

Company registration number: 06754592

Charity registration number: 1135860

A M Challis Trust Ltd

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

Tim Phillips & Co Ltd
Accountants
Cart House 2
Copley Hill Business Park
Cambridge Road
Babraham
Cambridge
CB22 3GN

A M Challis Trust Ltd

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A M Challis Trust Ltd

Reference and Administrative Details

Trustees	Mrs R J Phillips, Chairman Mr W A Fell, Deputy Chairman Mrs M C M Dicken, Secretary Mrs E Dockerill Mr J H Hunting Mr M Redshaw Mrs G Riley
Principal Office	68 High Street Sawston Cambridge CB22 3BG
Registered Office	68 High Street Sawston Cambridge CB22 3BG
	The charity is incorporated in England & Wales.
Company Registration Number	06754592
Charity Registration Number	1135860
Independent Examiner	Tim Phillips & Co Ltd Accountants Cart House 2 Copley Hill Business Park Cambridge Road Babraham Cambridge CB22 3GN
Accountants	Tim Phillips & Co Ltd Cart House 2 Copley Hill Business Park Cambridge Road Babraham Cambridge CB22 3GN

A M Challis Trust Ltd

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2020.

A M Challis Trust Ltd

Trustees' Report

A M CHALLIS TRUST LTD

Registered Charity No. 1135860 Registered Company No. 06754592

TRUSTEES' REPORT 2020

The re-appointment for 2020 of all current officers was unopposed.

2020 has been overshadowed by the Covid-19 pandemic presenting us with many new challenges. For nearly ten months, we have had to negotiate a raft of ever-changing guidelines and constraints, adapting several times to the 'new normal' whatever that happened to be. Despite this, the year has been full of different opportunities and growth, especially in terms of the management of our three rental properties.

Our regular monthly Full Trust Meetings were impacted by the pandemic meaning that after January and February, we had to adapt and we were able to hold several subsequent meetings outdoors. Unfortunately, as the year progressed, the weather naturally deteriorated, the rules changed yet again and we were forced to abandon this solution. However, we were able to keep closely in touch electronically and in the absence of much Challis Trust activity, we were easily able to address matters online.

THE HOUSE (THE MARY CHALLIS MUSEUM)

Having begun planning in 2019, we opened our fourth major exhibition – 'Half a Pound of Tuppenny Rice' (which traced the history of shops and shopping in Sawston) to great acclaim and with high visitor numbers. This exhibition was scheduled to run for four months but we had to close after just eight weeks. Optimistically, we left all the exhibits in place in the hope that we would be able to reopen later in the year but of course, that was not to be. The Museum and the Challis House have remained closed and the following exhibition scheduled for mid-2020, was cancelled indefinitely.

THE GARDEN

Unlike the House and the Museum, as a 'public open space', when permitted to do so, we were able to carefully open to the public and follow safe distancing rules within our 2 acres.

The number of new volunteers has continued to climb, possibly driven by the amount of spare time people currently have at their disposal. This has ensured that the Garden has remained in pristine condition and many tasks on the ever-present pending list have now been tackled.

Although all our usual annual events were cancelled, we were approached by several local groups who had 'lost' their normal indoor venues, asking whether they could use the Garden to continue their weekly meetings. These ranged from The British Legion, through Tai Chi and Yoga classes to the Cambridge Rare Diseases Group and a steel band. Several groups have intimated that they would like to continue holding meetings in the Garden, weather permitting, after lockdown is lifted.

Over the Remembrance Day period, we also welcomed back 'Jimmy' the British Legion's full-sized WW1 soldier silhouette who returned to our front garden and was surrounded by hundreds of hand-made poppies, within view of the village war memorial. An amazing sight.

There was also a well-timed window of opportunity when we were able to thank our many volunteers by hosting a picnic in the Garden with music from a professional jazz band – a rare afternoon of 'normality', thoroughly appreciated by all!

Work carried out during the year has included:

A complete overhaul of the front garden to include paving, brickwork and new drainage.

Installation of all-new signage, parking space markers & concave mirrors, in the car park.

A M Challis Trust Ltd

Trustees' Report

Felling of several trees including (most of) a dead walnut tree, the remaining double trunk now beautifully carved to represent two owls.

THE NEW GARDEN MUSEUM BUILDING

Despite their very best efforts, the introduction of our new project development managers at the start of the year has done nothing to speed up the planning process and we have seen a second year come and go without any decisions forthcoming from the local authority. This has been immensely frustrating but there is little further we can do other than wait. Legal decision dates have come and gone, much contact has been made by us – and ignored by them. Our local councillors have not been able to intervene successfully and meanwhile, time passes and our hands remain completely tied. We very much hope that 2021 will *finally* see us move forward with this project.

RENTAL PROPERTIES

The lease of the property that caused so many problems previously, has finally been signed though substantial issues remain with regard to the upkeep of that building by the tenant.

The tenant of our largest shop - a family butcher - whose lease came up for renewal after ten years, contacted us to say that he is considering retirement. A survey of the property to include the flat above, indicates a substantial increase in rent will be required to meet the new valuation. Despite Covid-19 and the impact on his commercial business, the tenant has remained trading and busy. A suggestion from him that the rent should be unaltered and remain thus for the next five years, has been rejected by us and at the year end, we await the outcome of further negotiations.

Whilst our smallest property was empty, we had the opportunity to carry out a substantial programme of much-needed improvements. The results are transformative and during such a testing trading year, we consider ourselves exceptionally fortunate in the autumn, to have secured a tenant who has brought an exciting fresh dynamic to shopping in the village.

The A M Challis Trust remains dedicated to the wishes of its benefactor Mary Challis and we all continue to thank her for the great gift she bestowed on the Trust to administer for the benefit of the people of Sawston.

ROSEMARY PHILLIPS

CHAIRMAN

On behalf of the Trustees

A M Challis Trust Ltd

Statement of Trustees' Responsibilities

The trustees (who are also the directors of A M Challis Trust Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on and signed on its behalf by:

.....
Mrs R J Phillips
Chairman and Trustee

A M Challis Trust Ltd

Independent Examiner's Report to the trustees of A M Challis Trust Ltd

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 7 to 17.

Respective responsibilities of trustees and examiner

As the charity's trustees of A M Challis Trust Ltd (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of A M Challis Trust Ltd are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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:

1. accounting records were not kept in respect of A M Challis Trust Ltd as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

.....
Tim Phillips
Accountants
Tim Phillips & Co Ltd

Cart House 2
Copley Hill Business Park
Cambridge Road
Babraham
Cambridge
CB22 3GN

Date:.....

A M Challis Trust Ltd

Statement of Financial Activities for the Year Ended 31 December 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Total 2020 £
Income and Endowments from:			
Donations and legacies	3	16,530	16,530
Investment income		50	50
Rental Income	4	40,269	40,269
Total income		56,849	56,849
Expenditure on:			
Raising funds	5	(11,458)	(11,458)
Charitable activities	6	(35,819)	(35,819)
Project Pink Shed	7	(1,266)	(1,266)
Total expenditure		(48,543)	(48,543)
Net income		8,306	8,306
Net movement in funds		8,306	8,306
Reconciliation of funds			
Total funds brought forward		57,989	57,989
Total funds carried forward	14	66,295	66,295

	Note	Unrestricted funds £	Total 2019 £
Income and Endowments from:			
Donations and legacies	3	9,639	9,639
Investment income		86	86
Other income	4	34,914	34,914
Total income		44,639	44,639
Expenditure on:			
Raising funds	5	(10,805)	(10,805)
Charitable activities	6	(23,398)	(23,398)
Total expenditure		(34,203)	(34,203)
Net income		10,436	10,436
Net movement in funds		10,436	10,436
Reconciliation of funds			
Total funds brought forward		47,552	47,552

The notes on pages 10 to 17 form an integral part of these financial statements.

A M Challis Trust Ltd

**Statement of Financial Activities for the Year Ended 31 December 2020
(Including Income and Expenditure Account and Statement of Total Recognised Gains
and Losses)**

	Note	Unrestricted funds £	Total 2019 £
Total funds carried forward	14	<u>57,988</u>	<u>57,988</u>

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 10 to 17 form an integral part of these financial statements.

A M Challis Trust Ltd

(Registration number: 06754592)

Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Current assets			
Debtors	11	3,417	-
Cash at bank and in hand	12	<u>68,790</u>	<u>59,069</u>
		72,207	59,069
Creditors: Amounts falling due within one year	13	<u>(5,912)</u>	<u>(1,081)</u>
Net assets		<u>66,295</u>	<u>57,988</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>66,295</u>	<u>57,988</u>
Total funds	14	<u>66,295</u>	<u>57,988</u>

For the financial year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 7 to 17 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
Mrs M C M Dicken
Trustee

The notes on pages 10 to 17 form an integral part of these financial statements.

A M Challis Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Charity status

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

68 High Street
Sawston
Cambridge
CB22 3BG

The principal place of business is:

68 High Street
Sawston
Cambridge
CB22 3BG

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

A M Challis Trust Ltd 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 notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

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

A M Challis Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

A M Challis Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020

Depreciation and amortisation

Asset class	Depreciation method and rate
Plant and machinery	25% straight line
Fixtures and fittings	25% straight line

Debtors

Debtors are amounts due from tenants for insurance and rent in the ordinary course of business.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other 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.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

A M Challis Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations from individuals	6,530	6,530
Grants, including capital grants;		
Grants from other charities	10,000	10,000
Total for 2020	<u>16,530</u>	<u>16,530</u>
Total for 2019	<u>6,177</u>	<u>6,177</u>

4 Other income

	Unrestricted funds General £	Total funds £
Rental income	40,269	40,269
Total for 2020	<u>40,269</u>	<u>40,269</u>
Total for 2019	<u>34,914</u>	<u>34,914</u>

A M Challis Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020

5 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Donations		365	365
Total for 2020		<u>365</u>	<u>365</u>
Total for 2019		<u>2,305</u>	<u>2,305</u>

b) Costs of other income-generating activities

	Note	Unrestricted funds General £	Total 2020 £	Total 2019 £
Membership subscriptions		65	65	80
Other direct costs of activities for generating funds		1,266	1,266	820
Allocated support costs	8	<u>5,458</u>	<u>5,458</u>	<u>4,418</u>
		<u>6,789</u>	<u>6,789</u>	<u>5,318</u>

	Note	Unrestricted funds General £	Total funds £
Membership subscriptions		65	65
Other direct costs of activities for generating funds		1,266	1,266
Allocated support costs	8	<u>5,458</u>	<u>5,458</u>
Total for 2020		<u>6,789</u>	<u>6,789</u>
Total for 2019		<u>5,318</u>	<u>5,318</u>

c) Investment management costs

A M Challis Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020

	Note	Unrestricted funds General £	Total funds £
Allocated support costs	8	3,079	3,079
Total for 2020		<u>3,079</u>	<u>3,079</u>
Total for 2019		<u>1,951</u>	<u>1,951</u>
			Total costs £

6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Museum		11,806	11,806
Governance costs	8	3,054	3,054
Total for 2020		<u>14,860</u>	<u>14,860</u>
Total for 2019		<u>18,273</u>	<u>18,273</u>
			Total expenditure £

In addition to the expenditure analysed above, there are also governance costs of £3,054 (2019 - £1,974) which relate directly to charitable activities. See note 8 for further details.

7 Other expenditure

	Note	Total funds £
Total for 2020		<u>-</u>

A M Challis Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Audit fees		
Other fees paid to auditors	210	210
Marketing and publicity	394	394
Other governance costs	1,370	1,370
Total for 2020	1,974	1,974
Total for 2019	1,975	1,975

A M Challis Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2020

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year. Expenses incurred were repaid at cost.

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Debtors

	2020 £
Debtors	3,417

12 Cash and cash equivalents

	2020 £	2019 £
Cash on hand	61	57
Cash at bank	27,343	21,987
Short-term deposits	41,386	37,025
	<u>68,790</u>	<u>59,069</u>

13 Creditors: amounts falling due within one year

	2020 £	2019 £
Other creditors	4,003	-
Accruals	1,909	1,080
	<u>5,912</u>	<u>1,080</u>

14 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
General	<u>57,989</u>	<u>56,849</u>	<u>(48,543)</u>	<u>66,295</u>