

**NORTHAM TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2022**

# NORTHAM TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mrs E J Brown Dr J A Jefferis B J Reid Rev. P D Strong Mr P Greenaway Mr M Bolt
<b>Administrator and Secretary</b>	HR & Finance Business Solutions
<b>Charity number</b>	257214
<b>Principal address</b>	Hall Close Main Street Loddington Kettering Northants NN14 1LA
<b>Independent examiner</b>	Azets Audit Services Thorpe House 93 Headlands Kettering Northants NN15 6BL
<b>Bankers</b>	NatWest High Street Kettering Northants NN16 8SZ
<b>Solicitors</b>	Wilson Browne Kettering Parkway South Kettering Venture Park Kettering NN15 6WN

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# NORTHAM TRUST

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# **NORTHAM TRUST**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 5 APRIL 2022***

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The trustees present their annual report and financial statements for the year ended 5 April 2022.

The accounts have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's trust deed, 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 published in October 2019.

#### **Objectives and activities**

The charitable Trust was founded by Mr E A Timson deceased. It was established by a trust deed dated 25th January 1967, as amended by a further deed in 1975.

The Trust was established to alleviate the hardships of persons of limited means residing in the Borough of Kettering or elsewhere in Northamptonshire, principally by the provision of almshouses, houses, flats, lodgings or apartments at rents within their means or free of rents.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's objectives and in planning its future activities.

The Trust achieves its objective by providing 10 accommodation units at Northam Court, Kettering. The units comprise 6 flats and 4 bungalows which are let at a rent subsidised by income from the Trust's investments. The Trust provides all fixtures and fittings for the accommodation and is also responsible for the provision of external redecoration, repairs, water heaters, insurance and general site maintenance.

The accommodation units are usually fully occupied. When vacancies arise, the election of new tenants is made at Trustees' meetings. Tenants are such persons as the trustees shall at their absolute discretion consider to be eligible under the terms of the trust deed. Each applicant shall be considered on his or her respective merits and those of his or her spouse, regard being had to the factors listed below:

- a) Advancing years
- b) Hardship
- c) Length of residence in the Borough of Kettering
- d) Length of residence in Northamptonshire
- e) Such other causes and matters and things as, to the Trustees, seem fit.

There have been no changes in activity since the date of the last report.

#### **Achievements and performance**

As reported in 2020, due to crack and movement damage, the Trustees decided that two of the four bungalows should be demolished and rebuilt. Work on the project commenced in the 2021, and by 5 April 2022, the project was approaching completion. Inevitably, this affected the occupancy rate which was 50% (2021: 60%) for the four bungalows, compared to just over 84% (2021: 97%) for the flats. One flat was vacant from December 2020 until late April 2021, during which time refurbishment works were carried out, and another became vacant from May 2021 to June 2022.

Despite the continuing commitment of the Trust to high levels of maintenance of both the buildings and grounds, we have been able to maintain residents' contributions at a low level. Due to the matters discussed above, contributions this year totalled £18,058 compared to £19,640 for 2021. Expenditure, excluding governance costs, on the provision of accommodation totalled £18,270, excluding governance costs, for the current year and £37,792 for 2021.

# **NORTHAM TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 5 APRIL 2022**

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#### **Financial review**

Total incoming resources in the year increased from £24,304 to £74,190. Income from donations was £50,000 (2021: £Nil). Residents' contributions decreased by £1,582 to £18,058 and investment income decreased by £59 to £4,605.

Total expenditure in the year was £23,077 (2021: £42,372). Property repairs fell by £7,396. Last year, property repairs included £8,748 for interior works on flat 1 and bungalow 9. In 2021, a loss on disposal of tangible fixed assets of £11,439 was incurred when bungalows 7 and 8 were demolished.

Net unrealised gains on investments were £2,698 (2021: £11,221).

Net income for the year was £53,811 (2021: net expenditure £6,847).

#### **Reserves policy**

General reserves freely available at 5 April 2022 were £70,574 (2021: £142,366). The free reserves comprise unrestricted funds not invested in tangible fixed assets. The freely available reserves invested at 5 April 2022 totalled £143,852 (2021: £141,154). These investments are classified as fixed assets and are held to ensure continuity in the level of rent subsidy provided to our tenants, who are the beneficiaries of the charity. A material reduction or withdrawal of the subsidy with little or no notice would, in our opinion, cause the very hardships which the charity aims to alleviate.

The balance of free reserves at 5 April 2022 totalled £Nil (2021: £1,212). The trustees have previously adopted a policy of maintaining free resources not earmarked for long term investment at a level which is approximately equivalent to twelve months of expected annual expenditure. This is estimated to equate to approximately £31,000 to £35,000 at 5 April 2022. At this level, the trustees consider that, in the event of a significant decrease in income, they would be able, in the short term, to continue to meet their obligations to residents, whilst maintaining their contributions at the present low level. It would obviously be necessary to consider how income would be replaced or activities changed. Although free reserves were below target level at the year end, as explained in the notes to the accounts, the Trust received a donation of £50,000 in the year, and a further £50,000 was received after the year-end, which has helped to finance the rebuild of bungalows 7 and 8. Income from resident's contributions will increase once occupancy rates return to normal levels and free reserves are expected to increase towards target level over the medium term. The trustees will continue to review their reserves policy on a regular basis.

#### **Investment policy and performance**

The trustees have considered the most appropriate policy for investing funds and consider that specialised unit trusts designed for the charity sector, and a building society investment account, meet their requirement to generate both income and capital growth with a low level of risk. Income from these investments for the year was £4,605 (2021: £4,664). In 2020, the covid-19 pandemic triggered a significant fall in financial market prices resulting in an unrealised loss on the unit trust investments of £14,952. In 2021, market prices recovered with the result that there was an unrealised gain of £11,221. This compares to an unrealised gain of £2,698 in 2022.

The trustees have assessed the major risks to which the Trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### **Future plans**

The trustees' objective is to continue to achieve high levels of occupancy by maintaining the current high standards of accommodation, whilst maintaining residents' contributions at a low level.

# **NORTHAM TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 5 APRIL 2022***

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

The charity is an unincorporated charity registered with the Charity Commission for England and Wales.

The trust deed provides for a minimum of four and a maximum of ten trustees. The trustees have the power to appoint substitute or additional trustees. The trustees may, if it appears expedient and proper so to do, invite Northamptonshire County Council to nominate persons for consideration by the trustees in the appointment of new or additional trustees. Mr E A Timson deceased, the founder of the Trust, had the power, in the case of any vacancy in the number of trustees, to nominate not more than four additional trustees. This power now rests with Mrs E J Brown. The Trustees remain in office until they are removed.

### **Risk review**

The trustees have reviewed the major risks to which the Trust is exposed. The main financial risk has been connected with investment management, but this has been mitigated by investment in specialised unit trusts designed for the charity sector. The main operating risk concerns that arising from the landlord and tenant relationship. This has been mitigated by proper procedures when dealing with tenancy matters, regular maintenance of the properties, employment of professionals when necessary and insurance.

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

**Mrs E J Brown**

Trustee

Dated: 23 January 2023

# NORTHAM TRUST

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF NORTHAM TRUST

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I report to the trustees on my examination of the financial statements of Northam Trust (the Trust) for the year ended 5 April 2022.

### **Responsibilities and basis of report**

As the trustees of the Trust 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 Trust'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**

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 Trust 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.

Paul Tyler FCA  
Institute of Chartered Accountants in England and Wales  
Azets Audit Services  
Thorpe House  
93 Headlands  
Kettering  
NN15 6BL  
United Kingdom

Dated: 24 January 2023

# NORTHAM TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 5 APRIL 2022**

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	2021 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	-	50,000	50,000	-
Charitable activities	4	18,058	-	18,058	19,640
Investments	5	4,605	-	4,605	4,664
Other income	6	1,527	-	1,527	-
<b>Total income</b>		<b>24,190</b>	<b>50,000</b>	<b>74,190</b>	<b>24,304</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	7	23,077	-	23,077	42,372
Net gains/(losses) on investments	11	2,698	-	2,698	11,221
<b>Net incoming/(outgoing) resources before transfers</b>		<b>3,811</b>	<b>50,000</b>	<b>53,811</b>	<b>(6,847)</b>
Gross transfers between funds		50,000	(50,000)	-	-
<b>Net movement in funds</b>		<b>53,811</b>	<b>-</b>	<b>53,811</b>	<b>(6,847)</b>
Fund balances at 6 April 2021		199,220	-	199,220	206,067
<b>Fund balances at 5 April 2022</b>		<b>253,031</b>	<b>-</b>	<b>253,031</b>	<b>199,220</b>

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

All income and expenditure derives from continuing activities.



# NORTHAM TRUST

## BALANCE SHEET

AS AT 5 APRIL 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	12		182,457		56,854
Investments	13		143,852		141,154
			<u>326,309</u>		<u>198,008</u>
<b>Current assets</b>					
Cash at bank and in hand		126,738		39,289	
<b>Creditors: amounts falling due within one year</b>	15	(200,016)		(38,077)	
Net current (liabilities)/assets			<u>(73,278)</u>		<u>1,212</u>
<b>Total assets less current liabilities</b>			<u>253,031</u>		<u>199,220</u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Total unrestricted funds	17	253,031		199,220	
			<u>253,031</u>		<u>199,220</u>
			<u>253,031</u>		<u>199,220</u>

The financial statements were approved by the Trustees on 23 January 2023

Mrs E J Brown  
Trustee

# NORTHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 5 APRIL 2022

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#### 1 Accounting policies

##### Charity information

Northam Trust is an unincorporated charity registered with the Charity Commission for England and Wales.

##### 1.1 Accounting convention

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 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 are prepared in sterling, which is the functional currency of the Trust. 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 certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The charity constitutes a public benefit entity as defined by FRS 102. The charity's financial statements present information about it as an individual undertaking.

##### 1.2 Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. At the end of the reporting period, the most significant areas of financial uncertainty affect the carrying value of fixed asset investments held by the charity, the level of investment return and the performance of investment markets, as explained in the notes to the financial statements, and the ongoing cost of maintaining the Trust's properties whilst maintaining residents' contributions at a low level, which is partly mitigated by the reserves policy developed by the trustees. In assessing the appropriateness of the going concern assumption, the trustees have reviewed the financial position of the Trust, considering all reasonably foreseeable potential scenarios and uncertainties in relation to income and expenditure. Based on this information, the trustees have reasonable expectation that the Trust can meet its liabilities as they fall due.

##### 1.3 Charitable funds

Trust capital comprises the value of property and certain investments gifted to the Trust by its founder, adjusted for subsequent additions to and disposals of the original assets, and realised and unrealised gains and losses on investments. Revenue reserves comprise accumulated income from Trust properties and investments, less amounts expended on the objects of the Trust. The funds are classified as unrestricted funds. Unrestricted funds can be spent at the discretion of the trustees in furtherance of any of the Trust's objects. Restricted funds are funds held on specific trusts declared by donors. The specific trusts establish the purpose for which the Trust can use the restricted funds.

# NORTHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

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### 1 Accounting policies

(Continued)

#### 1.4 Income

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and the amount can be quantified with reasonable accuracy. Donations are recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. Unit trust income is recognised when receivable and the amount can be measured reliably, which is normally upon notification of the amount paid or payable by the fund manager. Income from residents' contributions towards upkeep is recognised on a straight-line basis over the term of the tenancy agreement.

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. When the charity enters into a contract for the supply of goods or services, expenditure is recognised once the supplier has performed their part of the contract.

Expenditure is accounted for on an accruals basis, including irrecoverable value added tax where appropriate. All expenses, including governance costs, are allocated to the applicable expenditure heading in the statement of financial activities.

#### 1.6 Tangible fixed assets

Tangible fixed assets are stated at cost.

Buildings under construction are accounted for at cost, based on valuations for works carried out and other directly attributable costs incurred in the year. They are not depreciated until they are brought into use. On the basis that the donated services cannot be measured reliably, construction costs do not include the value to the charity of project management services provided by a related party.

At the period end, the residual value of freehold properties in use was estimated to be at least equal to their cost and, as a result, the carrying value of the assets was not depreciated. The residual values will be reassessed annually.

Subsequent expenditure on properties is capitalised when, in the opinion of the trustees, the performance of the assets is enhanced by the expenditure. Expenditure which maintains the performance of the assets is recognised in the period when incurred.

An item of property is derecognised either on disposal or when no future economic benefits are expected from its use or disposal.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year.

#### 1.8 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 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.

# NORTHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

### 1 Accounting policies

(Continued)

#### **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 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 Trust's contractual obligations expire or are discharged or cancelled.

### 2 Critical accounting estimates and judgements

In the application of the Trust'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

	Restricted funds	Total
	2022 £	2021 £
Donations and gifts	50,000	-
	<u>50,000</u>	<u>-</u>
<b>Donations and gifts</b>		
Exceptional donation - E A Timson Family Trust	50,000	-
	<u>50,000</u>	<u>-</u>

# NORTHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

### 4 Charitable activities

	Provision of accommodation 2022 £	Provision of accommodation 2021 £
Residents' contributions towards upkeep	18,058	19,640

### 5 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Income from listed investments - Unit trust distributions	3,679	3,442
Interest receivable on cash deposits	926	1,222
	4,605	4,664

### 6 Other income

	Unrestricted funds 2022 £	Total 2021 £
Other income	1,527	-

Other income comprises £300 for compensation received from the Trust's bankers and £1,227 leakage allowance received from the Trust's water supplier.

# NORTHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

### 7 Charitable activities

	Provision of accommodation 2022 £	Provision of accommodation 2021 £
Repairs to properties	6,694	14,090
Loss on disposal of tangible fixed assets	-	11,439
Water rates	2,374	1,730
Council tax	309	1,960
Insurance	3,947	3,580
Light and heat	868	548
Garden maintenance	4,078	4,445
	<u>18,270</u>	<u>37,792</u>
Share of governance costs (see note 8)	4,807	4,580
	<u>23,077</u>	<u>42,372</u>

### 8 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Amounts payable to independent examiner	-	2,190	2,190	-	1,968
Sundry expenses	-	217	217	-	212
Administrative support	-	2,400	2,400	-	2,400
	<u>-</u>	<u>4,807</u>	<u>4,807</u>	<u>-</u>	<u>4,580</u>
Analysed between					
Charitable activities	-	4,807	4,807	-	4,580
	<u>-</u>	<u>4,807</u>	<u>4,807</u>	<u>-</u>	<u>4,580</u>

Governance costs are all allocated to the provision of accommodation activity.

Amounts payable to the independent examiner comprise the independent examiner's fee of £354 (2021:£300) and a fee of £1,836 (2021: £1,668) for accountancy and other services.

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year or the previous year. No trustees were reimbursed expenses during the year (2021: £Nil).

# NORTHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

### 10 Exceptional expenditure

In the year ended 5 April 2021, the Trust incurred a loss on disposal of tangible fixed assets of £11,439. The loss on disposal represents the elimination of the cost of two bungalows demolished during the year.

### 11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Unrealised gain on the revaluation of investments	2,698	11,221

### 12 Tangible fixed assets

	Freehold land and buildings
	£
<b>Cost</b>	
At 6 April 2021	56,854
Additions	125,603
At 5 April 2022	182,457
<b>Carrying amount</b>	
At 5 April 2022	182,457
At 5 April 2021	56,854

The freehold property is used to provide accommodation for the charity's tenants, who are the beneficiaries of the Trust.

### 13 Fixed asset investments

	Listed investments	Cash in portfolio	Total
	£		£
<b>Cost or valuation</b>			
At 6 April 2021	94,154	47,000	141,154
Valuation changes	2,698	-	2,698
At 5 April 2022	96,852	47,000	143,852
<b>Carrying amount</b>			
At 05 April 2022	96,852	47,000	143,852
At 05 April 2021	94,154	47,000	141,154

# NORTHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

### 13 Fixed asset investments

(Continued)

All investments are carried at their fair value. Listed investments comprise shares in professionally managed collective investment funds. The basis of fair value for listed investments is equivalent to the market value, using the daily prices published by the fund managers. All investment assets are held within the UK.

The significance of investments to the ongoing financial sustainability of the Trust is considered in the financial review section of the Trustees' report.

The main risk to the Trust from investments lies in the combination of uncertain investment markets and volatility in yield. The Trust is in part reliant on income yield to finance its work and the collective investment funds referred to above are primarily invested in UK deposits, UK government bonds, other sterling denominated fixed interest securities and UK stocks.

Liquidity risk is anticipated to be low. The Trust's investments are traded in a market with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions. A significant cash balance is held.

The Trust manages these investment risks by operating an investment policy that provides for diversification of holdings that are quoted on recognised stock exchanges and cash. The Trust does not make use of derivatives and similar complex financial instruments.

14	Financial instruments	2022 £	2021 £
	<b>Carrying amount of financial assets</b>		
	Instruments measured at fair value through profit or loss	96,852	94,154
15	<b>Creditors: amounts falling due within one year</b>		
		2022 £	2021 £
	Borrowings	100,000	-
	Other creditors	71,201	-
	Accruals and deferred income	28,815	38,077
		200,016	38,077

During the year, to assist with the financing of the project to rebuild two bungalows owned by the Trust, a loan was received from E.A.T. (Holdings) Limited. The loan is interest-free and there are no other specific terms or conditions.



# NORTHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

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### 16 Restricted funds

The income funds of the charity included restricted funds comprising the following donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Incoming resources	Balance at 6 April 2021	Incoming resources	Transfers	Balance at 5 April 2022
	£	£	£	£	£
Bungalow rebuild cost fund	-	-	50,000	(50,000)	-
	=====	=====	=====	=====	=====

The Trust received a donation in the year to cover part of the costs associated with the demolition and rebuilding of two bungalows owned by the Trust.

The costs covered by the donation have been capitalised and added to the cost of freehold land and buildings, which are used for the general purposes of the Trust. The funds have therefore been transferred to unrestricted funds.

# NORTHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

### 17 Unrestricted funds

The funds of the Trust include the following unrestricted funds:

	Balance at 6 April 2020	Movement in funds			Balance at 6 April 2021	Movement in funds			Balance at 5 April 2022
	£	Incoming resources	Resources expended	Revaluations, gains and losses		Incoming resources	Resources expended	Revaluations, gains and losses	
		£	£	£	£	£	£	£	£
Trust capital	125,614	-	-	11,221	136,835	-	-	2,698	139,533
Revenue reserve	80,453	24,304	(42,372)	-	62,385	24,190	(23,077)	-	113,498
	206,067	24,304	(42,372)	11,221	199,220	24,190	(23,077)	2,698	253,031

Trust capital comprises the value of property and certain investments gifted to the Trust by its founder, adjusted for subsequent additions to and disposals of the original assets, and realised and unrealised gains and losses on investments.

Revenue reserves comprise accumulated income from Trust properties and investments, less amounts expended on the objects of the Trust. The transfer in represents funds released from restricted funds which were spent on freehold property assets, which are used for the general purposes of the Trust.

# NORTHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

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### 18 Events after the reporting date

Since 5 April 2022, in connection with the project to rebuild two bungalows owned by the Trust, it has received further donations of £40,000 from the E A Timson Family Charitable Trust and £10,000 from Mrs E J Brown.

### 19 Related party transactions

During the year, the Trust received a donation of £50,000 (2021: £Nil) from the E A Timson Family Trust, a charity connected with Mrs E J Brown.

In connection with the project to rebuild two of the bungalows owned by the Trust:

- Perfecta assets Limited, a company in which Mrs E J Brown is materially interested as a director and shareholder, has provided in the year and previous year, free of charge, assistance with the management of the project and has settled certain costs directly attributable to the project.
- On the basis that the value cannot be measured reliably, construction costs classified as additions to tangible fixed assets in the year and in the previous year do not include the value to the charity of the management services provided by Perfecta Assets Limited.
- Additions to fixed assets include £93,990 (2021: £6,256) in respect of costs attributable to the project, which have been paid by Perfecta Assets Limited. Creditors at 5 April 2022 include £45,586 (2021: £6,256) owed to Perfecta Assets Limited. £54,660 (2021: £Nil) was repaid to Perfecta Assets Ltd in the year.
- E.A.T (Holdings) Limited, a company in which Mrs E J Brown is materially interested as a director and shareholder, settled certain costs directly attributable to the project.
- Creditors at 5 April 2022 include £52,240 (2021: £Nil) in respect of costs attributable to the project, which have been paid by E.A.T (Holdings) Limited. Since the year-end, all costs incurred by E.A.T (Holdings) Limited have been reimbursed in full by the Trust.
- Creditors also include a loan of £100,000 received from E.A.T (Holdings) Limited in the year. The loan is interest-free and there are no specific terms or conditions.

There were no other related party transactions that required disclosure during the current or preceding year.