
HOBSON'S CONDUIT TRUST

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

HOBSON'S CONDUIT TRUST

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HOBSON'S CONDUIT TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees

Mr J A Latham, Chairman
Ms E Whittle, Vice Chairman
Mr H A Slatter
Dr S Boreham
Dr M Field
Mr S R C King
Mr C K Kington
Mr M Martin
Mr A Phillips
Mr J Rhodes
Mr J Rooney
Mr C Tatterton
Mr R Thornton

Charity registered number

204644

Principal office

The Guildhall
Cambridge
CB2 3QJ

Independent Examiner

Mrs K Bretherick
Peters Elworthy & Moore
Chartered Accountants
Salisbury House
Station Road
Cambridge
CB1 2LA

Bankers

Lloyds Bank Plc
3 Sidney Street
Cambridge
CB2 3HX

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

Treasurer

Mr J A Latham

Independent Financial Adviser

Anne St Ives
21 Gresham House
Partridge Close
Trumpington
Cambridge
CB2 9AR

HOBSON'S CONDUIT TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Investment Managers

Fidelity International
Oakhill House
130 Tonbridge Road
Hildenborough, Tonbridge
Kent
TN11 9DZ

BlackRock Investment Management (UK) Ltd
12 Throgmorton Avenue
London
EC2N 2DL

CCLA Investment Management Ltd
Senator House
85 Queen Victoria Street
London
EC4V 4ET

HOBSON'S CONDUIT TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and the financial statements of Hobson's Conduit Trust (the Charity) for the year ended 31 March 2021. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition of the Charities SORP (FRS102) October 2019, effective 1 January 2019).

Objectives and activities

a. Policies and objectives

The Trust's principal activities are the supply of fresh water to the Cambridge historic city centre, the University Botanic Garden, Emmanuel, Christ's and Pembroke Colleges and to preserve those structures associated with the supply. The water course from Nine Wells to the Conduit Head is an environmental reserve and a valuable local amenity enjoyed by many. The Trust has continued to meet these objectives.

In undertaking the activities for the year The Trustees have borne in mind the Charity Commission guidance on public benefit. In assessing its charitable purposes, the Trust considers that the day-to-day activities fall within the following categories with regard to preservation and conservation:

- 1) The advancement of heritage
- 2) The advancement of environmental protection

Hobson's Brook was originally dug to benefit and improve the lives of the people of Cambridge by improving sanitation in the town through the flushing of the sewage-filled King's Ditch. After over 400 years Hobson's Conduit Trust continues to ensure the Brook benefits the people and visitors to Cambridge through the maintenance of this historic structure and providing a unique amenity that can be enjoyed by all.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

HOBSON'S CONDUIT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (CONTINUED)

b. Achievements and performance

Principal Activities

Supply of Water

With the implementation of the augmentation scheme at Nine Wells, set up by the Environment Agency and Cambridge Water Company, an adequate flow was maintained through the summer of 2020, a much improved situation when compared with 2019. More effective rainfall and recharge of the aquifer in autumn and winter 2020/21 produced remarkably high flows at Nine Wells in spring 2021. However, supply of water to Emmanuel and Christ's Colleges was constrained by the works along the Botanic Garden banks and blockages in the underground pipes (see below).

Underground system

In autumn 2020 and spring 2021 the underground pipes feeding Emmanuel and Christ's Colleges were surveyed by closed circuit television, and root removal was undertaken. Unfortunately, the flow to the Colleges remained less than optimal and further maintenance work was planned in 2021. Following this the flow to the Colleges has improved.

Operation of Street Runnels

The street runnels along Trumpington Street were not operated in 2020, reflecting the lower levels of water in the system to assist the major bank repairs at the Botanic Garden which continued until September 2020.

Further discussions have taken place with Pembroke College about their plans to bridge part of both runnels as part of the College's extension to the west on Trumpington Street.

Operation of the runnels resumed in April 2021, with good flows on the east side, but a series of problems emerged on the west side. Efforts continue to develop solutions to the structural problems that have been identified and these require further investigation.

Operating problems with the revised runnels in St Andrew's Street outside Christ's College have not yet been resolved.

HOBSON'S CONDUIT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

a. Principal Activities (continued)

Developments - South of Long Road

Building work neared completion on the Clay Farm site. No resulting problems were detected which affected Hobson's Brook.

Developments also continue on the Cambridge Biomedical Campus, immediately west and south of Addenbrooke's Hospital, from most of which the surface water flows into Hobson's Brook. All these developments involve appropriate sustainable urban drainage system (SUDS) treatment.

The Trustees continue to be advised by Cambridge City Council's engineers on planning matters.

The Trustees remain satisfied that the Brook has been protected and necessary resources negotiated to offset extra maintenance costs. Agreements are in place with developers for the maintenance of the Brook through Clay Farm and the monitoring of the quality and flow rates of water entering the Brook from both the residential developments and the Biomedical Campus. No new incidents of pollution were reported during this year.

Two proposals for transport infrastructure projects close to Nine Wells are in detailed development and were consulted upon during the year with Transport and Works Act Orders and Public Inquiries in prospect: the Greater Cambridge Partnership's Cambridge South East Transport scheme and Network Rail's Cambridge South station. The Trust is involved in detailed discussions about their possible effects on Hobson's Brook and the setting of Nine Wells.

The Trustees are also monitoring the development of the East-West Railway scheme and responded to the initial informal public consultation.

Brook Inspection

The annual Brook inspection took place on 22nd February 2021 but the 'lockdown rules' related to Covid-19 restricted Trustee attendance. The section inspected was from Brooklands Avenue to the Memorial Bridge and plans for de-silting of that section were discussed.

Maintenance

Nine Wells is the source of the Brook, and the spring heads and associated reserve remain well maintained.

Routine weed cutting and clearing was carried out along the Brook, notably the section from Nine Wells towards Addenbrooke's Road over the winter months.

Work on de-silting the section of the Brook along the Botanic Garden frontage, coordinated by the University Estate Management department, was intended to start in the new year of 2020. Various delays meant the postponement of this until May 2020 and again subsequently. However, during the summer of 2020 the work was completed and the serious leaks that had been occurring through the Botanic Garden bank have been resolved by the insertion of steel piling. The Trust intends to do further de-silting work to the south of Brooklands Avenue in the winters of 2021/22 and 2022/23.

The Trust has no direct responsibility for the stream from Great Shelford which joins Hobson's Brook just south of Addenbrooke's Road. However, in March 2020 a large amount of the invasive plant Floating Pennywort *Hydrocotyle ranunculoides* was discovered in that stream. The Trust provided funding to assist Cam Valley Forum with its control and no signs of it were found in Hobson's Brook itself.

HOBSON'S CONDUIT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

b. Principal Activities (continued)

Conduit Head

In March 2021 the Trustees initiated a project to restore the Conduit Head. Several decades have passed since the last major work was undertaken, and it is anticipated that the project will continue through 2022.

Bank Repairs

Along the Botanic Garden frontage bank repairs were scheduled to start in the new year of 2020. As with the de-silting work referred to above this was delayed until May 2020; vertical steel piles were inserted into the ground, set back from the edge of the Brook. Silt extracted was used to restore and reprofile the bank, covering the piles.

Watercourse improvements

The scheme by South Staffordshire plc (Cambridge Water Company) to augment the flow at the Nine Wells springheads was completed and commissioned in spring 2020. Supporting pumping was successfully started in June 2020 as a response to falling water levels in the chalk aquifer, and continued through the summer and autumn of 2020.

Water Quality and Flow Rate Monitoring

As in previous years water quality remains satisfactory and is a stable, well-buffered, slightly alkaline and moderately nutrient rich (mesotrophic) water course.

Cambridge Water continue to monitor the rate of outflow from Nine Wells, as part of the scheme to augment the flow (see above).

Monitoring of water quality and flow rates from the various developments either side of Hobson's Brook, south of Long Road, continues.

Public Outreach

The Covid pandemic control measures precluded holding the intended 'Bioblitz' in 2020 and in 2021. The Trustees look forward to recommencing the popular and well attended Bioblitz events in 2022. Successful and widely appreciated online talks were, however, given by Mr H A Slatter.

Website

The Trust's website is at www.hobsonsconduittrust.org.

Water abstraction licence

Under a change of regulation, the Environment Agency intend to charge the Trust for the abstraction of water from Hobson's Brook for various purposes. Discussions on the detail of this have taken place, and the Environment Agency has issued the licences required.

Administration

Whilst The Guildhall remains the registered office for the Trust, the Trustees have taken on the administrative functions previously carried out by the City, with book-keeping services provided by Peters Elworthy & Moore.

Other Activities

The restrictions occasioned by the Covid pandemic have prevented, among other activities and engagement, volunteer litter and debris clearing during the year to 31st March 2021. However, following the easing of these restrictions the Trustees undertook an experimental clearance in May 2021, and clearances of litter and other debris from accessible sections of Hobson's Brook and its banks have since resumed. The City Council's nature reserve volunteers have also offered support with clearance as have volunteers from Mace Limited.

The Trust has maintained contact with Cam Valley Forum and has engaged with related initiatives.

HOBSON'S CONDUIT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Other future Works and Activities

The Trust continues to monitor building works and planning applications related to the developments south of Long Road. A good working relationship with Cambridge City Council continues with discussions focusing on establishing a proactive approach to identifying maintenance needs and improving the environment of the Brook.

Financial review

a. Financial review and reserves policy

During the year the Trust received income of £46,273 (2020: £32,154) from charitable activities and investments. Expenditure amounted to £31,001 (2020: £21,424). There was a net increase in funds of £400,228 (2020: net deduction of £182,573) after taking into consideration the unrealised gain on investments in the year.

The Trustees are satisfied that the level of reserves, currently £1,800,090 (2020: £1,399,862) is sufficient to meet the objects of the Trust.

All reserves are unrestricted and for general use.

The Trustees are not aware of any prospective new income sources.

The Trustees note that the potential for major expenditure is high because:

- the historic underground channels still serving the City and Colleges are nearly 400 years old, and a minor collapse could cost over £100,000 to rectify, whilst a major collapse and rebuild could cost almost £1,000,000.
- as the new housing developments south of Long Road become fully operational, there may well be a need for additional maintenance work on the Brook.

As indicated earlier in this Report, the Trustees have concluded that a programme of de-silting is now a priority.

Accordingly, in addition to the need to ensure that sufficient funds continue to be available for routine yearly maintenance and urgent contingencies, at a level of about £50,000, the Trustees decided to increase cash holdings in order to be ready for de-silting expenditure. Free reserves (excluding funds tied up in investments) at 31 March 2021 are £216,363 (2020: £208,886).

The Trustees review the level of free reserves periodically and consider making designations as appropriate. The general policy is to conserve capital, and allocate investment and current income to the annual budget and to invest surplus funds.

The Cash and Deposits of some £229,169 are held to meet short term contingent liabilities for the routine operating activities of the Trust and have been liquidated in readiness for the de-silting expenditure and now the restoration of the Conduit Head.

The Investments of £1,582,573 (2020: £1,188,668) are all in quoted funds for long term growth and some income generation and provide the Trustees with the ability to meet the costs of any major works needed.

HOBSON'S CONDUIT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

b. Future plans, going concern and the impact of Coronavirus

The Impact of Coronavirus on the Trust has in the year to 31st March 2021 been felt in terms of the effect on activities. The Trustees' meetings have of course been held on-line rather than in person. Public engagement events such as the annual Bioblitz have been suspended, and it has not been possible until after the year end to reactivate volunteer Brook and Conduit clearance activities due to Coronavirus restrictions.

The Trust has, in co-operation with Cambridge City Council stepped up maintenance activity, and whilst Coronavirus has slowed all such work, the Trustees are pleased that these essential interventions have gone ahead.

As described In other notes, the repair and de-silting work along the Botanic Garden bank was delayed in part by impacts arising from Coronavirus, but has now been completed.

The fall in the value of the Trust's investments in the year to March 2020 has been reversed during the year to March 2021. The Trustees have considered it prudent to retain the cash that had been built up in readiness for further de-silting work, and now the further project which has been initiated to restore the Conduit Head, a listed and scheduled structure. These will be projects requiring expenditure of significant amounts of cash, but current indications are that the cash that is presently held by the Trust will be sufficient to meet a substantial part of the anticipated costs of these projects as they arise, and any shortfall can readily be met by disposal of an appropriate portion of the Trust's investments, whilst retaining sufficient to respond to any unforeseen needs for further maintenance expenditure. Investments are readily disposable should the need arise.

The Trust's income has remained buoyant, and this, when combined with a strong performance from investments and ample cash, gives the Trustees confidence that the Trust's position is sound and that the financial statements should continue to be prepared on the going concern basis.

Structure, governance and management

a. Constitution

Hobson's Conduit Trust is a registered charity, number 204644, and is constituted under a Trust deed. the Trust is an unincorporated charity and dates from 1631. The Charity Commission Deed is dated 14 April 1899.

HOBSON'S CONDUIT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (CONTINUED)

b. Methods of appointment or election of Trustees

Trustees who served during the year are:

Mr J A Latham (Chairman from 2 December 2020, Vice Chairman to 2 December 2020)
Ms E Whittle (Vice Chairman from 2 December 2020)
Mr H A Slatter (Chairman to 2 December 2020)
Mr M F Blakey (resigned 8 December 2021)
Dr S Boreham
Dr M Field
Mr S R C King
Mr C K Kington
Mr M Martin (appointed 17 February 2021)
Mr A Phillips (appointed 17 February 2021)
Mr J Rhodes (appointed 17 February 2021)
Mr J Rooney
Mr C Tatterton
Mr R Thornton
Mr J H Williams (resigned 8 December 2021)

The Board of Trustees aim to appoint Trustees who will provide valuable and practical skills for the Trust. The Trustees met periodically throughout the year. Day to day administration is undertaken by the Chairman and Vice-Chairman. Engineering services are provided by Cambridge City Council. Accountancy services are provided by Peters Elworthy & Moore. The Trust appoints its own advisors as necessary to advise the Trustees.

The Trust is allowed fifteen co-opted Trustees, from whom a Chair and Vice-Chair are elected. The Trustees have four working groups which focus on: Financial and Legal Matters, Education and Communication, Environment and Conservation, and Engineering and Heritage.

The Trustees wish to record their thanks and appreciation for the long and diligent service as Trustees of Mr J H Williams and Mr M F Blakey. Their wise counsel will be greatly missed. The Trustees also wish to record their appreciation of Mr H A Slatter's eight years' committed service as Chairman and to thank him for leading the Trust through years in which the Trust's financial position has been transformed, and the Trust's public engagement and outreach has been placed on an entirely new level. Mr Slatter has safeguarded the Brook's place in the new Trumpington development and Hobson's Park. The Trustees are grateful that Mr Slatter will continue to serve as a Trustee through 2022, and continue to inspire the Trustees with his unique knowledge of the history of Hobson's Brook and Conduit and his enthusiasm for the growing rich birdlife around the Brook.

HOBSON'S CONDUIT TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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 & 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Mr J A Latham
Chairman

Date: 7th January 2022

HOBSON'S CONDUIT TRUST

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2021

Independent examiner's report to the Trustees of Hobson's Conduit Trust ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2021.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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 been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the 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 accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: 

Mrs K Bretherick

Dated: 11 January 2022

FCA

for and on behalf of Peters Elworthy & Moore
Chartered Accountants, Cambridge

HOBSON'S CONDUIT TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:				
Donations and grants	2	21,425	21,425	13,765
Investments		24,842	24,842	18,389
Other income	3	6	6	-
		<u>46,273</u>	<u>46,273</u>	<u>32,154</u>
TOTAL INCOME				
EXPENDITURE ON:				
Investment management costs	4	3,450	3,450	3,000
Charitable activities	5	27,551	27,551	18,424
		<u>31,001</u>	<u>31,001</u>	<u>21,424</u>
TOTAL EXPENDITURE				
NET INCOME BEFORE NET GAINS/(LOSSES) ON INVESTMENTS		15,272	15,272	10,730
Net gains/(losses) on investments	8	384,956	384,956	(193,303)
		<u>400,228</u>	<u>400,228</u>	<u>(182,573)</u>
NET MOVEMENT IN FUNDS				
RECONCILIATION OF FUNDS:				
Total funds brought forward		1,399,862	1,399,862	1,582,435
Net movement in funds		400,228	400,228	(182,573)
		<u>1,800,090</u>	<u>1,800,090</u>	<u>1,399,862</u>
TOTAL FUNDS CARRIED FORWARD				

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 21 form part of these financial statements.

HOBSON'S CONDUIT TRUST

**BALANCE SHEET
AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	7	1,154	2,308
Investments	8	1,582,573	1,188,668
		<u>1,583,727</u>	<u>1,190,976</u>
CURRENT ASSETS			
Debtors	9	93	4,906
Cash at bank and in hand		229,169	211,091
		<u>229,262</u>	<u>215,997</u>
Creditors: amounts falling due within one year	10	(12,899)	(7,111)
NET CURRENT ASSETS		216,363	208,886
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,800,090</u>	<u>1,399,862</u>
TOTAL NET ASSETS		<u><u>1,800,090</u></u>	<u><u>1,399,862</u></u>
CHARITY FUNDS			
Unrestricted funds		1,800,090	1,399,862
TOTAL FUNDS		<u><u>1,800,090</u></u>	<u><u>1,399,862</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Mr J A Latham
Chairman

Date: 7th January 2022

The notes on pages 14 to 21 form part of these financial statements.

HOBSON'S CONDUIT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements 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 the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: 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) (second edition of the Charities SORP (FRS102) October 2019, effective 1 January 2019) and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

Hobson's Conduit Trust meets the definition of a public benefit entity under FRS 102.

There were no significant estimates or judgements made by management in preparing these financial statements other than the valuation of investments which have been directly obtained from third parties.

1.2 GOING CONCERN

The Trustees have reviewed the financial position of the charity, including the impact of COVID-19 on the Trust and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

1.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

HOBSON'S CONDUIT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.4 INCOME

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

Donated services or facilities are recognised when the Trust has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Trust of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Trust which is the amount the Trust would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income from funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

1.5 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.

Investment management costs are those charged by the Trust's Financial Consultant in respect of advice regarding the Trust's investment portfolio. Some additional service and investor fees are incurred within one portfolio, but those are dealt with internally within the portfolio wrapper and it is not possible to identify the separate transactions. The net effect of these transactions forms part of the figure for unrealised gains/losses within that investment wrapper.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

HOBSON'S CONDUIT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Measurement Computer	-	33%
Equipment		

1.7 INVESTMENTS

Fixed asset investments are in the form of financial instruments and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

1.8 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1.9 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered.

1.10 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

HOBSON'S CONDUIT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.11 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.12 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. INCOME FROM DONATIONS

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	16	16	16
Emmanuel and Christ's Colleges	4,069	4,069	4,001
Pembroke College Grant	47	47	46
University of Cambridge Botanic Gardens	4,068	4,068	4,000
Cambridge City Council	13,225	13,225	5,702
	<u>21,425</u>	<u>21,425</u>	<u>13,765</u>
TOTAL 2020	<u>13,765</u>	<u>13,765</u>	

In 2020/21 Cambridge City Council undertook maintenance works on behalf of the Trust totalling £13,225 (2019/20: works totalling £5,702). The Trust was not required to pay for those works and therefore this has been reflected in the accounts as a donation in-kind and maintenance costs.

3. OTHER INCOMING RESOURCES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other miscellaneous income	6	6	-

HOBSON'S CONDUIT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

4. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Finance consultant's fees	3,450	3,450	3,000
	<hr/>	<hr/>	<hr/>
TOTAL 2020	3,000	3,000	
	<hr/>	<hr/>	

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable Activities	24,566	2,985	27,551	18,424
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL 2020	15,463	2,961	18,424	
	<hr/>	<hr/>	<hr/>	

ANALYSIS OF DIRECT COSTS

	Total funds 2021 £	Total funds 2020 £
Public outreach events	-	729
Repairs and maintenance	21,719	10,020
Miscellaneous expenses	-	134
Marketing and advertising	-	100
Insurance	575	504
Internet costs	356	1,153
Subscriptions	-	139
Bank charges	48	60
Depreciation	1,154	1,154
Legal fees and abstraction licence	714	1,470
	<hr/>	<hr/>
	24,566	15,463
	<hr/>	<hr/>

HOBSON'S CONDUIT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Accountancy fees	2,985	2,985	2,961
	<u>2,985</u>	<u>2,985</u>	<u>2,961</u>
TOTAL 2020	2,961	2,961	
	<u>2,961</u>	<u>2,961</u>	

6. INDEPENDENT EXAMINER'S REMUNERATION

	2021 £	2020 £
Accountancy fees	1,860	1,876
Independent examiner's fees	1,120	1,085
	<u>1,120</u>	<u>1,085</u>

The key management personnel of the Trust comprise the Trustees. The Trustees all give their time and expertise without any form of remuneration or other benefit in kind (2020: £Nil).

During the year, no Trustees received reimbursement of expenses or had expenses paid directly to a third party on their behalf (2020: £nil).

HOBSON'S CONDUIT TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

7. TANGIBLE FIXED ASSETS

	Measure- ment Computer Equipment £
COST OR VALUATION	
At 1 April 2020	3,462
At 31 March 2021	3,462
DEPRECIATION	
At 1 April 2020	1,154
Charge for the year	1,154
At 31 March 2021	2,308
NET BOOK VALUE	
At 31 March 2021	1,154
At 31 March 2020	2,308

8. FIXED ASSET INVESTMENTS

	Listed investments £
COST OR VALUATION	
At 1 April 2020	1,188,668
Additions	8,949
Revaluations	384,956
AT 31 MARCH 2021	1,582,573

HOBSON'S CONDUIT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

8. FIXED ASSET INVESTMENTS (CONTINUED)

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The Trustees take advice from their Financial Consultant, Anne St Ives, with regard to the management of their investments.

The Trust is operating an investment policy that provides for a degree of diversification of holdings within different unit trust investments. The Trust has invested in a number of unit trusts in order to protect the Trust's exposure to volatility in the market and seeks low risk investments wherever possible.

The Trust does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term growth and annual income.

The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

9. DEBTORS

	2021 £	2020 £
Trade debtors	-	4,000
VAT repayable	93	906
	<u>93</u>	<u>4,906</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	2,283	1,500
Accruals	10,616	5,611
	<u>12,899</u>	<u>7,111</u>

11. RELATED PARTY TRANSACTIONS

There were no material related party transactions during the current or previous year.