

**The Sutton Pendle Charitable Trust**  
**Financial Statements**  
**31 December 2020**

# **The Sutton Pendle Charitable Trust**

## **Financial Statements**

**Year ended 31 December 2020**

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# **The Sutton Pendle Charitable Trust**

## **Trustees' Annual Report**

### **Year ended 31 December 2020**

The trustees present their report and the financial statements of the charity for the year ended 31 December 2020.

The trustees confirm that they complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity's Commission general guidance on public benefit "Charities and Public Benefit". The Trustees' Report clearly sets out the charitable objectives, our current activities and how they benefit the public.

#### **Reference and administrative details**

<b>Registered charity name</b>	The Sutton Pendle Charitable Trust
<b>Charity registration number</b>	1166700
<b>Principal office</b>	The Cliff Red Lane Colne BB8 7JR Lancashire
<b>The trustees</b>	RE Sutton RHJ Sutton JR Sutton
<b>Auditor</b>	Sagars Accountants Ltd Chartered accountants & statutory auditor Gresham House 5-7 St Pauls Street Leeds LS1 2JG

#### **Structure, governance and management**

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

The Trustees are appointed to ensure that the relevant skills and experience are in place to execute the Charities aims and objectives. They are ultimately responsible for the policies, activities and assets of the charity and they meet monthly to review developments of the charity's activities and make any important decisions. When necessary, the Trustees seek advice and support from the charity's professional advisers including property consultants, investment managers, solicitors and accountants. The day to day management of the charity's activities, and the implementation of policies, is delegated to the appropriate members of the Trust. The charity currently operates with zero overheads. It's only costs are those incurred for external financial, legal and property services.

Having reviewed our Trustee structure we are satisfied that it is appropriate to support the Charity's future plans and scale of operation. 2020 was an exceptional year and our huge increase in turnover was entirely attributed to the Covid-19 PPE project. It is highly unlikely that this will be repeated and it is our opinion that it would be inappropriate to revise our Trustee selection processes.

#### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have examined the operational and business risks which the charity faces and confirm that they have established systems to mitigate the significant risks.

# **The Sutton Pendle Charitable Trust**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31 December 2020**

#### **Objectives and activities**

##### **Grantmaking**

What is the aim of The Sutton Pendle Charitable Trust?

The Charity has general charitable objects and the Trustees may apply the income and such parts of the capital as they think fit towards these objects. The Trustees will focus on making grants to organisations and people with the intention of transforming people's lives, to help individuals out of the social support system and to benefit worthwhile causes in an efficient manner.

What are the objectives of The Sutton Pendle Charitable Trust?

The Trustees will make grants for charitable purposes based on need and merit and in particular, will take the following into account: The advancement of education and the development of individual capabilities, competences, skills and understanding; The advancement of citizenship or community development; The advancement of sport; The relief of those in need by reason of youth, age, ill health, disability, financial hardship or other disadvantage; and Other purposes currently recognised as charitable.

Who can Apply?

Grants may be made to organisations that operate for the benefit of the underprivileged. Grants may also be made to individuals. Grants will only be made for specific projects if sufficient evidence has been provided that the proposed projects have charitable purposes that meet the objectives of the Trust. The projects should aim to benefit as many underprivileged people as possible. The Trustees will need details of a specific purpose for the requested grants, supported by estimates or quotations where possible.

##### **How to Apply**

Any individual or organisation interested in applying to the Trust for funding, should write a letter to: The Cliff Red Lane Colne Lancashire BB8 7JR

The letter should include full details of the project you would like the Trustees to support, including the full name and address of the organisation or individual concerned, details of how much funding is required an outline of what the grant is needed for (supported with cost estimates or quotations if appropriate), details of how many people are likely to benefit from the grant and confirmation as to whether or not funding has been secured from other organisations (if so, how much has already been given and from who).

The Trustees will acknowledge receipt of the letter and confirm when it will be considered. Any further information required, will be requested.

Applicants will be informed either by email or letter as to whether their application has been successful.

# **The Sutton Pendle Charitable Trust**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31 December 2020**

#### **Achievements and performance**

##### Charitable activities

The Charity does not actively seek to raise funds. Having been founded on the basis of an initial donation from the Trustees, our future strategy is to operate principally from income derived from retained invested funds, with zero operational overheads. During the past year, we very gratefully accepted a donation of £50,000 from Freight Investor Services for which we would like to record our sincere appreciation. The donation was presented to support our procurement and distribution of PPE for the benefit of those with the greatest need within the Charity's local community.

Our main focus during the year was to help to overcome the many very serious consequences of the PPE shortage during the initial phase of the Covid-19 pandemic. In the very early stages we supplied PPE to Care Homes, GP surgeries and Dental practices across East Lancashire. The project rapidly escalated and we sourced and supplied a full range of over 32 million items of PPE to Health Authorities across Lancashire and South Cumbria, via the Lancashire Resilience Forum. This non-profit project was funded by Lancashire County Council and other Local Authorities. The Charity supplied all items at landed unit cost and absorbed all associated overhead and administration costs. Our sincere thanks go to the very many volunteers who assisted with logistics.

The Charity continues to work closely with Burnley FC in the Community. We provided a Covid rent holiday for the Community Leisure Box facility and we fully sponsored a community mentoring programme which provides a strong focus on leadership skills and raising the aspirations of young people.

#### **Financial review**

##### Results for the period

During 2020 total incoming resources amounted to £7,117,903 (2019: £247,727).

Resources expended to generate income and to enable the objectives of the charity to be met totalled £7,177,079 (2019: £258,889).

Net expenditure for the period, therefore, was £59,176 (2019: net expenditure £11,162).

##### Reserves Policy

The charity holds unrestricted reserves at the year end of £2,596,034 (2019 £2,655,210), which are held to fund the development of the charity.

#### **Future Plans**

The Charity plans to work closely with BFC in the Community and is committed to providing them with sponsorship to enable the delivery of selected educational programmes.

#### **Trustees' responsibilities statement**

The trustees are responsible for preparing the trustees' 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 and Wales requires the charity trustees to prepare financial statements for each 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.

# **The Sutton Pendle Charitable Trust**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31 December 2020**

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 applicable Charities SORP;
- make judgments and accounting 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;
- 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 keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on 29 October 2021 and signed on behalf of the board of trustees by:



RHJ Sutton  
Trustee

# **The Sutton Pendle Charitable Trust**

## **Independent Auditor's Report to the Trustees of The Sutton Pendle Charitable Trust**

**Year ended 31 December 2020**

### **Opinion**

We have audited the financial statements of The Sutton Pendle Charitable Trust (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Without qualifying our opinion we draw attention to the Accounting Policies in note 3 to the financial statements and the fact that the comparative information in the accounts was unaudited as the company applied their entitlement to exemption from audit in the prior year.

# **The Sutton Pendle Charitable Trust**

## **Independent Auditor's Report to the Trustees of The Sutton Pendle Charitable Trust**

*(continued)*

### **Year ended 31 December 2020**

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

# **The Sutton Pendle Charitable Trust**

## **Independent Auditor's Report to the Trustees of The Sutton Pendle Charitable Trust**

*(continued)*

### **Year ended 31 December 2020**

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud.

The laws and regulations we considered in this context were Charities Commission Regulations and requirements from funders. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and donation income and the override of controls by management.

Our audit procedures to respond to these risks included:

- enquiries of management and the Trustees about their own identification and assessment of the risks of irregularities,
- reviewing accounting estimates for biases,
- carrying out detailed substantive testing on the completeness of income; and
- obtaining confirmation from the trustees that there was no regulatory correspondence with the Charity Commission.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

# **The Sutton Pendle Charitable Trust**

## **Independent Auditor's Report to the Trustees of The Sutton Pendle Charitable Trust**

*(continued)*

### **Year ended 31 December 2020**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sagars Accountants Ltd  
Statutory auditor  
Gresham House  
5-7 St Pauls Street  
Leeds  
LS1 2JG

29 October 2021

# The Sutton Pendle Charitable Trust

## Statement of Financial Activities

Year ended 31 December 2020

		2020		2019
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	4	50,130	50,130	—
Charitable activities	5	7,067,771	7,067,771	247,723
Investment income	6	2	2	4
<b>Total income</b>		<u>7,117,903</u>	<u>7,117,903</u>	<u>247,727</u>
<b>Expenditure</b>				
Expenditure on charitable activities	7,8	<u>7,177,079</u>	<u>7,177,079</u>	<u>258,889</u>
<b>Total expenditure</b>		<u>7,177,079</u>	<u>7,177,079</u>	<u>258,889</u>
<b>Net expenditure and net movement in funds</b>		<u>(59,176)</u>	<u>(59,176)</u>	<u>(11,162)</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>2,655,210</u>	<u>2,655,210</u>	<u>2,666,372</u>
<b>Total funds carried forward</b>		<u>2,596,034</u>	<u>2,596,034</u>	<u>2,655,210</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

A comparative statement of financial activities for 2019 is not provided as all activity in 2019 was in relation to unrestricted funds.

The notes on pages 12 to 17 form part of these financial statements.

# The Sutton Pendle Charitable Trust

## Statement of Financial Position

31 December 2020

	Note	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible fixed assets	15		1,756,924		1,719,424
<b>Current assets</b>					
Stocks	16	27,814		—	
Debtors	17	41,562		35,431	
Cash at bank and in hand		968,580		903,125	
		<u>1,037,956</u>		<u>938,556</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>198,846</u>		<u>2,770</u>	
<b>Net current assets</b>			839,110		935,786
<b>Total assets less current liabilities</b>			<u>2,596,034</u>		<u>2,655,210</u>
<b>Funds of the charity</b>					
Unrestricted funds			<u>2,596,034</u>		<u>2,655,210</u>
<b>Total charity funds</b>	19		<u>2,596,034</u>		<u>2,655,210</u>

These financial statements were approved by the board of trustees and authorised for issue on 29 October 2021, and are signed on behalf of the board by:



RHJ Sutton  
Trustee

The notes on pages 12 to 17 form part of these financial statements.

# The Sutton Pendle Charitable Trust

## Statement of Cash Flows

Year ended 31 December 2020

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Net expenditure	(59,176)	(11,162)
<i>Adjustments for:</i>		
Other interest receivable and similar income	(2)	(4)
Interest payable and similar charges	66	77
<i>Changes in:</i>		
Stocks	(27,814)	—
Trade and other debtors	(6,131)	13,761
Trade and other creditors	196,076	(20,270)
Cash generated from operations	103,019	(17,598)
Interest paid	(66)	(77)
Interest received	2	4
Net cash from/(used in) operating activities	<u>102,955</u>	<u>(17,671)</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(37,500)	—
Net cash used in investing activities	<u>(37,500)</u>	<u>—</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	65,455	(17,671)
<b>Cash and cash equivalents at beginning of year</b>	903,125	920,796
<b>Cash and cash equivalents at end of year</b>	<u>968,580</u>	<u>903,125</u>

The notes on pages 12 to 17 form part of these financial statements.

# **The Sutton Pendle Charitable Trust**

## **Notes to the Financial Statements**

### **Year ended 31 December 2020**

#### **1. General information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is The Cliff, Red Lane, Cone, Lancashire, BB8 7JR, United Kingdom.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

The accounts have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following Charities SORP (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

#### **3. Accounting policies**

##### **Basis of preparation**

The comparative information in the accounts is unaudited as the company applied their entitlement to exemption from audit in the year ended 31st December 2019.

##### **Going concern**

The trustees, having made due and careful enquiry, are of the opinion that the charity has adequate working capital to execute its operations over the next 12 months. The trustees, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

In arriving at this conclusion, the trustees have given due consideration to the impact of the worldwide Covid-19 pandemic on future operations and the ability of the charity to continue to operate as a going concern and also considered future plans and funds available to them.

As a result, the trustees have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

##### **Judgements and key sources of estimation uncertainty**

In the application of the charity's accounting policies, the trustees are required to make estimates and judgements. The estimates are based on historical experiences and other relevant factors. Actual results may differ from these estimates.

The estimates are continually evaluated. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below:-

Estimating the useful economic life of an asset and the anticipated residual value in calculating an appropriate depreciation charge. Determining whether there are any indicators of impairment of the trust's property, plant and equipment.

# **The Sutton Pendle Charitable Trust**

## **Notes to the Financial Statements** *(continued)*

### **Year ended 31 December 2020**

#### **3. Accounting policies** *(continued)*

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

##### **Incoming resources**

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

- income from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of income can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

##### **Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

# The Sutton Pendle Charitable Trust

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2020

#### 3. Accounting policies *(continued)*

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

#### 4. Donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
<b>Donations</b>				
Donations	50,130	50,130	—	—

#### 5. Charitable activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Leisure Box	27,760	27,760	247,723	247,723
Covid support	7,040,011	7,040,011	—	—
	<u>7,067,771</u>	<u>7,067,771</u>	<u>247,723</u>	<u>247,723</u>

#### 6. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Bank interest receivable	2	2	4	4

# The Sutton Pendle Charitable Trust

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2020

#### 7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	<b>Total Funds 2020 £</b>	Unrestricted Funds £	Total Funds 2019 £
Leisure Box	42,752	42,752	255,173	255,173
Covid support	7,124,610	7,124,610	—	—
Support costs	9,717	9,717	3,716	3,716
	<u>7,177,079</u>	<u>7,177,079</u>	<u>258,889</u>	<u>258,889</u>

#### 8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	<b>Total funds 2020 £</b>	Total fund 2019 £
Leisure Box	16,552	26,200	7,217	49,969	258,889
Covid support	7,124,610	—	—	7,124,610	—
Governance costs	—	—	2,500	2,500	—
	<u>7,141,162</u>	<u>26,200</u>	<u>9,717</u>	<u>7,177,079</u>	<u>258,889</u>

#### 9. Analysis of support costs by activity type

	Leisure Box £	Covid support £	<b>Total 2020 £</b>	Total 2019 £
Finance costs	66	—	66	77
Governance costs	7,151	—	7,151	3,639
	<u>7,217</u>	<u>—</u>	<u>7,217</u>	<u>3,716</u>

#### 10. Analysis of grants

	<b>2020 £</b>	2019 £
<b>Grants to institutions</b>		
Grants to institutions	26,200	26,200
Total grants	<u>26,200</u>	<u>26,200</u>

#### 11. Auditors remuneration

	<b>2020 £</b>	2019 £
Fees payable for the audit of the financial statements	<u>5,000</u>	<u>—</u>

#### 12. Independent examination fees

	<b>2020 £</b>	2019 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>—</u>	<u>2,500</u>

# The Sutton Pendle Charitable Trust

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2020

#### 13. Staff costs

The average head count of employees during the year was Nil (2019: Nil).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

#### 14. Trustee remuneration and expenses

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

#### 15. Tangible fixed assets

	Long leasehold property £
<b>Cost</b>	
At 1 January 2020	1,719,424
Additions	37,500
<b>At 31 December 2020</b>	<u>1,756,924</u>
<b>Depreciation</b>	
At 1 January 2020 and 31 December 2020	<u>—</u>
<b>Carrying amount</b>	
<b>At 31 December 2020</b>	<u>1,756,924</u>
At 31 December 2019	<u>1,719,424</u>

No depreciation is provided on leasehold property as the trustees believe the residual value is comparable to the cost of the assets.

#### 16. Stocks

	2020 £	2019 £
Raw materials and consumables	<u>27,814</u>	<u>—</u>

#### 17. Debtors

	2020 £	2019 £
Other debtors	<u>41,562</u>	<u>35,431</u>

#### 18. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	156,346	270
Other creditors	42,500	2,500
	<u>198,846</u>	<u>2,770</u>

# The Sutton Pendle Charitable Trust

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2020

#### 19. Analysis of charitable funds

##### Unrestricted funds

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	At 31 December 2020 £
General funds	<u>2,655,210</u>	<u>7,117,903</u>	<u>(7,177,079)</u>	<u>—</u>	<u>2,596,034</u>

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	At 31 December 20 19 £
General funds	<u>924,691</u>	<u>247,727</u>	<u>(258,889)</u>	<u>1,741,681</u>	<u>2,655,210</u>

#### 20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	1,756,924	1,719,424
Current assets	1,037,956	1,037,956
Creditors less than 1 year	(198,846)	(161,346)
<b>Net assets</b>	<u>2,596,034</u>	<u>2,596,034</u>

	Unrestricted Funds £	Total Funds 2019 £
Tangible fixed assets	1,719,424	1,719,424
Current assets	938,556	938,556
Creditors less than 1 year	(2,770)	(2,770)
<b>Net assets</b>	<u>2,655,210</u>	<u>2,655,210</u>

#### 21. Analysis of changes in net debt

	At 1 Jan 2020 £	Cash flows £	At 31 Dec 2020 £
Cash at bank and in hand	<u>903,125</u>	<u>65,455</u>	<u>968,580</u>

#### 22. Related parties

Administration work is carried out free of charge by one of the employees of the company owned by one of the Trustees