and losses					
Gains on charitable investment assets					
Realised gains on disposals		32,759	-	32,759	1,121
Unrealised gains/(losses) on revaluation		329,113	-	329,113	(178,384)
Total other recognised gains/(losses)		361,872	-	361,872	(177,263)
Net movement in funds		351,838	(22,930)	328,908	(204,693)
Reconciliation of funds					
Funds brought forward		1,351,734	78,043	1,429,777	1,634,470
Fund carried forward	9	1,703,572	55,113	1,758,685	1,429,777

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 7 on page 11 for the note of historical cost income and expenditure.

The notes on pages 9 to 12 form part of these financial statements.

The Scotshill Trust

Balance Sheet as at 5 April 2021

		Unrestricted funds			
		Capital fund	Income fund	Total	Total
		2021	2021	2021	2020
	Note	£	£	£	£
Charitable fixed assets					
Investments	4	1,655,150	-	1,655,150	1,310,194
Current assets					
Debtors	5	-	50,000	50,000	50,000
Cash held by investment adviser		23,431	1,059	24,490	15,230
Cash at bank		28,487	5,254	33,741	58,571
		51,918	56,313	108,231	73,801
Creditors: Amounts falling due within one year					
	6	3,496	1,200	4,696	4,218
Net current assets					
		48,422	55,113	103,535	69,583
Total assets less current liabilities					
		1,703,572	55,113	1,758,685	1,379,777
Funds					
	9	1,703,572	55,113	1,758,685	1,429,777

The notes on pages 9 to 12 form part of these financial statements.

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

Jeremy Burton
Trustee

Date: 15 December 2021

The Scotshill Trust

Notes to the financial statements for the year ended 5 April 2021

1. Accounting policies

Charity information

The Scotshill Trust is a charity which is registered with the Charity Commission for England and Wales under the registered number 1113071. 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 a period of at least 12 months from the date of approval of the accounts. The trustees assess going concern through regular reviews of the performance of the charity's managed listed investment portfolio. The market value of the charity's investment portfolio at 5 April 2021 is £1.655m, having recovered from the investment market volatility caused by the Covid-19 pandemic which saw the market value of the investments decrease to £1.310m at 5 April 2020. The recovery is the result of both a general market recovery and strategic investment decisions by the investment managers. Investment income has remained at a level which enables the trustees to continue to make discretionary donations and meet the charity's 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 gross of tax deducted 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 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.

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**Notes to the financial statements (continued)
for the year ended 5 April 2021**

3. Income from investments

Investment income arose from the following sources

	2021	2020
	£	£
United Kingdom		
Equities	3,106	4,124
Unit trusts	7,654	12,312
Unit trust interest	3,872	3,650
Other income	5,389	6,755
Overseas		
Equities	4,926	5,294
Fixed interest	5,226	2,282
	<u>30,173</u>	<u>33,417</u>

4. Investments

	2021	2020
	£	£
Market value brought forward	1,310,194	1,445,766
Additions at cost	245,393	139,795
Revaluation to carrying value	329,113	(178,384)
Disposal at carrying value	(229,550)	(96,983)
Market value carried forward	<u>1,655,150</u>	<u>1,310,194</u>
Historical cost	<u>1,331,215</u>	<u>1,363,431</u>

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

	2021	2020
	£	£
United Kingdom Based Organisations		
Companies	489,595	153,803
Collectives	918,145	812,109
	<u>1,407,740</u>	<u>965,912</u>
Overseas		
Companies and collectives	247,410	344,282
	<u>1,655,150</u>	<u>1,310,194</u>

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

5. Debtors

	2021	2020
	£	£
HMRC – gift aid recoverable	<u>50,000</u>	<u>50,000</u>

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**Notes to the financial statements (continued)
for the year ended 5 April 2021**

6. Creditors		2021	2020
		£	£
Investment management fees		2,296	1,818
Accountancy and independent examination fees		2,400	2,400
		<u>4,696</u>	<u>4,218</u>
7. Note on historical cost income and expenditure		2021	2020
		£	£
Net expenditure for the year		(32,964)	(27,430)
Realised losses on investments calculated using cost		<u>(15,300)</u>	<u>(2,259)</u>
Historical cost income and expenditure		(48,264)	(29,689)
Difference between the historical cost gains/(losses) arising from the realisation of investments and the actual gain calculated using carrying values		48,059	3,380
Unrealised gain/(loss) on revaluation of investments		329,113	(178,384)
Movement in funds on Statement of Financial Activities		<u>328,908</u>	<u>(204,693)</u>
8. Direct charitable institutional grants		2021	2020
	No.	No.	
	Grants	Grants	£
Art and amenities	-	1	1,500
Conservation	1	-	5,000
Social and welfare	3	4	300,000
Overseas	3	-	-
	<u>7</u>	<u>5</u>	<u>352,000</u>
			<u>301,500</u>

Individual recipients of the donations analysed by sector are shown below.

	£	£
Conservation		
Woodmeadow Trust		5,000
Social and welfare		
Shelter	10,000	
Oxfam	100,000	
The Trussell Trust	<u>100,000</u>	210,000
Overseas		
World Vision UK	17,000	
New Israel Fund	20,000	
Care International	<u>100,000</u>	137,000
		<u>352,000</u>

The Scotshill Trust

Notes to the financial statements (continued) for the year ended 5 April 2021

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 in accordance with the objects of the charity.

10. Related Parties

There were no transactions with related parties during the year.