

THE SHANDFORD TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021



THE SHANDFORD TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Marc Jobson	(Appointed 28 October 2020)
	Mr Christopher Davis (Chairman)	(Appointed 28 October 2020)
	Dr Richard Mejnzer	(Appointed 28 October 2020)
	Mr Paul Boulton	(Appointed 28 October 2020)
	Mrs Joanne E Vanstone (Treasurer)	(Appointed 28 October 2020)
	Professor Louise Jacques	(Appointed 28 October 2020)
	Mrs Penelope Leather	(Appointed 28 October 2020)
	Mrs Jackie Collins	(Appointed 28 October 2020)
Charity number	1192048	
Principal address	C/o Public Hall Station Road Budeigh Salterton Devon EX9 6RJ	
Independent examiner	Lentells Limited 17 - 18 Leach Road Chard Business Park Chard Somerset TA20 1FA	
Bankers	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4TA	
Solicitors	Tozers Solicitors LLP Broadwalk House Southernhay W Exeter EX1 1UA	

THE SHANDFORD TRUST

CONTENTS

	Page
Trustees' report	1 - 4
Statement of trustees' responsibilities	5
Independent examiner's report	6
Statement of financial activities	7
Balance sheet	8
Statement of cash flows	9
Notes to the financial statements	10 - 14

THE SHANDFORD TRUST

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the Period ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charity's objects are to provide financial assistance towards the cost of care and home services, facilities and associated amenities and to fund the provision of residential care to support older persons of limited means in Budleigh Salterton, East Budleigh, Otterton, Colaton Raleigh and Bickton.

There are no significant restricted funds or endowment funds.

The policies adopted in furtherance of these objects are to provide grant funding to older people for their accommodation or care, particularly those in financial need, those who are frail or with disabilities, who live in Budleigh Salterton, East Budleigh, Otterton, Colaton Raleigh or Bickton. It is indiscriminate as to age, disability, gender reassignment, marriage and civil partnership, race, religion or belief, sex or sexual orientation and there has been no change in these during the Period.

The charity is still to commence its activities for reasons set out in the achievements and performance paragraphs below.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The New CIO

The CIO was registered on 28 October 2020. This was done in anticipation of an agreement with The Abbeyfield Society (TAS) for the transfer of the proceeds of the sale of the Shandford Residential Care Home (SRCH), which they operated in Budleigh Salterton, and of legacy funds totalling £196,000 held by the home. The home was closed in April 2020 by TAS as it was considered no longer financially viable.

Prior to this, in 2012, Shandford Residential Care Home Ltd, which operated as a community benefit society, had transferred the Shandford Residential Home to TAS. That transfer deed stipulated that, if the home was subsequently closed then any assets realised had to continue to be used in accordance with that deed. The deed defined the use of the funds as to '*providing housing and associated amenities for elderly persons of limited means on terms appropriate to their means in Budleigh Salterton, East Budleigh, Otterton, Colaton Raleigh and Bickton*'.

The CIO was established as the entity to receive these funds and fulfil this purpose. The Trustees will fund the provision of care, as well as accommodation, for that vulnerable group of people.

Proceeds from the sale of the residential care home

In the period from the founding of the CIO until receipt of funds on 16th December 2021, the Trust was in near constant communication with TAS regarding the sale of the home, the amount obtained for the sale, the timing and transfer of the proceeds to our CIO. The property was sold at auction under TAS' instructions on 16th December 2020 for £700,000.

The CIO received £729,000 on 16th December 2021, a year after the sale of the property. The sum was made up of £196,000 of legacy funds and £533,000, being the net amount of the property sale after deduction of closure costs by TAS of £167,000.

The delay in transferring the funds was caused by failures in TAS' administration, the death of their CEO in the Spring of 2021, and the dispute between TAS and our CIO regarding the deduction of closure costs, with which we vehemently disagreed.

THE SHANDFORD TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

The Trustees' view was that it was TAS' business decision to close the home. In Clause 3.5 of the original Transfer Deed between TAS and SRCH dated 1st March 2012 is stated '*in the event that it (TAS) disposes of any of the Property, the proceeds are to be applied for specific purposes' (as stated in the Objects).*' There is no mention of closure costs deductions, and therefore, any deduction should reasonably only include sales costs (agents and legal), as had previously been agreed between TAS and the CIO, not business closure costs.

In the event, and at a meeting of TST Trustees in August 2021 it was decided that there was no option but to accept TAS' proposal with deduction of the closure costs.

Methodology for applying funds in accordance with the Objects

When registering the new CIO, a grants policy was also submitted to the Charity Commission. Since receipt of the funds did not occur until the end of 2021, the CIO was not able to consider the practical application of the funds before the end of the reporting period.

Plans for Future Periods

Going forward, the CIO is considering one main possible option, and one subsidiary one, for the application of funds in accordance with its Objects.

Firstly, the CIO does not have sufficient funds or resources to purchase a property and provide accommodation and care on its own. It will explore the possibility of a Joint Venture with a housing association, whereby the CIO would purchase a suitable property, either in the form of a plot or an existing building, for an amount not exceeding £500,000, with the housing association developing and administering the site for up to 6 sheltered homes for older people of limited means from Budleigh Salterton and the named surrounding villages.

Rent charged for the property purchased will provide a source of income on the investment made.

The intention is that the property is named after the Shandford Trust.

Secondly, whilst the trustees recognise the need of individuals in the community who would benefit from extra resources to help them in their own homes, for example with minor improvements or refurbishment, or in the provision of care, identifying these people and acting fairly would be a very difficult task. However, it is the intention of the CIO to hold back some £200,000 for emergency measures of this type.

Financial review

The CIO first received funds from the sale of the then closed Shandford Residential Care Home of £729,000 on 16th December 2021.

Changes during the year

Prior to that, on 3 December 2020, the then Treasurer had deposited into the account by way of loan £1,000 to cover the Trust's initial expenses.

Apart from 12 monthly account fees of £8 each, there were no other transactions in the year.

The balance at the year-end was £729,904.00. There are no restricted funds. There are no commitments on the funds held.

Going Concern

No material uncertainties related to events or conditions that may cast doubt about the ability of the charity to continue as a going concern have been identified by the Trustees.

Reserves

The CIO considers the amount of funds held to be sufficient for the achievement of its Objects. Once an initial investment into a Joint Venture project of some £500,000 has been made, it is the intention to hold some £200,000 for emergency grants to qualifying persons in the community.

THE SHANDFORD TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

Structure, governance and management

The charity is a Charitable incorporated organisation registered with the charity commission. It was formed with a model Charity Commission Constitution of a Charitable Incorporated Organisation whose only voting members are its trustees' dated 24 October 2020.

The trustees who served during the Period and up to the date of signature of the financial statements were:

Mr Marc Jobson	(Appointed 28 October 2020)
Mr Christopher Davis (Chairman)	(Appointed 28 October 2020)
Dr Richard Mejzner	(Appointed 28 October 2020)
Mr Paul Boulton	(Appointed 28 October 2020)
Mrs Joanne E Vanstone (Treasurer)	(Appointed 28 October 2020)
Professor Louise Jacques	(Appointed 28 October 2020)
Mrs Penelope Leather	(Appointed 28 October 2020)
Mrs Jackie Collins	(Appointed 28 October 2020)
Mr KR Ward	(Appointed 28 October 2020 and resigned 7 February 2022)

The existing trustees were recruited with a view to providing a cross section of skills and experience relevant to the Objects of the CIO. They include a past senior bank executive and board member, a professor of medicine, a medical practitioner, a lawyer, an HR executive and past chair of a care charity, a health and wellbeing community hub manager, the local town clerk, a previous NHS area manager and care home executive.

Future Trustees will be recruited with the same principle in mind.

Trustees are appointed variously for a period of 2 to 4 years, and are eligible for re-election. It is not the intention that Trustees should serve more than 3 consecutive terms.

Trustees will be offered appropriate training where necessary. No training gaps have yet been identified.

The minimum number of trustees is 3 and the maximum is 12. Should the number fall below 3 then the remaining trustees may act only to call a meeting of the charity trustees to appoint a new charity trustee.

Governance

The CIO acts in accordance with its governing document, the Model Constitution referred to above.

Meetings are scheduled to be held not less than quarterly.

Initially meetings of Trustees were held on an ad hoc basis, pending the receipt of funds at the end of 2021. The first formal meeting was held in August 2021 once the Trustees had been made aware of the funds available for transfer from the Abbeyfield Society.

All decisions are taken either at a meeting or by resolution in writing. A simple majority of Trustees is required.

An Annual General Meeting is held to approve the Trustees' Report and Accounts.

All Minutes and Accounting records are held by two of the Chairman, Secretary and Treasurer as appropriate.

Management

The CIO consists of a Chairman and Treasurer, drawn from the Trustees. The Secretary is employed on a part time basis.

There is a Grants Committee consisting of 4 Trustees, with one Trustee the Chair.

Now that funds have been received a Finance, Investment and Property Committee will be formed in the following year. This committee will also develop a Reserves Policy.

THE SHANDFORD TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

The trustees' report was approved by the Board of Trustees.



Christopher Davis

Signed on 17/10/22 @ 17:30

.....
Mr Christopher Davis (Chairman)

Trustee

Date:

THE SHANDFORD TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE PERIOD ENDED 31 DECEMBER 2021

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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that Period.

In preparing these financial statements, the trustees are required to:

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

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

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE SHANDFORD TRUST

I report to the trustees on my examination of the financial statements of The Shandford Trust (the charity) for the Period ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of FCCA, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Robert Wegner
Countersigned on 18/10/22 @ 08:01

Mr R Wegner FCCA

Lentells Limited

17 - 18 Leach Road
Chard Business Park
Chard
Somerset
TA20 1FA

Dated:

THE SHANDFORD TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £
<u>Income from:</u>		
Donations and legacies	3	729,000
		<hr/>
<u>Expenditure on:</u>		
Charitable activities	4	696
		<hr/>
Net income for the Period/ Net movement in funds		728,304
 Fund balances at 28 October 2020		 -
		<hr/>
Fund balances at 31 December 2021		728,304
		<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the Period.

All income and expenditure derive from continuing activities.

THE SHANDFORD TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£
Current assets			
Cash at bank and in hand		729,904	
Creditors: amounts falling due within one year	9	(1,600)	
Net current assets			728,304
Income funds			
Unrestricted funds			728,304
			728,304

The financial statements were approved by the Trustees on



Christopher Davis
Signed on 17/10/22 @ 17:30

Mr Christopher Davis (Chairman)
Trustee

THE SHANDFORD TRUST

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2021

	Notes	2021 £	£
Cash flows from operating activities			
Cash generated from/(absorbed by) operations	11		728,904
Net cash used in investing activities			-
Financing activities			
Repayment of borrowings		1,000	
Net cash generated from/(used in) financing activities			1,000
Net increase in cash and cash equivalents			729,904
Cash and cash equivalents at beginning of Period			-
Cash and cash equivalents at end of Period			729,904

THE SHANDFORD TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

The Shandford Trust is a charitable incorporated organisation which was registered with the charity commission on 28 October 2020 (charity number 1192048). The principal contact address is shown on the legal and administrative information page of these financial statements.

1.1 Reporting period

These are the charity's first financial statements which have been prepared for the period from registration as a charity on 28 October 2020 to 31 December 2021 to align with the calendar year. There are no comparative amounts to present.

1.2 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.3 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

THE SHANDFORD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

THE SHANDFORD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds
	2021 £
Donations and gifts	729,000
	<hr/>
Donations and gifts	
The Abbeyfield Society	729,000
	<hr/>
	729,000
	<hr/>

Under a legal agreement dated 13 December 2021 The Abbeyfield Society (a charitable company limited by guarantee, company number 574816 and charity number 200719) transferred a cash asset to The Shandford Trust amounting to £729,000. The funds are to be used for the provision of residential care or housing for the elderly and financial assistance towards the costs of care for the elderly who are of limited means upon terms appropriate to their means in Budleigh Salterton, East Budleigh, Otterton, Colaton Raleigh and Bickton.

4 Charitable activities

	Elderly care
	2021 £
Share of support costs (see note 5)	696
	<hr/>

THE SHANDFORD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2021

5 Support costs

	Support costs £	Governance costs £	2021 £
Bank charges	96	-	96
Accountancy	600	-	600
	<u>696</u>	<u>-</u>	<u>696</u>
Analysed between Charitable activities	<u>696</u>	<u>-</u>	<u>696</u>

Governance costs includes payments to the independent examiners of £600 (- £0) for accountancy fees for services rendered to prepare and examine the financial statements.

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the Period.

7 Employees

The average monthly number of employees during the Period was:

	2021 Number
Total	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

8 Loans and overdrafts

	2021 £
Other loans	<u>1,000</u>
Payable within one year	<u>1,000</u>

A former trustee (Mr K R Ward) loaned £1,000 to the charity on 2 December 2020. The loan is interest free and repayable on demand.

THE SHANDFORD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2021

9 Creditors: amounts falling due within one year

2021
£

Borrowings	1,000
Accruals and deferred income	600
	<u>1,600</u>

10 Related party transactions

There were no disclosable related party transactions during the Period (- none).

11 Cash generated from operations

2021
£

Surplus for the Period	728,304
------------------------	---------

Movements in working capital:
Increase in creditors

600

Cash generated from/(absorbed by) operations

728,904

12 Analysis of changes in net funds/(debt)

	At 28 October 2020 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	-	729,904	729,904
Loans falling due within one year	-	(1,000)	(1,000)
	<u>-</u>	<u>728,904</u>	<u>728,904</u>