

THE CROMARTY TRUST

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2022

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THE CROMARTY TRUST

Charity Trust Number 272843

Trustees

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

Addresses

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Nr Sittingbourne
Kent ME9 0TS

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Bankers

Barclays Bank PLC
North Kent Group
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Kent ME14 1SS

CCLA Investment Management Ltd
Charities Official Investment Fund
Senator House, 85 Queen Victoria Street
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Independent Examiner

Rollo Barnes FCA

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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.

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Trustees' Report for the year ended 30 November 2022

The Trustees present their report for the 12-month period ended 30 November 2022

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.

Support for Cromarty Arts Trust

In Cromarty the Trustees continued to direct 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 three 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. The Arts Trust had to stop nearly all its activities during successive lockdowns in 2020 and early 2021 but since then it rebuilt its programme of activities to a remarkable extent; most of its courses have been fully booked and its classical recitals and other live performances have attracted good audiences; Ardyne is attracting strong interest by artists, often from overseas, who want to benefit from the inspiring environment of Cromarty and the residential bookings of the Old Brewery are picking up well, if still some way short of the level they enjoyed before the onset of the Covid pandemic.

During the year the Trustees contributed £6,000 to the Arts Trust in order to support the post of arts development manager.

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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 – see <https://www.cromartyharbour.org/>. 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. During the year under report the Trustees made the Harbour a grant of £10,000 (the final tranche of their original £25,000 commitment) 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 and the Trustees are likely to continue to provide some match funding for further phases of the restoration work.

The Trustees also made repeat grants of £300 to the Cromarty Bowling Club <http://www.spanglefish.com/cromartybowling/> to help it attract and train young members, and £300 to the Cromarty Camera Club (www.cromartycameraclub.com).

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 grants from BIFFA and local families, the Trustees were subsequently able to purchase a four acre meadow adjoining Gorham wood and then, last year, 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.

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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; some 1,000 sweet chestnut saplings and protective tubes were kindly donated by the Wainman family and by John Leigh-Pemberton.

During the year a local forest school used a small area of the wood to set up 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. These were a great success and the Trustees look forward to these activities continuing in future years.

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 came to fruition shortly after the year end: the main building contract was completed in December 2022, the first school workshops were run in January 2023, a café opened in May 2023 and by the date of this report agreement had been reached to let all the new studios to creative practitioners; on 28 July 2023 acclaimed artist, Rose Wylie RA formally cut a ribbon to open formally the Murston Heart Creative community Hub against the backdrop of her splendid 3.5m x 1.5m Doodlebug painting which was exhibited in the Chancel gallery. 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 had long identified finding a sustainable use for the medieval chancel 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 was plagued by vandalism. The challenge was a big one but the graveyard and little chancel (both scheduled as an ancient monument) had clear potential to provide 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 separate 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 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) formulated and progressed the proposal to establish a creative and community hub around the church. This entailed the construction of a new enabling building housing a café, wcs, community education room and six studios in the corner of the churchyard,

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with the chancel building refurbished as a space for exhibitions and music, and the surrounding churchyard restored as a little pocket park to be enjoyed by the public. 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 the funds required to cover the capital costs and undertake 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 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, the Wolfson Trust, the Colyer Fergusson Charitable Trust and the Garfield Weston Foundation; numerous other charities offered smaller grants. In all some £1,100,000 has been raised to date. This has enabled the building and establishment of the Murston Heart Creative Community Hub which fulfill's MAST's core goals of safeguarding the future of the historic chancel and contributing to the well-being of the community.

Other Projects

The Trustees continued to give advice, encouragement and financial support 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. The Cromarty Trustees retain a formal association as an appointor of 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 in order to lead a review of its strategy. Following the review, the trustees prepared an application to the National Lottery Heritage Fund (NLHF) and this bore fruit in summer 2022 with an award of £75,000 to fund two part-time staff posts, an architectural appraisal, a first phase of cataloguing and digitalising the collection and an activities and volunteering programme. This programme has been run with great success throughout the Spring and Summer of 2023 and the museum is now set to make a further application to the Lottery to build on this momentum in 2024 and 2025. The Trustees gave the museum a small grant of £1,000 during the year.

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

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individual equity holdings held by Hargreaves Lansdowne as nominees. During the year the market value of the Trust's investments reduced by £39,651 or some 4% compared with an 11% increase in the previous year.

Reserves Policy

In accordance with their reserves policy, the Trustees have retained over £30,000 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 £29,487 (2021: £30,130), expenditure of £45,588 (2021: £23,377) on the furtherance of the objects of the Trust, and a resulting deficit of £16,010 (2021: £6,753 surplus) at the year end; the significant replanting programme in Gorham Wood, described in the report above, accounted for a large proportion of the deficit.

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;
- 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
23 September 2023

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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 2022, which are set out on pages 10 to 12.

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

23 September 2023

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Income and Expenditure Account For the year ended 30 November 2022

	2021/22	2020/21
	£	£
Income		
Interest	69	1
Dividends	26,909	26,129
Gorham wood - donations	109	0
Gorham Wood timber sales	2,400	4,000
Total Income	<u>29,487</u>	<u>30,130</u>
Expenditure		
<u>Grants</u>		
Cromarty Arts Trust	6,000	6,000
Cromarty Harbour Trust	10,000	0
Cromarty Camera Club – Training materials	300	300
Cromarty Bowling Club – youth training`	300	500
 Murston All Saints Trust	 10,000	 10,000
Romney Marsh Historic Churches Trust	1,000	1,000
Wye Rural Museums Trust	1,000	500
Friends of Wormshill Church	300	300
 Gorham Wood – legal fees	 756	 923
Gorham Wood – replanting costs	12,928	782
Insurance	185	175
Investment Management Fees	2,819	2,665
Total Expenditure	45,588	23,145
 Surplus (Deficit) for the year	 (16,101)	 6,985
	 <u>29,487</u>	 <u>27,519</u>

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Balance Sheet As at 30 November 2022

	2021/22	2020/21
	£	£
FIXED ASSETS		
Gorham Wood – at cost	80,846	80,846
Gorham Meadow – at cost	30,000	30,000
Gorham Orchard – at cost	12,000	12,000
INVESTMENT ASSETS		
Investments at cost (Market value 2022: £942,516; 2021: £982,167)	692,277	694,634
COIF Deposit Account	8,530	8,465
Hargreaves Lansdowne	11,034	11,027
Barclays Bank	26,652	26,652
CURRENT ASSETS		
Cash on deposit – COIF	0	0
Cash at bank – Barclays	31,971	45,575
– HSBC	0	212
Total assets less current liabilities	893,310	909,411
FUNDS		
General Trust Fund at 30 November 2020	893,911	893,505
Surplus (Deficit) for the Year	(16,101)	6,753
Profit (Loss) on Sale of Investments	0	(8,847)
Gorham Orchard: Donations for purchase	0	2,500
General Trust Fund at 30 November 2021	877,810	893,911
Designated Endowment Fund for Gorham Wood	15,500	15,500
	893,310	909,411
FUNDING COMMITMENTS		
Cromarty Harbour Restoration	0	10,000
	0	25,000

Signed on behalf of the Trustees
John Nightingale of Cromarty
23 September 2023

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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.