

CUMBERLAND TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

CUMBERLAND TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Executors of Mrs C E Hosking - Deceased Mrs C O'Connell Dr L Doyle D W O'Connell Ms N J Pickess
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Charity number	266475
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Independent examiner	Azets 2 Regan Way Chetwynd Business Park Chilwell Nottingham NG9 6RZ
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CUMBERLAND TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 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 trust's Declaration of Trust, dated 08 October 1973, 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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The trust's objects are;

1. The furtherance of religious or secular education.
2. The advancement of the Christian faith in either the United Kingdom or overseas.
3. The encouragement of missionary activity designed for the spread of such Christian faith.
4. The relief of the poor and needy.
5. The help and comfort of the sick and aged.
6. Generally the advancement of any religious or other charitable object not inconsistent with the foregoing which may from time to time commend itself to the Trustees.

There has been no change in these during the year.

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

Achievements and performance

Financial review

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees has 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.

Structure, governance and management

The trust is governed by its governing document being a Declaration of trust dated 08 October 1973.

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

Executors of Mrs C E Hosking - Deceased

Mrs C O'Connell

Dr L Doyle

D W O'Connell

Ms N J Pickess

None of the trustees has any beneficial interest in the Trust. All of the trustees are members of the Trust and guarantee to contribute £1 in the event of a winding up.

CUMBERLAND TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The Trust's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The Trust's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the Trust at the year end were £nil.

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

.....
Mrs C O'Connell

Trustee

Dated:

CUMBERLAND TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CUMBERLAND TRUST

I report to the trustees on my examination of the financial statements of Cumberland Trust (the trust) for the year ended 31 March 2021.

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.

Azets

2 Regan Way
Chetwynd Business Park
Chilwell
Nottingham
NG9 6RZ

Dated:

CUMBERLAND TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
Donations and legacies	3	160,800	-
Investments	4	7,811	8,243
Total income		<u>168,611</u>	<u>8,243</u>
<u>Expenditure on:</u>			
Charitable activities	5	<u>20,589</u>	<u>15,429</u>
Net gains/(losses) on investments	8	<u>39,982</u>	<u>(38,736)</u>
Net movement in funds		188,004	(45,922)
Fund balances at 1 April 2020		<u>184,658</u>	<u>230,580</u>
Fund balances at 31 March 2021		<u><u>372,662</u></u>	<u><u>184,658</u></u>

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

All income and expenditure derive from continuing activities.

CUMBERLAND TRUST

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments			197,095		165,017
Current assets					
Debtors	10	-		3,423	
Cash at bank and in hand		176,701		18,486	
		<u>176,701</u>		<u>21,909</u>	
Creditors: amounts falling due within one year	11	<u>(1,134)</u>		<u>(2,268)</u>	
Net current assets			175,567		19,641
Total assets less current liabilities			<u>372,662</u>		<u>184,658</u>
Income funds					
Unrestricted funds			372,662		184,658
			<u>372,662</u>		<u>184,658</u>

The financial statements were approved by the Trustees on

.....
Mrs C O'Connell
Trustee

CUMBERLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Cumberland Trust is a Trust registered with The Charity Commission on 07 January 1974 with Standard Registration.

1.1 Accounting convention

The financial statements have been prepared in accordance with the trust'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)". The trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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 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 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.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust 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.

1.3 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 trust.

1.4 Income

Income is recognised when the trust 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 trust 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.

Legacies are recognised on receipt or otherwise if the trust 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.

CUMBERLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Expenditure

1.6 Fixed asset investments

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

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.

1.8 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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 trust's contractual obligations expire or are discharged or cancelled.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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

	Unrestricted funds	Total
	2021 £	2020 £
Donations and gifts	160,800	-

4 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Income from listed investments	7,811	8,243

5	Charitable activities		
		2021 £	2020 £
Gifts		17,741	12,281
Accountancy		1,134	1,134
Fees		1,714	2,014
		20,589	15,429
		20,589	15,429

CUMBERLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Trustees

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

7 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

8 Net gains/(losses) on investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Revaluation of investments	39,982	(38,736)

9 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	182,025	149,947

10 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	-	3,423

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	1,134	2,268

12 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).