

# **ISLE OF ANGLESEY CHARITABLE ASSOCIATION**

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**1 Hydref 2019 hyd at 30 Medi 2020**

## **ANNUAL REPORT**

**1 October 2019 to 30 September  
2020**

Isle of Anglesey Charitable Association  
County Offices  
LLANGEFNI  
Ynys Môn  
LL77 7TW

## **ISLE OF ANGLESEY CHARITABLE ASSOCIATION**

County Offices

Llangefni

Ynys Môn

LL77 7TW

Registered Charity No. : 1174536

### **THE ANNUAL REPORT 1 October 2019 to 30 September 2020**

#### **LEGAL AND ADMINISTRATIVE DETAILS**

##### **TRUST DEED**

The Isle of Anglesey Charitable Trust (Registered Charity No. 1000818) was formed on 5 June 1990 and the Trust deed of that date specifies the duties, powers and conditions under which the Trust is required to operate. The assets of the Isle of Anglesey Charitable Trust were transferred to the Isle of Anglesey Charitable Association on 1 October 2019 (Registered Charity No. 1174536).

##### **TRUSTEES**

The 30 elected Members of the Isle of Anglesey County Council plus 2 independent elected Trustees act as the Charitable Association's trustees. The Trustees during the period 1 October 2019 to 30 September 2020 were as follows:-

Trefor Lloyd Hughes MBE (Cadeirydd)  
Richard Owain Jones (Is-Gadeirydd)  
Richard Griffiths  
Glyn Haynes  
Robin Wyn Williams  
Eric Wyn Jones  
Bryan Owen  
Dafydd Roberts  
Margaret Murley Roberts  
Alun Roberts  
Carwyn Elias Jones  
Alun Wyn Mummery  
John Wyn Griffith  
Vaughan Hughes  
Aled Morris Jones  
Gwilym O Jones  
Llinos Medi Huws  
Robert Griffith Parry OBE Frags  
Ieuan Williams

Meirion Jones  
 Nicola Fay Roberts  
 Robert Llewelyn Jones  
 Richard Anthony Dew  
 Dafydd Rhys Thomas  
 Dylan Wyn Rees  
 Arwel Roberts  
 Kenneth Pritchard Hughes  
 Peter Standing Rogers  
 Lewis Davies  
 Shaun Redmond (Bu Farw Ar 13 Ebrill 2020)

No appointment of the 2 independent trustees was made during the year of account.

## **OFFICERS**

<b>Secretary</b>	-	<b>Mrs Annwen Morgan (Chief Executive – Isle of Anglesey County Council)</b>
<b>Treasurer</b>	-	<b>Mr Marc Jones (Director of Function (Resources) / Section 151 Officer – Isle of Anglesey County Council)</b>
<b>Solicitor</b>	-	<b>Ms Lynn Ball (Head of Function (Council Business) / Monitoring Officer – Isle of Anglesey County Council)</b>

## **ADVISERS**

The advisers of the Trust during the period were:-

<b>Bankers</b>	:	HSBC Plc High Street Llangefni LL77 7LU
<b>Auditor</b>	:	Messrs W.J. Matthews & Son Chartered Accountants 11 - 15 Bridge Street Caernarfon LL55 1AB
<b>Investment Managers</b>	:	HSBC Private Bank (UK) Limited 78 James's Street London SW1A 1JB

## **STRUCTURE GOVERNANCE AND MANAGEMENT**

The Isle of Anglesey Charitable Trust was established by the Isle of Anglesey Borough Council, a forerunner of the County Council, to administer investments purchased from monies received from Shell (UK) Limited when the company ceased to operate an Oil Terminal on Anglesey. The monies from Shell (UK) Limited were received under a private Act of Parliament - The Anglesey Marine Terminal Act 1972, which placed a duty on the Council to "use the monies solely in the interest of the Island of Anglesey or its inhabitants". On 1 October 2019, the Isle of Anglesey Charitable Trust became the Isle of Anglesey Charitable Association on 1 October 2019

The Isle of Anglesey Charitable Association is managed by the 30 Council elected Members who act as individual Trustees and are appointed as a result of being elected Council Members. In addition, the Association's Constitution allows for the appointment of 2 independent elected trustees who have the same rights and powers as the Council trustees. Each independent elected trustee is appointed for a term of three years.

The Constitution of the Charitable Association also allows for any person who is interested in furthering the charitable purposes of the Association to become a member of the Charitable Association. Members can vote on resolutions at a general meeting or on written resolutions.

Full meetings, as the Isle of Anglesey Charitable Association, are held at least twice a year to decide on policy and on total expenditure for the year. The Charitable Association has three committees, each Member of the Council being a member of one committee (with the Chairman and Vice-chairman of the Trust being ex officio members of each):-

The Investments and Contracts Committee, which consisted of ten members during the year. The Committee is responsible for the administration of the Association investments through the investment advisers, for matters relating to the property in the Association ownership and for other contractual matters.

The General Grants Committee, which consisted of ten members during the year. It decides on an annual grants programme, funded from the revenue budget of the Charitable Association as decided by the full body and delegated to this Committee.

The Regeneration Committee, which consisted of ten members during the year. Following a decision to earmark funds toward regeneration objectives, the Regeneration Committee decides on the award of grants for regeneration purposes and monitors progress on regeneration schemes.

Officers of the Charitable Association and, on occasion, other officers of the County Council, advise the Charitable Association at its meetings. Few decisions are delegated to them.

The day to day activities, as approved by the Association, are administered on behalf of the Association by the Isle of Anglesey County Council. Some features of the grant application process are common to this Association and other funds administered by the County Council in order to streamline the process for applicants.

The major risks to which the Association is exposed, as identified by the Association, have been reviewed and systems or procedures have been established to manage the risk.

## **OBJECTIVES AND ACTIVITIES**

The charitable purposes of the Association are limited to the general public benefit of persons' resident on the Island, including:-

- the provision of amenities and facilities;
- the preservation of buildings;
- the conservation and protection of land;
- the protection and safeguarding of the environment;
- the sponsoring of publications and educational research projects.

This is achieved by contributing towards spending on services provided for public benefit and by making grants to charitable and voluntary organisations.

The restrictions on the way in which the Association operates are stated in the Association's Constitution. The main powers are to further charitable purposes and to make such arrangements for the management and administration of the Association as it sees fit.

The Association has an endowment, which is expendable provided a two-thirds majority of the members approve such a resolution. It has adopted a long-term objective of ensuring that the value of the endowment matches inflation. The investment income part funds the running costs of Oriel Ynys Môn and an annual grants programme.

## **GRANT MAKING POLICY**

Grants are made from the annual investment income to charities, voluntary organisations and other local bodies for projects on the Island of Anglesey. These are for small grants (less than £8,000) and the Association invites applications for funding, usually once a year, through advertising in local papers. Applications are by standard application form.

Larger grants are also funded from the increase in the capital value of investments held. The Investment and Contracts Committee determine the value to be allocated, based on the performance of the fund in the preceding year and the forecasted performance for the forthcoming year. The larger grants (more than £8,000) are allocated to organisations which meet the charitable purposes of the Association and the Association invites applications for funding, usually once a year, through advertising in local papers. Applications are by standard application form.

Allocations are made annually to the following categories of projects:-

- Community and Sporting Facilities (small capital projects);
- Village Halls (annual running costs);
- Small grants (mainly one-off small grants that are less than £8,000);
- Larger grants (mainly one-off large grants that are more than £8,000).

## **RESERVES POLICY**

The consequence of the financial strategy adopted in 2009 is that separate capital reserves are no longer required, except to recognise historical commitments. Because some of the funding commitments may be made over a period of more than one financial year, the general reserve is allowed to go into deficit provided the cashflow brings it back to surplus by the time the commitment is honoured in full.

The Association considers that the current level of reserves is sufficient to provide future investment income to cover grant payments and also support governance costs.

## **INVESTMENT PERFORMANCE**

The Association has wide investment powers, including purchase of stocks, shares, securities and property of all types, whether or not they produce income and irrespective of the risk involved. These powers are described in the Trust Deed.

Performance to date against the long-term objective (i.e. that the value of the endowment should increase in line with inflation - calculated excluding land valuation) is as follows:-

A target of £16,489m was determined for 30-9-20 (adjusted in line with RPI) and the actual value was £19,215m, which is £2,726k above target. This compares to a valuation of £21,144m as at 30-9-19, which was £4,839m above the target

Investment Income:-

A target of £649,049 was determined (target set before pandemic), while realised value was £604,657, which is £44,392 below target.

### **Performance compared with benchmark**

The agreed long term investment strategy is to return 5% ABOVE THE CURRENT Bank of England base rate, with the following benchmark for asset allocation:-

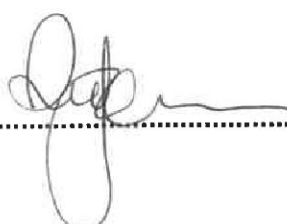
U.K Equities	30%	(Actual 27%)
Overseas Equities	36.5%	(Actual 32%)
Fixed Interest	25%	(Actual 28%)
Alternatives	6%	(Actual 11%)
Cash	2.5%	(Actual 2%)

## **FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS102) and comply with the Charity's trust deed and applicable law.

The Association's Annual Report and the Accounts, shown on pages 7 to 17, were approved by the meeting of the Trust held on .

**Approved by the Association on.**

and signed on its behalf by:  .....

**ISLE OF ANGLESEY CHARITABLE ASSOCIATION**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2020**  
**(The Association's first year's accounts)**

	Note	General fund £	Capital funds £	Total £
<b>INCOMING RESOURCES</b>				
<b><u>Investment income</u></b>	2			
Dividends and fixed interest income		560,192	-	560,192
Interest		44,465	-	44,465
		<b>604,657</b>	-	<b>604,657</b>
Other income		2,904	-	2,904
<b>Total incoming resources</b>		<b>607,561</b>	-	<b>607,561</b>
<b>RESOURCES EXPENDED</b>				
<b><u>Cost of generating funds</u></b>	3			
Investment management costs		103,766	-	103,766
Legal and marketing costs		7,182	-	7,182
<b>Total cost of generating funds</b>		<b>110,948</b>	-	<b>110,948</b>
<b>Net incoming resources available for charitable application</b>		<b>496,613</b>	-	<b>496,613</b>
<b><u>Charitable activities</u></b>	5			
Grants in furtherance of the objects of the charity				
Isle of Anglesey County Council - Oriel Ynys Môn		215,000	-	215,000
Community and voluntary organisations		159,080	-	159,080
Larger grants		-	413,329	413,329
Less allocations foregone		-	-	-
<b>Total cost of grants and activities</b>		<b>374,080</b>	<b>413,329</b>	<b>787,409</b>
<b><u>Governance</u></b>	6			-
Fees and expenses		3,125		3,125
<b>Total Charitable Expenditure</b>		<b>377,205</b>	<b>413,329</b>	<b>790,534</b>
<b>Total resources expended</b>		<b>488,153</b>	<b>413,329</b>	<b>901,482</b>
<b>Net incoming resources</b>		<b>119,408</b>	<b>(413,329)</b>	<b>(293,921)</b>
<b>Holding gains and losses</b>				
Gains/(losses) on revaluation and disposal of investment assets	14		(1,515,454)	(1,515,454)
<b>Net movement of funds</b>		<b>119,408</b>	<b>(1,928,783)</b>	<b>(1,809,375)</b>
Total transferred funds from IACT, brought forward 1 April 2019		235,165	21,143,559	21,378,724
<b>Total funds carried forward on 30 September 2020</b>		<b>354,573</b>	<b>19,214,776</b>	<b>19,569,349</b>

# ISLE OF ANGLESEY CHARITABLE ASSOCIATION

## BALANCE SHEET AS AT 30 SEPTEMBER 2020

(The comparator figures are for reference purposes only and are of the old Isle of Anglesey Charitable Trust which transferred all of its assets and liabilities to the new Isle of Anglesey Charitable Association)

	Note	2020 £	2019 £
<b>Fixed Assets</b>			
Investments	8	21,336,497	22,380,929
<b>Current Assets</b>			
Debtors and accrued income	9	88,239	56,879
Cash at bank		7,517	7,516
<b>Total current assets</b>		<b>95,756</b>	<b>64,395</b>
<b>Liabilities:</b> amounts due within one year			
Creditors	10	(623,285)	(29,913)
Allocations not defrayed	11	(1,239,619)	(1,036,686)
<b>Total liabilities</b>		<b>(1,862,904)</b>	<b>(1,066,599)</b>
<b>Net current assets / (Liabilities)</b>		<b>(1,767,148)</b>	<b>(1,002,204)</b>
<b>Net assets</b>		<b>19,569,349</b>	<b>21,378,725</b>
<b>Funds</b>	12,13		
Unrestricted funds			
: General reserve		354,573	235,165
: Capital		19,214,776	23,235,442
: Grants allocated from capital		-	(2,091,882)
<b>Total funds</b>		<b>19,569,349</b>	<b>21,378,725</b>



**ISLE OF ANGLESEY CHARITABLE ASSOCIATION**

**CASH FLOW STATEMENT AS AT 30 SEPTEMBER 2020**

	<b>Note</b>	<b>2019/20 £</b>	<b>2018/19 £</b>
<b>Cash flows from operating activities</b>			
<b>Net cash provided (used in) operating activities</b>	15	(133,633)	(1,663,235)
<b>Cash flows from investing activities</b>			
Dividends, interest and rent from investments		604,657	1,084,693
Proceeds from sale of investments		14,015,625	11,255,025
Purchase of investments		(14,443,654)	(11,089,827)
<b>Net cash provided by (used in) investing activities</b>		176,628	1,249,891
<b>Change in cash and cash equivalents in the reporting period</b>		<b>42,995</b>	<b>(413,344)</b>
Cash and cash equivalents at the beginning of the reporting period, transferred from IACT		410,907	824,251
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>453,902</b>	<b>410,907</b>

Approved by the

and signed on its behalf by .....



## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

- (a) **Basis of Accounting:** 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 (FRS102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charity's deed and applicable law.

The Isle of Anglesey Charitable Association meets the FRS102 definition of public interest entity. Assets and liabilities are recorded in the accounts at historical cost unless they have been restated in accordance with a relevant accounting policy.

- (b) **Grants Payable** are recognised in the accounts when the allocation has been approved by the Trust and the necessary conditions that enable the funding are confirmed.

- (c) **Investment Income** is included in the accounts:-

- for short term deposits and balances on a daily accrual basis;
- for equity – when stocks are declared ex-dividend;
- for rents – in the year to which it related;
- for collective funds and other income on a receipts basis.

The ordinary element of stocks received in lieu of cash dividend is treated as income of the fund.

- (ch) **Expenditure:** Expenditure is included on an accruals basis. Costs have been attributed to functional categories in the Statement of Financial Activities. Costs of generating funds comprise those costs directly attributable to improving, protecting and marketing investment property and the costs of managing the investment portfolio and raising investment income.

Charitable expenditure comprises grants to voluntary and local organisations and contributions to public services. It has also included direct expenditure on an historic building in the Association's ownership. These are charged in the year in which the decision is made to offer the grant. Where organisations have been given an indication of grants payable in a future year, they are noted as indicative but not accrued in the accounts.

Management and administration comprise payments to third parties relating to the administration of the Trust.

- (d) **Investments:** The investments of the Association have been valued at middle market prices at the close of business at the balance sheet date, except collective investments which are valued at bid price.

Gains and losses on disposal and revaluation of investments are charged or credited to the Statement of Financial Activities.

- (dd) **Investment Property:** See note 7 to the accounts.

- (e) **Funds:** The nature and purpose of each fund are explained in note 12.
- (f) **Preparation of the accounts on a going concern basis:** The trustee is of the view that the charity has sufficient funds in reserve and that the charity is a going concern.

## 2. INVESTMENT INCOME

Almost all the Trust's income arises from the investments held by Investment Managers. Their fees depend on investment performance and income is projected net of fees. The total income on investments (excluding rent of land) for the current period was £604,657.

## 3. COST OF GENERATING FUNDS

These are the costs of managing the investment property and the Investment Managers' fee:-

	30 September 2020 £	30 September 2019 £
Investment Managers' Fee	103,766	159,575
Legal Costs	7,182	
	110,948	159,575

## 4. ASSOCIATION REMUNERATION & RELATED PARTY TRANSACTIONS

No Trustee received any remuneration during the year.

The key management personnel of the Association are the Chief Executive, Section 151 Officer, Grants Manager, Senior Accountant and the Administrative Assistant of the Isle of Anglesey County Council.

## 5. GRANTS

Below is the direct charitable expenditure by the Isle of Anglesey Charitable Association:-

	30 September 2020 £	No	30 September 2019 £	No
<b>Isle of Anglesey County Council – Oriel Ynys Môn</b>	215,000	1	430,000	1
<b>Grants to Community and Voluntary Organisations</b>				
Community and Sporting Facilities and Other Voluntary Organisations :-		18	144,990	37
Môn Sar	1,695			
Anglesey Clay Target Shooting Club	2,147			
Beaumaris Guide Hut	2,191			
Ynys Môn Citizen Advice	6,618			
Cylch Meithrin Rhosybol	1,151			
Llanfairpwll Community Council	7,070			
Llangristiolus Village Hall	8,000			
Llandegfan Parish Hall	2,498			
Llanfairpwll Junior Football Club	2,184			
Llangefni Community First Responder Group	3,738			
Boderdarn Athletic Football Club	4,876			
Llanidan Community Council	4,899			
Llanerchymedd Community Council	1,071			
Mechell Community Society	7,350			
Beaumaris Sea Scout Group	7,990			
Amlwch Men's Sheds	5,502			
Friends of Church Island	4,900			
Llangoed Knitting Group	200			
- Village Hall Running Costs	85,000	32	160,000	30
<b>Larger Grants</b>				
-Talwrn Village Hall	26,422	3		
-Criw Niwbwrch cyf	8,000	1		
-Llanfihangel Esceifiog Community Council	16,000	1		
-Cybi Events	50,000	1		
-Amlwch Sports & Social Association	16,367	1		
-Llangoed & Penmon Community Trust	15,700	1		
-3D Kids	9,417	1		
-Plas Road Allotment Association	8,506	1		
-Moelfre Rowing Club	13,733	1		
-Bryngwran Cymunedol Cyf	26,305	2		
-Digwyddiadau Sbarc CC	8,101	1		
-Llaingoch Community Centre	22,350	1		
-Community Sports CIC	8,000	1		
-Llangoed Football Club	20,737	1		
-Pwllgor Hen Ysgol Marianglas	8,000	1		
-Caru Amlwch	3,000	1		
-Age Well	5,000	1		
-CAB	11,000	1		
-Menter Môn	25,000	1		
-MSparc	7,000	1		
-Seiriol Alliance	3,878	1		
-4x4 Response Wales	1,000	1		
-Amlwch Men's Sheds	5,000	1		
-Medrwn Môn Family Resource packs	6,000	1		
- Island Games			40,000	1
- Urdd Gobaith Cymru			88,000	1
- Young Farmers Club			60,000	1

	30 September 2020 £	No	30 September 2019 £	No
- Menter Môn Leader Scheme	63,813	1	132,126	1
- Aberffraw Village Hall			43,100	1
- Citizens Advice Bureau			39,794	1
- Anglesey Food Bank	25,000	1	20,000	1
- Tudur Cyf			6,000	1
- Amlwch Industrial Heritage Society			66,414	1
- Cari Amlwch			37,542	1
- Blood Bike Wales			7,590	1
- Llangefni RFC			18,000	1
- Ffrindiau Moelfre			26,900	1
- Llanfairynghornwy Village Hall			26,388	1
- Côr Ieuenctid Môn			13,762	1
- Anglesey Column Trust			10,000	1
- Bodwrog Memorial Hall			24,650	1
- Ysgol Gyfun			10,000	1
- Llanddona Village Hall			20,354	1
- Beaumaris Band			10,000	1
- Holyhead Rugby Club			50,000	1
- Aberffraw Football Club			54,018	1
- Age Cymru			13,000	1
- St David Hospice			34,000	1
- Parc Mownt Social Enterprise			12,026	1
- Morlo Nursery			27,397	1
- Stroke Association			10,895	1
- Holyhead Festival			7,854	1
- Wild Elements			14,633	1
- Môn FM			50,826	1
- Amlwch Port Community Group			30,635	1
- Cemaes CIC			30,000	1
- Cemaes Football Club			37,170	1
- Medrwn Môn			58,000	1
	<b>787,409</b>		<b>1,866,064</b>	

## 6. GOVERNANCE

The Association is currently administered by the Isle of Anglesey County Council at a zero administrative cost to the Association. The Governance expenses represent fees to other bodies for specialist services and members' travel and subsistence costs. The Association has no staff. Details of the Management and Administrative expenses are:-

	30 September 2020 £	30 September 2019 £
Auditor's Fee – for Audit services	3,125	2,500
Administrative Costs		
Travel and Subsistence Costs		
Media		1,230
Miscellaneous		69
	<b>3,125</b>	<b>3,799</b>

## 7. INVESTMENT PROPERTY

During 1995, the Isle of Anglesey Borough Council transferred two parcels of land at Rhosgoch and Amlwch Port to the Trust at an estimated market value of £550,000. The land was part of the final settlement by Shell (UK) Limited (see Trustee's Report) and subject to the same conditions as the original monies. Part of the land at Amlwch Port was sold in 1995/96 and the remaining land at Rhosgoch was sold in 2015/16.

The remaining land at Amlwch Port has nil value, being estimated market value, and is designated as a heritage asset. It constitutes one side of the harbour, which dates to the 18th century, and includes the Mona Mill, built in the early nineteenth century. The land is used as an amenity by the public and the Association has agreed to public access to the Mill and is considering proposals to fulfil its conservation and preservation objectives in respect of this land.

The valuation was undertaken by the Council's Valuer as at 30 September 2020. The Valuer is a Member of the Royal Institute of Chartered Surveyors (MRICS) and is an employee of the Council.

The Association has no other Heritage Assets, nor does it have a policy to actively acquire any further such assets.

## 8. INVESTMENTS

The investments shown in the balance sheet can be broken down as:-

	30 September 2020 £	30 September 2019 £
Equity - UK	5,820,855	6,519,036
Global Equity	6,820,563	7,900,798
Fixed Interest	5,976,391	4,922,155
Alternatives	2,272,303	2,635,549
	<u>20,890,112</u>	<u>21,977,538</u>
Cash	446,385	403,391
	<b>21,336,497</b>	<b>22,380,929</b>

Investments are held through investment managers in the name of nominees and all holdings are readily realisable.

Further details on the type of non-cash investments utilised within the period are shown in the table below:-

HSBC FTSE All Share Index Instrument Inc (equity fund in GBP)	15.56%
HSBC American Index Fund (equity fund in GBP)	8.14%
HSBC GIF Global EM Markets Local Fixed Inc	5.82%
HSBC US Multi Factor Eq Insti Equities	5.21%
Charities property Inc Others	4.90%
HSBC European index equities	4.58%
HSBC Mult Fac SHS – ZQ – USD Equities - USD	4.58%
HSBC GIF Global Emerg Markets Bd Fixed income	4.19%
I shares core MSCI EM IMI ETF equities USD	4.15%
HSBC C GIF Global Corporate Bond Fixed income GBP	3.40%
Other Holdings	39.47%

Invested cash includes small amounts of foreign currency. All investments are shown at market value.

The corresponding historical values at 30 September 2020 are as follows:-

	<b>Historical Cost £'000</b>	<b>Market Value £'000</b>	<b>Difference £'000</b>
Equity - UK	6,486	5,821	(665)
Equity - Global	5,825	6,821	996
Fixed Interest	6,088	5,976	(112)
Alternatives	2,120	2,272	152
	<b>20,519</b>	<b>20,890</b>	<b>371</b>

	<b>Historical Cost £'000</b>	<b>Market Value £'000</b>	<b>Realised Gain £'000</b>
Brought Forward	19,475	21,978	
Sales and Redemptions	(13,396)	(14,015)	619
Purchases and Rights Issues	14,440	14,440	
Total Gains / (Losses) in year		(1,512)	
	<b>20,519</b>	<b>20,891</b>	

Realised gains / (losses) are calculated as the total difference between the sales income and historical cost. The total gains / (losses) on investments is the total of realised gains / (losses) from sale of holdings net of any adjustments to historical cost, plus unrealised gains / (losses).

#### 9. DEBTORS AND ACCRUED INCOME

	<b>30 September 2020 £</b>	<b>30 September 2019 £</b>
Accrued Investment Income	88,239	56,879
	<b>88,239</b>	<b>56,879</b>

#### 10. CREDITORS AND ACCRUALS

	<b>30 September 2020 £</b>	<b>30 September 2019 £ ££</b>
Investment Management Fee		27,413
Isle of Anglesey County Council	594,783	
Other	28,502	2,500
	<b>623,285</b>	<b>29,913</b>

#### 11. ALLOCATIONS NOT DEFRAID

These are grants awarded in previous years which have not yet been claimed by the beneficiaries. Grants not claimed within four years are normally de-committed, and this is reflected in this figure.

The regeneration grants support schemes for which payments are being drawn down by the project sponsors over a period of years.

## 12. FUNDS

	General Fund £'000	Capital Fund £'000	Grants Allocated from Capital Fund £'000
Investment Property	2,121	21,724	(2,505)
Investments	(1,767)		
Net Current Assets	354	21,724	(2,505)

Cash in any fund not required for short term liquidity is temporarily invested with the Investment Managers.

The **Capital Fund** is the expendable endowment of the Association. It is made up of the land and monies received by the Isle of Anglesey Borough Council from Shell (UK) Limited when the company ceased to operate an Oil Terminal on Anglesey, and transferred to the Trust in 1990 and 1995, together with the capital growth on those sums. From time to time, capital may be released to fund specific projects by a majority of two thirds of the membership of the Association.

The movements on the Capital Fund relate to gains and losses on the investments, the performance element of the Investment Managers' fee and any costs of improving, protecting or marketing the land as shown in the Statement of Financial Activities.

The balance on the **General Reserve** is the accumulated surpluses and deficits from previous years which the Association is free to use in accordance with the charitable objects.

Income from the investments, and all costs not charged to the capital fund in the year, relate to the unrestricted General Reserve as shown in the Statement of Financial Activities. The allocations made from the Association's annual grants programme also relate to this reserve.

## 13. ANALYSIS OF MOVEMENTS BETWEEN FUNDS

	Balance b/fwd from Trust £	Incoming Resources £	Resources Expended £	Gains and Losses £	Movement on Investments £	Balance c/fwd £
General Reserve	235,165	607,561	(488,153)			354,573
Capital Fund	23,235,442				(1,515,454)	21,719,988
Grants Allocated	(2,091,882)		(413,330)			(2,505,212)
	21,378,725	607,561	(901,483)		(1,515,454)	19,569,349



**14. ANALYSIS OF GAIN / (LOSS) ON REVALUATIONS AND DISPOSALS OF INVESTMENT ASSETS**

	30 September 2020 £	30 September 2019 £
Realised (Loss) on the sale of Fixed Asset	-	-
Unrealised (Loss) on Revaluation	-	-
Realised and unrealised Gain on the Value of Investments Held	(1,515,454)	1,424,664
	<b>(1,515,454)</b>	<b>1,424,664</b>
Net Incoming Resources	<b>(293,921)</b>	<b>(936,735)</b>
<b>Total</b>	<b>(1,809,375)</b>	<b>487,929</b>

**15. RECONCILIATION OF NET MOVEMENTS IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	30 September 2020 £	30 September 2019 £
Net movement in funds for the reporting period	(1,809,375)	487,929
<b>Adjustment for:</b>		
Dividends, interest and rents from investments	(604,657)	(1,084,111)
Unrealised and realised gains on disposals	1,515,454	(1,424,664)
(Increase) / decrease in debtors from old Trust	(31,360)	1,467
Increase / (decrease) in creditors from old Trust	796,305	356,144
<b>Net cash provided by (used in) operating activities</b>	<b>(133,633)</b>	<b>(1,663,235)</b>

## **Statement of Association's Responsibilities**

The Association is responsible for preparing the Association 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 Association to prepare financial statements for each financial year, which give a true and fair view of the charity and of the incoming resources and application of resources of the charity for that period. In preparing financial statements, the trustee is required to:-

- (a) select suitable accounting policies and then apply them consistently;
- (b) observe the methods and principles in the Charities SORP;
- (c) make judgements and estimates that are reasonable and prudent;
- (ch) state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

The Association is responsible for keeping 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 and the provisions of the trust deed. The Association is 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.

## **Independent auditor's report to the Trustees of the Isle of Anglesey Charitable Trust**

### **Opinion**

We have audited the financial statements of Isle of Anglesey Charitable Trust for the year ended 30 September 2019, which comprise of the statement of Financial Statements, the Balance Sheet and notes to the financial statements, 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 Financial Reporting Standard 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 30th September 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:-

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

## **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' Annual 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:-

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

## **Responsibilities of the 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 they 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.

### **Our 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)]. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the Charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and the regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



WJ Matthews & Son  
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Chartered Accountants  
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Date: 12 October 2024