

THE CROMARTY TRUST

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2021

INDEX	1
Officers and Advisers	2
Formation and Objectives	3
Public Benefit Reporting	3
Trustees' Report	4
Independent Examiner's Report	10
Income and Expenditure Account	11
Balance Sheet	12
Notes to the accounts	13

THE CROMARTY TRUST

Charity Trust Number 272843

Trustees

John Nightingale of Cromarty
Alexander Nightingale
Rebecca Homfray
Allison Wainman OBE
Ian Harper

Addresses

Wormshill Court
Nr Sittingbourne
Kent ME9 0TS

25 West Square
London SE11 4SP

Bankers

Barclays Bank PLC
North Kent Group
40/46 High Street
Maidstone
Kent ME14 1SS

CCLA Investment Management Ltd
Charities Official Investment Fund
Senator House, 85 Queen Victoria Street
London EC4V 4ET

Independent Examiner

Rollo Barnes FCA

THE CROMARTY TRUST

Formation and Objectives

Formation

The Trust was established by a Declaration of Trust dated 29th November 1976 and is registered as a charitable trust, no: 272843

Objectives

The purposes of the trust are

- 1) General charitable purposes,
- 2) In particular the following purposes within the Parish and former Burgh of Cromarty:
 - (a) the preservation, maintenance or improvement of any buildings of beauty or historical or architectural interest,
 - (b) the conservation of natural features, the landscape, ecology and character of the area
 - (c) the furtherance of general educational, religious and social amenities,
 - (d) the stimulation of public interest in the history, character, beauty and wildlife of the area.

Public Benefit Reporting

In making grants to other organisations or undertaking direct charitable activities, the Trustees take careful account of the public benefit guidance issued by the Charity Commission. The Report of the Trustees elaborates in detail on the public benefit which has flowed both from the grants made by the Trustees during the year and from the Trust's ownership and preservation of Gorham Wood and Meadow.

THE CROMARTY TRUST

Trustees' Report for the year ended 30 November 2021

The Trustees present their report for the 12-month period ended 30 November 2021

Trustees and Advisors

These are shown on Page 2.

Review of activities

During the year the Trustees continued to support a number of charitable projects in Cromarty and in Kent. As in previous years support was targeted at sustainable projects connected with the preservation of buildings of architectural and historic interest, the conservation of the landscape and environment, and the promotion of education and the arts. Increasing public understanding, appreciation and enjoyment of such buildings and landscapes remains a key objective for the Trustees. The Trustees are committed to equal opportunities.

In pursuing these objectives, the Trustees do not see their role as simply responding to requests for support. Their policy is to take a proactive role both in identifying projects to support and then in helping these not only with grant support but also with advice and encouragement to follow good practice. Over the years, the Trustees have instigated and provided seed-corn funding for projects which have then been taken forward initially under the guidance of the Cromarty Trust before being established on their own, albeit with continuing support and encouragement from the Trustees. Further details are provided below.

The Covid-19 pandemic continued to have a major impact during the year under review. In response to this the Trustees liaised closely with the charities they regularly supported and were much encouraged by their determination to weather the storm; the progress on the Murston Heart project, described below, is particularly encouraging. The value of the Trust's endowment fluctuated in line with the UK and world stock markets but by the year end it had increased by 11% compared to a fall of 6% in the previous year.

Support of Cromarty Arts Trust

In Cromarty the Trustees continued to direct their principal support to the Cromarty Arts Trust, which shares the same chairman and one other trustee. Since it was established in 1987, the Cromarty Arts Trust has been the main vehicle for the Cromarty Trust's charitable support in Cromarty. It has an impressive list of achievements and full details of its work and current activities can be found on its website, www.cromartyartstrust.org.uk. It has raised over two million pounds from charities, public bodies, individuals and its own charitable activities. It has used this to restore and convert some of Cromarty's most important eighteenth-century buildings (the Brewery, the Stables and Ardyne) which it uses to provide a vibrant programme of learning and artistic opportunities which have helped breathe new life into Cromarty.

During the year the Trustees contributed £6,000 to the Arts Trust in order to support the post of arts development manager. Following careful planning to put the appropriate precautions in place, the Arts Trust was able to resume a number of its arts courses from August 2020 and had the distinction of holding the first live classical recitals in Scotland after the lifting of the first

THE CROMARTY TRUST

lockdown restrictions. This activity sadly had to cease again with the second lockdown at the end of 2020 but in the subsequent months the Arts Trust ran some successful online events before reopening in May 2021; although it will clearly take time for residential use of the Old Brewery to pick up, the take up for its short courses has been very encouraging.

Other Cromarty and Black Isle Projects

Previous reports have highlighted the Trustees' major commitment to contribute at least £25,000 towards the restoration and revitalisation of Cromarty's fine eighteenth-century Smeaton harbour, of which John Nightingale is a statutory trustee under a 1785 Act of Parliament establishing the Harbour as a Trust port. In 2016 a new and energetic group of volunteers was established to progress plans to restore and revitalise the harbour and since then they have made huge strides in attracting grants to commence some of the major and technically challenging repairs. By the end of 2021 around £1 million had been raised including major grants from Historic Environment Scotland, FLAG, Marine Scotland, SSE Community Fund and Highland Council. The Trustees did not make a further grant in 2021 (having previously made grants of £15,000) but have earmarked £10,000 for match funding support to help with the next phase of repairs. The sums raised have made it possible to undertake urgent repairs to the eighteenth-century Smeaton mole, the replacement of the early twentieth-century sheds on the mole, the refurbishment of the WW1 concrete decking within the harbour, new handrails, benches and interpretation boards, as well as additional pontoons within the harbour basin. The full restoration of the eighteenth-century harbour remains a major challenge but an excellent start has been made.

The Trustees also made repeat grants of £300 to the Cromarty Bowling Club to help it attract and train young members, and £300 to the Cromarty Camera Club (www.cromartycameraclub.com). They were delighted that the Cromarty and Resolis Film Society, which they regularly supported in the past, managed to raise the funds to build a cinema on the Cromarty Links (<https://www.cromartyandresolisfilmsociety.org/cinema>) in 2019-2020; its initial opening was quickly curtailed by the onset of the pandemic but it has been successfully operating since the lifting of restrictions in 2021 and looks set to make a rich contribution to Cromarty's cultural life.

Gorham Community Woodland Project

The Trustees launched this major project in 2004 on behalf of the community of Bicknor. The aim of the project was to conserve for the benefit of the public some 83 acres of ancient woodland situated adjacent to the village of Bicknor in the Kent Downs Area of Outstanding Natural Beauty. Described by the eminent botanist, Dr Francis Rose, as one of the seven outstanding woods on the Kent Chalk, it has a quite remarkable wealth of ground and fungus flora, with over 52 ancient woodland indicators, an abundance of rare orchids and over 400 recorded species of fungus. The wood's long-term future was uncertain in the face of changes in ownership, a lack of management of the traditional coppice cycle, and problems of fly-tipping.

Working with the community and a number of key partners, including the Kent Wildlife Trust for Nature and the Mid Kent Downs AONB unit, the Trustees prepared a management plan to purchase the wood, undertake essential restoration work, reintroduce the annual cycle of coppicing, improve public access, and provide appropriate interpretation. The Trustees were able to purchase the wood in December 2004 thanks to the support of the Heritage Lottery Fund and other public, charitable and private donors. Thanks to a grant from BIFFA, the

THE CROMARTY TRUST

Trustees were subsequently able to purchase a four acre meadow adjoining Gorham wood. In the current year the Trust was also able to purchase, with the help of generous donations from the Wainman family and David and Nong Priestley, a small orchard which comprised the last remaining parcel of the Gorham wood complex outside its ownership.

Over the last five years a large number of ash trees throughout the wood had succumbed to ash dieback, making it necessary to clear fell the areas where ash was the prevalent species; some 10 acres of ash were felled in 2021 with a further 4 acres being felled after the year end. To replace the ash, some 2,500 sweet chestnut, oak (common and sessile), gean and hornbeam were planted over the winter months, commencing in November 2021 and continuing through to March 2022; David and Alison Wainman kindly donated 500 sweet chestnut saplings and protective tubes.

Before the pandemic a local forest school used a small area of the wood to run a series of holiday camps and day courses for primary school children from Sittingbourne and other local towns, giving them the chance to explore wildlife, build dens, climb trees, cook over camp fires, make things with natural materials, and the like. Sadly this was brought to a halt during the pandemic but arrangements were made to revive these activities during 2021 and a new forest school is now up and running.

A fuller description of the activities connected with the project can be found on the dedicated website www.gorhamandadmiralwoods.org.uk.

Murston All Saints Trust

The project to establish a creative community hub around the remains of the medieval church at Murston is now coming to fruition after a successful fundraising campaign; the building works commenced in September 2021 and the main building contract looks set to be completed in October 2022, so the hub should be up and running by the start of 2023. What follows describes the background and the role of the Cromarty Trust in promoting the project but further detail can also be found on the website www.murstonheart.org

The Trustees have long identified finding a sustainable use for the medieval chapel and burial ground at Murston as one of the projects to which they wished to make a major commitment, having been involved with its management since 1994 under a charity commission scheme of arrangement. A relict of the original medieval church, it is situated in one of the most deprived communities in Southern England according to the indices of multiple deprivation and has been plagued by vandalism. The challenge is a big one but the graveyard and little chapel (both scheduled as an ancient monument) offer the potential of becoming a peaceful haven for the 4,000 residents of Murston and the further 4,000 people who now work in the surrounding industrial estates.

In planning to meet these challenges, the Trustees decided that a free-standing charity named Murston All Saints Trust (MAST) should be established with clear charitable objects encompassing the conservation of the church and the running of an arts centre. Accordingly, following a public consultation, the Charity Commission approved an amended trust deed for MAST under a new scheme of arrangement at the end of 2014. This provided *inter alia* for the Cromarty Trust to nominate two of MAST's trustees and accordingly John Nightingale and Alexander Nightingale are trustees of both trusts. In agreeing these changes the Trustees of the

THE CROMARTY TRUST

Cromarty Trust made it clear that they remained committed to the project and to this end provided MAST with initial capital of £40,000 as expendable endowment in 2015-2017.

Previous reports have described how since 2009 the Trustees (initially of the Cromarty Trust and since 2014 of MAST) have formulated and progressed a proposal to establish a creative and community hub around the church. It entails the construction of a new enabling building housing a café, wcs, community education room and six studios in the corner of the churchyard, whilst the church building will be refurbished as an open space for exhibitions and music, and the surrounding churchyard will be restored as a little pocket park to be enjoyed by the public. The aim is to safeguard the future of the historic chapel and put it back at the heart of the community in a way that contributes to its well-being. The secretary of state granted scheduled monument consent in January 2018 and planning permission was granted in December 2018. Getting to this point took many years due to the scheduled monument status of the site but it was made possible thanks to a series of development grants from the Architectural Heritage Fund, Historic England, the Heritage Lottery Fund, and a number of discretionary grants from individual local borough and county councillors.

With the necessary consents in place the trustees of MAST set out in 2019 to raise some £850,000 to cover the capital costs and an initial three year programme of activities with the community and local schools. The Trustees of the Cromarty Trust agreed to give a lead by increasing their support to £60,000 and in July 2020 the appeal target was reached thanks to substantial grants from the National Lottery Heritage Fund (NLHF), Swale Borough Council, Historic England, the Henry Oldfield Trust, the Mohn Westlake Charitable Trust and the Colyer Fergusson Charitable Trust; numerous other charities offered smaller grants. The initial plan was to commence building work in September 2020 but this had to be put on hold in the light of ongoing Covid-19 disruption in the construction industry. Major increases in material costs and the pricing-in of additional risk led to a substantial increase in costs but it proved possible to take these on board in 2021 thanks to increases in the grants from NLHF, Historic England and Swale BC, and new grants from the Wolfson Foundation and the Garfield Weston Foundation – bringing the total raised to c £1,100,000.

Prior to the Covid-19 lockdown, the church had already been used for a series of weekend festivals and other events, all of which had been led with great verve and passion by the Sittingbourne based artist Sioux Peto. The coronavirus pandemic forced the suspension of activities through the first half of 2021 but in June and July 2021 six classes of 180 children from the local primary school came to explore and learn about the church and its surrounds (their first school outing since March 2020). Activities largely had to cease again with the commencement of the building work but a lively programme of events is planned once the building works are completed.

Other Projects

The Trustees continued to give advice and encouragement to the Wye Rural Museum Trust (www.agriculturalmuseumbrook.org.uk) which was established on the initiative of the Cromarty Trust in 1997. It was formed to save and maintain the important collection of agricultural implements housed in the great 14th-century aisled barn and other farm buildings at Brook, near Ashford in Kent. Thanks to successful fundraising it was able to purchase the buildings and undertake a repair and refurbishment programme. It has worked closely with some of the local schools and has recorded the work of a number of agricultural craftsmen with the aid of a Lottery Heritage grant. The Cromarty Trustees retain a formal association as an appointor of

THE CROMARTY TRUST

one of the trustees of the Museum Trust and during the year made it a further grant of £500. In July 2020, John Nightingale agreed to take on the role of chair of trustees for a limited period in order to lead a review of its strategy. Following the review, the trustees made a small grant of £500 towards the costs of preparing an application to the National Lottery Heritage Fund and this bore fruit after the year end with an award of £75,000 to fund a part-time staff post, an architectural appraisal and an activities and volunteering programme.

The Trustees also made grants of £300 to the Friends of Wormshill Church, and £1,000 to the Romney Marsh Churches Trust which continues to provide an inspiring model of how such a body can galvanise support and make a huge contribution to the on-going repair of an area's historic churches.

Management of Investments, Reserves Policy and Interest Free Loan

The Trust made no changes to its investment policy or arrangements: approximately a third of the Trust's investment funds are managed by the stockbrokers JM Finn on a discretionary basis with the balance being divided between a couple of pooled charitable equity and property funds managed by M&G and Savills and a portfolio of investment trusts and individual equity holdings held by Hargreaves Lansdowne as nominees. During the year the market value of the Trust's investments increased, after adjustment for sales and purchases, by £97,882 or some 11% compared with a 6.4% reduction in the previous year.

Reserves Policy

As shown on page 12, the Trustees retain a funding commitment of £10,000 to the Cromarty Harbour. In accordance with their reserves policy, the Trustees have retained over £40,000 from previous years' income to allow them to meet these outstanding commitments and to provide a smoothing fund to offset variations in annual income. The Trustees will continue to keep this reserve policy under regular review.

Employees, Administrative Costs and Trustees

The Trust has no employees and incurred no administrative costs during the year.

Summary of results

The financial statements show income of £30,130 (2020: £27,519), expenditure of £23,377 (2020: £28,729) on the furtherance of the objects of the Trust, and a resulting surplus of £6,753 (2020: £1,210 deficit) at the year end. In addition the Trust expended £12,000 capital on the purchase of the orchard adjoining Gorham wood, the outlay being reduced to £9,500 after the donations made for the purchase are taken into account.

Statement of Trustees' responsibilities

Law applicable to charities requires the Trustees to prepare Financial Statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing Financial Statements giving a true and fair view, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

THE CROMARTY TRUST

- state whether applicable accounting standards and statements of recommended practices have been followed subject to any 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 operation.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the Financial Statements comply with applicable law. 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.

Signed on behalf of the Trustees

John Nightingale of Cromarty
28 September 2022

THE CROMARTY TRUST

Independent Examiner's Report

Independent Examiner's Report to the Trustees of the Cromarty Trust

I report on the accounts of the Trust for the year ended 30 November 2021, which are set out on pages 11 to 13.

Respective responsibilities of Trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

Basis of independent examiner's report

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below

Independent examiner's statement

In connection with my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Acthave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Rollo Barnes FCA

28 September 2022

THE CROMARTY TRUST

Income and Expenditure Account For the year ended 30 November 2021

	2020/21	2019/20
	£	£
Income		
Interest	1	27
Dividends	26,129	27,492
Gorham Wood timber sales	4,000	
Total Income	<u>30,130</u>	<u>27,519</u>
Expenditure		
<u>Grants</u>		
Cromarty Arts Trust	6,000	6,500
Cromarty Harbour Trust	0	5,000
Rosemarkie Caves Project	0	1,000
Cromarty Camera Club – Training materials	300	300
Cromarty Bowling Club – youth training`	500	300
 Murston All Saints Trust	 10,000	 10,000
Faversham Town Council – Doddington		
Parochial Church Library	0	1,000
Romney Marsh Historic Churches Trust	1,000	1,000
Wye Rural Museums Trust	500	500
Friends of Wormshill Church	300	300
 Gorham Orchard – legal fees for purchase	 923	 0
Gorham Wood – replanting costs	782	0
Insurance	175	164
Investment Management Fees	2,897	2,665
Total Expenditure	<u>23,377</u>	<u>28,729</u>
 Surplus (Deficit) for the year	 6,753	 (1,210)
	-----	-----
	<u>30,130</u>	<u>27,519</u>

THE CROMARTY TRUST

Balance Sheet As at 30 November 2021

	2020/21	2019/20
	£	£
FIXED ASSETS		
Gorham Wood – at cost	80,846	80,846
Gorham Meadow – at cost	30,000	30,000
Gorham Orchard – at cost	12,000	0
INVESTMENT ASSETS		
Investments at cost (Market value 2021: £982,167; 2020: £885,285)	694,634	705,892
COIF Deposit Account	8,465	8,465
Hargreaves Lansdowne	11,027	1,063
Barclays Bank	26,652	36,652
CURRENT ASSETS		
Cash on deposit – COIF	0	0
Cash at bank - Barclays	45,575	45,875
- HSBC	212	212
Total assets less current liabilities	909,411	909,005
	=====	=====
FUNDS		
General Trust Fund at 30 November 2020	893,505	898,140
Surplus (Deficit) for the Year	6,753	(1,210)
Profit (Loss) on Sale of Investments	(8,847)	(3,425)
Gorham Orchard: Donations for purchase	2,500	0
General Trust Fund at 30 November 2021	893,911	893,505
Designated Endowment Fund for Gorham Wood	15,500	15,500
	909,411	909,005
	=====	=====
FUNDING COMMITMENTS		
Cromarty Harbour Restoration	10,000	10,000
	10,000	25,000
	=====	=====

Signed on behalf of the Trustees
John Nightingale of Cromarty
28 September 2022

THE CROMARTY TRUST

Notes to the accounts

1. Accounting policies

The following is a summary of significant accounting policies:

- Financial statements are prepared under the historical cost convention
- Income and expenditure are dealt with on a receipts and payments basis.

Expenditure is included in the Income and Expenditure account as and when the cash is paid.

2. Related Parties

As noted in the Annual Report the Trustees support a number of other charities which they have helped to establish and serve on as trustees. John Nightingale and Alexander Nightingale are trustees of the Cromarty Arts Trust and Murston All Saints Trust. John Nightingale is also a trustee of the Cromarty Harbour Trust, the Wye Rural Museum Trust and the Wormshill Parochial Church Council. He is also an honorary vice-president of the Romney Marsh Churches Trust. As the laird of the Cromarty Estate he has connections with a number of organisations in Cromarty; the Bowling green and clubhouse is rented from him for a peppercorn rent of £45 per annum; both John Nightingale and Alexander Nightingale are directors of Michael Nightingale & Co Ltd which granted a 50 year lease of the Old Brewery and Stables to the Cromarty Arts Trust at a rent, if demanded, of £1 per annum. Trustees are made aware of these related party relationships when they consider grants and the trustees not affected by these party relationships are asked specifically to approve grants which involve related parties. No material conflict of interest is anticipated but in the event of a material conflict the affected trustees would exclude themselves from discussions of the matter by the Cromarty Trust.