

**REGISTERED FOUNDATION NUMBER: 280332**

**REPORT OF THE TRUSTEES AND**  
**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023**  
**FOR**  
**THE HUDSON FOUNDATION**

Wheelers  
Chartered Accountants, Tax Consultants  
& Statutory Auditors  
27-29 Old Market  
Wisbech  
Cambridgeshire  
PE13 1NE

**THE HUDSON FOUNDATION**

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2023**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 5
Report of the Independent Auditors	6 to 8
Consolidated Statement of Financial Activities	9
Consolidated Balance Sheet	10
Foundation Balance Sheet	11
Consolidated Cash Flow Statement	12
Notes to the Consolidated Cash Flow Statement	13
Notes to the Consolidated Financial Statements	14 to 28

**THE HUDSON FOUNDATION**  
**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 JULY 2023**

<b>TRUSTEES</b>	D W Ball S G Layton E C Newling M L Hutchinson – appointed 21 November 2022
<b>PRINCIPAL ADDRESS</b>	1-3 York Row Wisbech Cambridgeshire PE13 1EA
<b>REGISTERED FOUNDATION NUMBER</b>	280332
<b>INDEPENDENT AUDITORS</b>	Whealers Chartered Accountants, Tax Consultants & Statutory Auditors 27-29 Old Market Wisbech Cambridgeshire PE13 1NE
<b>SOLICITORS</b>	Fraser Dawbarns LLP 1-3 York Row Wisbech Cambridgeshire PE13 1EA
<b>BANKERS</b>	Lloyds Bank PLC 3 North Brink Wisbech Cambridgeshire PE13 1JT

**THE HUDSON FOUNDATION**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 JULY 2023**

The trustees present their report with the financial statements of The Hudson Foundation for the year ended 31 July 2023.

## **1. OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The Hudson Foundation was created by Alan Harry Hudson on 27th December 1979. The assets of the Foundation were increased substantially by a bequest in the will of Alan Harry Hudson who died on 4th February 1991. The objectives of the Foundation are:

1. the relief of the aged and infirmed generally and
2. the establishment and maintenance of residential and other accommodation of any kind and amenities to be enjoyed therewith for the relief of the aged and infirmed
3. without prejudice to the foregoing support of other charitable causes as the Trustees shall determine.

The preference for funding is to assist charitable organisations in the community of Wisbech and District.

### **Grant making**

Each grant application is considered on its own merits and whilst the trustees do make contributions to revenue expenditure of charitable organisations, they prefer to assist in the funding of capital projects to the advantage of the community of Wisbech and District.

### **Public benefit**

The trustees adhere to the guidance contained in the Foundation Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities. The Foundation continues to provide support to local organisations in accordance with its objectives.

## **2. ACHIEVEMENT AND PERFORMANCE**

### **Charitable activities**

During the year the Foundation made grants of £72,287 (2022 - £106,253).

A list of the organisations benefitting from grants made by the Foundation is set out in note 7 to these accounts.

## **3. FINANCIAL REVIEW**

### **Principal funding sources**

The principal funding source of the Foundation is the wholly owned trading subsidiary, Alan Hudson Limited, which rents the Foundation's property and donates any taxable profits by way of gift aid to the Foundation.

The performance of Alan Hudson Ltd over the 2022/23 year will enable it to Gift Aid taxable profit of £335,953 (2022 - £Nil).

The Foundation does not carry out fundraising activities. The principal funding source is Alan Hudson Limited, as noted above.

**THE HUDSON FOUNDATION**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 JULY 2023**

**3. FINANCIAL REVIEW Continued**

**Investment performance**

The trustees closely monitor the performance of Alan Hudson Ltd by way of attendance by the Managing Director at their regular trustee meetings. As with all businesses engaged in the agricultural sector the performance is volatile dependent upon weather, commodity prices and the yields achieved.

**Loan agreement**

The Foundation issued a loan facility to Alan Hudson Ltd on 26th September 2017 making a maximum sum of £500,000 available in tranches of not less than £25,000 subject to conditions. At 31st July 2023 the amount drawn by Alan Hudson Ltd under that facility was £40,000 (2022 - £40,000)

**Reserves policy**

The trustees have considered the annual recurring grants they make and fees they pay to professional advisors over a three year core period and have concluded that, on average, they would spend £55,000 on these activities. They have therefore established a core reserve of £200,000 to cover at least three years core expenditure assuming no Gift Aid receipts from Alan Hudson Ltd.

In addition the trustees have added a further £100,000 to the reserves on account of the potential liability to Alan Hudson Ltd under the Loan Facility described above.

The Foundation has free reserves of £667,657 (2022 - £760,128) which are retained to cover grant commitments in the future as well as pledged as detailed in the Contingent Liabilities note.

**Risk management**

The trustees have a duty to identify and review the risks to which the Foundation is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The principal risk faced by the Foundation lies in the performance of Alan Hudson Limited, and its continued ability to make Gift Aid payments. This risk is mitigated by the continued review of the trading performance of the company by the trustees at their regular meetings. Two of the trustees are also directors of Alan Hudson Ltd.

**4. FUTURE PLANS**

The trustees anticipate that the Foundation will continue on the same basis as at present. Nonetheless the Foundation's plans for the future are reviewed regularly at trustee meetings. The Foundation will continue to make grants to local organisations, the level of which is dependent upon applications received. The funding of these will continue to be met from the Gift Aid payments and rent received from Alan Hudson Limited.

**5. STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Foundation is governed by the charitable deed dated 27 December 1979 and constitutes an unincorporated Foundation.

**THE HUDSON FOUNDATION**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 JULY 2023**

**5. STRUCTURE, GOVERNANCE AND MANAGEMENT Continued**

**Organisational structure**

The Foundation is operated by the four trustees who hold property and investments on behalf of the Foundation. Two of the trustees are also directors of Alan Hudson Ltd.

The original trustees were appointed by Mr A H Hudson during his lifetime. They understood that his wishes were that Alan Hudson Limited should continue to trade after his death and that it should pass its taxable profits to the Foundation with the proviso that the trustees should bear in mind that fruit yields and market prices were beyond the control of the management of the company and the Trustees themselves.

**Recruitment and appointment of new trustees**

When recruiting new trustees, the present trustees consider the skill set the potential trustee will bring to the Foundation. Although this does not necessarily mean the potential trustee needs to be an expert or specialist, the present trustees believe the Foundation will always benefit from trustees who have a broad knowledge and experience of matters relevant to the Foundation. Matters of particular relevance to the Foundation are knowledge of the intentions of the late Alan Hudson, the area of benefit, appreciation of the financial realities of the horticultural industry, and an understanding of basic law relating to charities and trustees and a basic knowledge of financial accounting.

**Induction and training of new trustees**

Once a new trustee is appointed, they meet, before their first meeting, with a current trustee to discuss the Foundation in more detail. They are given a copy of the Trust Deed dated 27 December 1979, a copy of the Will of Mr Alan Hudson together with the two codicils thereto and copies of the last three years minutes and statutory accounts. They sign a declaration of eligibility and enter onto the register any conflict of interest they may have, if relevant.

**6. STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”).

The law applicable to charities in England & Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources of the Foundation for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

**THE HUDSON FOUNDATION**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 JULY 2023**

**6. STATEMENT OF TRUSTEES RESPONSIBILITIES Continued**

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 16 April 2024 and signed on its behalf by:

David William Ball

.....

D W Ball – Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE HUDSON FOUNDATION**

### **Opinion**

We have audited the financial statements of The Hudson Foundation (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 July 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Foundation Balance Sheet, the Consolidated Cashflow Statement and Notes to the Consolidated Financial Statements including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 July 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.



**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF**  
**THE HUDSON FOUNDATION Continued**

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

**Auditor responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The primary responsibility for the prevention and detection of fraud rests with the trustees.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Foundation and determined that the most significant are:

- Those that relate to the reporting framework (United Kingdom Accounting Standards in conformity with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland") and the Charities Act 2011.
- Relevant tax compliance regulations in the United Kingdom.
- Laws and regulations relating to health and safety, employee matters and the environment.

We understood how The Hudson Foundation is complying with those frameworks by making enquiries of trustees. We corroborated our enquiries through our review of minutes.

We assessed the susceptibility of the Foundation's financial statements to material misstatement, including how fraud might occur, by discussion with trustees and our prior knowledge of the Foundation's activities and controls. We have carried out procedures including a review of journal entries and a review of accounting estimates and judgements which were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statement is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF**  
**THE HUDSON FOUNDATION Continued**

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Wheelers  
Chartered Accountants, Tax Consultants  
& Statutory Auditors  
27-29 Old Market  
Wisbech  
Cambridgeshire  
PE13 1NE

Date: 18 April 2024

**THE HUDSON FOUNDATION**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 JULY 2023**

		31.7.2023	31.7.2022
		Unrestricted	Unrestricted
		funds	funds
	Notes	£	£
<b>INCOME AND ENDOWMENTS FROM</b>			
Other trading activities	3	1,714,336	686,041
Investment income	4	<u>35,059</u>	<u>15,743</u>
<b>Total</b>		1,749,395	701,784
 <b>EXPENDITURE ON</b>			
Raising funds	5	1,420,632	894,905
Charitable activities	6	<u>78,611</u>	<u>112,629</u>
<b>Total</b>		<u>1,499,243</u>	<u>1,007,534</u>
 <b>NET INCOMING RESOURCES/ (RESOURCES EXPENDED) RESOURCES BEFORE INVESTMENT GAIN</b>		250,152	(305,750)
 Net losses on investments		(6,371)	(10,486)
Tax due by subsidiary		<u>-</u>	<u>14,250</u>
 <b>NET INCOMING RESOURCES/ (RESOURCES EXPENDED)</b>		243,781	(301,986)
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<u>2,828,757</u>	<u>3,130,743</u>
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>3,072,538</u></u>	<u><u>2,828,757</u></u>

**THE HUDSON FOUNDATION**

**CONSOLIDATED BALANCE SHEET**  
**AT 31 JULY 2023**

		31.7.2023 Unrestricted funds	31.7.2022 Unrestricted funds
	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	14	1,373,463	1,372,092
Investments	15	<u>304,214</u>	<u>306,367</u>
		1,677,677	1,678,459
<b>CURRENT ASSETS</b>			
Stocks	16	254,878	247,912
Debtors: amounts falling due within one year	17	86,510	59,363
Debtors: amounts falling due after more than one year	17	50,000	50,000
Cash at bank and in hand		<u>1,198,539</u>	<u>937,812</u>
		1,589,927	1,295,087
<b>CREDITORS</b>			
Amounts falling due within one year	18	(179,066)	(116,789)
<b>NET CURRENT ASSETS</b>		<u>1,410,861</u>	<u>1,178,298</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,088,538	2,856,757
<b>CREDITORS</b>			
Amounts falling due after more than one year	19	(16,000)	(28,000)
<b>NET ASSETS</b>		<u>3,072,538</u>	<u>2,828,757</u>
<b>FUNDS</b>	21, 22		
Unrestricted funds		<u>3,072,538</u>	<u>2,828,757</u>
<b>TOTAL FUNDS</b>		<u>3,072,538</u>	<u>2,828,757</u>

The financial statements were approved by the Board of Trustees on 16 April 2024 and were signed on its behalf by:

David William Ball  
.....  
D W Ball -Trustee

S Layton  
.....  
S G Layton – Trustee

**THE HUDSON FOUNDATION**

**FOUNDATION BALANCE SHEET**  
**AT 31 JULY 2023**

		31.7.2023 Unrestricted funds £	31.7.2022 Unrestricted Funds £
	Notes		
<b>FIXED ASSETS</b>			
Tangible assets	14	678,627	621,801
Investments	15	<u>1,730,468</u>	<u>1,453,195</u>
		2,409,095	2,074,996
 <b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	17	12,708	8,417
Debtors: amounts falling due after more than one year	17	90,000	90,000
Cash at bank and in hand		<u>619,768</u>	<u>726,579</u>
		722,476	824,996
 <b>CREDITORS</b>			
Amounts falling due within one year	18	(43,033)	(43,235)
		<u>                    </u>	<u>                    </u>
<b>NET CURRENT ASSETS</b>		<u>679,443</u>	<u>781,761</u>
 <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		3,088,538	2,856,757
 <b>CREDITORS</b>			
Amounts falling due after more than one year	19	(16,000)	(28,000)
		<u>                    </u>	<u>                    </u>
<b>NET ASSETS</b>		<u><u>3,072,538</u></u>	<u><u>2,828,757</u></u>
 <b>FUNDS</b>	21, 22		
Unrestricted funds		<u>3,072,538</u>	<u>2,828,757</u>
<b>TOTAL FUNDS</b>		<u><u>3,072,538</u></u>	<u><u>2,828,757</u></u>

The financial statements were approved by the Board of Trustees on 16 April 2024 and were signed on its behalf by:

David William Ball  
.....  
D W Ball - Trustee

Stephen Layton  
.....  
S G Layton - Trustee

**THE HUDSON FOUNDATION**

**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 JULY 2023**

	Notes	31.7.2023 £	31.7.2022 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash generated from operations	1	372,594	(290,903)
<b>Net cash from operating activities</b>		<u>372,594</u>	<u>(290,903)</u>
<b>Taxation</b>			
Taxation paid		-	(14,250)
Taxation repaid		14,250	-
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(143,481)	(35,725)
Sale of tangible fixed assets		6,750	-
Interest received		<u>10,614</u>	<u>3,596</u>
<b>Net cash from investing activities</b>		<u>(126,117)</u>	<u>(32,129)</u>
<b>Increase/(Decrease) in cash and cash equivalents</b>		260,727	(337,282)
<b>Cash and cash equivalents at beginning of year</b>	2	<u>937,812</u>	<u>1,275,094</u>
<b>Cash and cash equivalents at end of year</b>	2	<u><u>1,198,539</u></u>	<u><u>937,812</u></u>

**THE HUDSON FOUNDATION**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 JULY 2023**

**1. RECONCILIATION OF NET INCOMING RESOURCES TO CASH GENERATED FROM OPERATIONS**

	31.7.2023 £	31.7.2022 £
Net incoming resources/(resources expended)	250,152	(305,750)
Depreciation charges	135,767	154,331
(Profit)/Loss on disposal of fixed assets	(408)	410
Finance income	(17,741)	(9,775)
Finance expenses	<u>2,910</u>	<u>2,882</u>
	370,680	(157,902)
(Increase)/Decrease in stocks	(6,966)	10,013
(Increase)/ Decrease in trade and other debtors	(41,397)	(2,082)
Increase/(Decrease) in trade and other creditors	<u>50,277</u>	<u>(140,932)</u>
<b>Cash generated from operations</b>	<u><u>372,594</u></u>	<u><u>(290,903)</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

<b>Year ended 31 July 2023</b>	31.7.2023	1.8.2022
Cash and cash equivalents	<u><u>£1,198,539</u></u>	<u><u>£937,812</u></u>
<b>Year ended 31 July 2022</b>	31.7.2022	1.8.2021
Cash and cash equivalents	<u><u>£937,812</u></u>	<u><u>£1,275,094</u></u>

## **THE HUDSON FOUNDATION**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31 JULY 2023**

#### **1. STATEMENT OF COMPLIANCE**

The Foundation is registered in England and Wales, number 280332 and is governed by a trust deed dated 27 December 1979.

The financial statements of the Foundation, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 October 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

#### **2. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The presentation currency of the financial statements is the Pound Sterling (£).

##### **Basis of consolidation**

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Foundation and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Foundation.

##### **Income**

All income is recognised in the Statement of Financial Activities once the Foundation has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Income from the trading subsidiary is recognised when the risks and rewards of ownership are transferred, usually at the point of dispatch.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Foundation to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

##### **Charitable activities**

Costs of charitable activities include grants made and support costs borne.

##### **Allocation and apportionment of costs**

Costs are apportioned and allocated to the appropriate expenditure heading as they are incurred.

##### **Costs of generating funds**

Costs of generating funds represents the total costs of generating the subsidiary company's income, excluding rent and gift aid.

##### **Irrecoverable VAT**

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.



## **THE HUDSON FOUNDATION**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED** **FOR THE YEAR ENDED 31 JULY 2023**

#### **2. ACCOUNTING POLICIES – continued**

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such costs include costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value of each asset on a systematic basis over its expected useful life as follows:

Orchard	20-40 years Straight line
Freehold property improvements	10 years Straight line
Renewable energy equipment	20% Reducing balance
Tractors, plant and machinery	20-25% Reducing balance
Office equipment	20-33% Reducing balance
Motor vehicles	25% Reducing balance

Tangible fixed assets are not depreciated until the asset is available for use.

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable and are written down immediately to their recoverable amount.

An item of tangible fixed assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit and loss account when the asset is derecognised.

The residual values, useful lives and methods of depreciation of tangible fixed assets are reviewed at each financial year end and adjusted, if appropriate.

##### **Investments**

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

The investment in the subsidiary arises by reason of the Foundation owning the whole issued share capital of Alan Hudson Limited and the market value of the investment represents the company's balance sheet at 31 July 2023.

##### **Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

##### **Debtors and creditors falling due within one year**

Debtors and creditors with no stated interest rate and falling due within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

##### **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity date of three months or less. For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

## **THE HUDSON FOUNDATION**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED** **FOR THE YEAR ENDED 31 JULY 2023**

#### **2. ACCOUNTING POLICIES – continued**

##### **Taxation**

###### **Group:**

The wholly owned subsidiary company's policy is that an amount equal to the taxable profits are distributed to the parent Foundation by way of Gift Aid within nine months of the year end. As a result, no current tax charges or deferred tax charges are likely to result in a payment of taxation.

Any amounts that are not considered to be relieved by the Gift Aid payment will be recognised in the Statement of Financial Activities, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. Any taxation recognised is calculated at the amount of tax payable using tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

###### **Foundation:**

The Foundation is exempt from tax on its charitable activities.

##### **Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date which are expected not to be fully relieved by Gift Aid payments.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund are set out in the notes to the financial statements.

Restricted funds can only be used for particular restricted purposes within the objects of the Foundation. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Investment income, gains and losses are allocated to the appropriate fund.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

##### **Pension costs and other post-retirement benefits**

The Foundation's subsidiary company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

##### **Going concern**

The trustees believe that the Foundation is well placed to manage its financial risks successfully and have reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future. Consequently, it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

**THE HUDSON FOUNDATION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 JULY 2023**

**2. ACCOUNTING POLICIES – continued**

**Significant judgements and estimates**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

**Depreciation**

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed on an annual basis and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of assets and projected disposal values. Depreciation charged to the Statement of Financial Activities is disclosed in note 14.

In determining whether there are indicators of impairment of the company's tangible assets, the directors consider the economic viability and expected future financial performance of assets.

**Stock**

Stock is recognised at the lower of cost and net realisable value in relation to consumable stores and growing crops. Included in the stock figure are growing crops that have been calculated at amortised cost at the balance sheet date based upon the stage of crop development.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement. The Foundation only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities, including trade and other debtors, trade and other creditors, cash and bank balances at the transaction price.

**Government grants**

Government grants are recognised when there is reasonable assurance that the entity will comply with grant conditions and that the grant will be received.

**3. OTHER TRADING ACTIVITIES**

	31.7.2023	31.7.2022
	Unrestricted	Unrestricted
	funds	Funds
	£	£
Trading subsidiary income	<u>1,714,336</u>	<u>686,041</u>

**4. INVESTMENT INCOME**

	31.7.2023	31.7.2022
	Unrestricted	Unrestricted
	funds	Funds
	£	£
Income from Charles Stanley investment	7,126	6,303
Net rents receivable	17,637	5,844
Bank interest	<u>10,296</u>	<u>3,596</u>
	<u>35,059</u>	<u>15,743</u>

**THE HUDSON FOUNDATION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 JULY 2023**

**5. RAISING FUNDS**

**Other trading activities**

	31.7.2023 Unrestricted funds £	31.7.2022 Unrestricted Funds £
Purchases	481,564	297,919
Staff costs (note 11)	701,723	400,554
Distribution costs	72,522	19,250
Administrative expenses	29,319	22,333
Finance costs	145	108
Depreciation	135,767	154,331
(Profit)/Loss on disposal	<u>(408)</u>	<u>410</u>
	<u>1,420,632</u>	<u>894,905</u>

**6. CHARITABLE ACTIVITIES COSTS**

	Grant funding of activities (See note 7) £	Support costs (See note 8) £	Totals £
Charitable activities	<u>72,287</u>	<u>6,324</u>	<u>78,611</u>

**7. GRANTS PAYABLE**

	31.7.2023 £	31.7.2022 £
Charitable Activities	<u>72,287</u>	<u>106,253</u>

The total grants made to institutions during the year were as follows:

	31.7.2023 £	31.7.2022 £
Wisbech Swimming Club	25,000	10,000
Methodist Homes for the Aged	3,008	14,253
Rural Cambs Citizens Advice	6,000	6,000
3 <sup>rd</sup> Wisbech (St Augustine's) Scout Group	5,000	-
Wisbech Sea Cadets	2,000	2,000
Wisbech Table Tennis Club	-	6,500
Magpas Air Ambulance	2,500	2,500
Walsoken Village Hall	5,286	-
Meadowgate Academy	-	1,000
Wisbech & Fenland Museum	-	36,000
WISARD	-	1,000
Leverington Sports & Social Club	-	25,000
Wisbech Schools Partnership	3,500	-
Wisbech Theatre Trust	20,000	-
Young Peoples Counselling Services	(7)	-
The Royal Agricultural Benevolent Institution	<u>-</u>	<u>2,000</u>
	<u>72,287</u>	<u>106,253</u>

**THE HUDSON FOUNDATION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 JULY 2023**

**8. SUPPORT COSTS**

	31.7.2023	31.7.2022
	£	£
Charitable activities	<u>6,324</u>	<u>6,376</u>

Support costs, included in the above, are as follows:

**Governance costs**

	31.7.2023	31.7.2022
	£	£
Auditors' remuneration and accountancy fees	3,384	3,341
Bank charges and sundries	30	30
Professional fees	<u>2,910</u>	<u>3,005</u>
	<u>6,324</u>	<u>6,376</u>

**9. AUDITORS' REMUNERATION**

	31.7.2023	31.7.2022
	£	£
Fees payable to the Foundation's auditor for the audit of the Foundation's annual accounts	1,100	1,000
Fees payable to the Foundation's auditor for other services:		
Audit of the Foundation's subsidiaries	3,500	3,400
Taxation services	1,000	590
Other services	10,489	10,841
	<u>16,089</u>	<u>15,831</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 July 2023 nor for the year ended 31 July 2022.

**Trustees' expenses**

There were trustees' expenses paid of £68 for the year ended 31 July 2023 and £51 for the year ended 31 July 2022.

**THE HUDSON FOUNDATION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 JULY 2023**

**11. STAFF COSTS**

	31.7.2023	31.7.2022
	£	£
Wages and salaries	626,726	349,231
Social security costs	47,972	24,353
Other pension costs	<u>27,025</u>	<u>26,970</u>
	<u>701,723</u>	<u>400,554</u>

The average monthly number of employees during the year was as follows:

	31.7.2023	31.7.2022
Directors	5	5
Farm management	1	1
Farm workers	<u>18</u>	<u>14</u>
	<u>24</u>	<u>20</u>

During the year, one employee (2022 – None) received emoluments in excess of £60,000 (excluding employer pension costs). The emoluments were in the band £90,000 - £100,000.

**12. TAXATION**

**Factors affecting future tax charges**

At 31 July 2023 the trading subsidiary had a potential deferred tax liability of £124,757 (2022 - £99,551) relating to accelerated capital allowances and other short term timing differences. As the expectation is that the company distributes its taxable profits by way of Gift Aid to its ultimate parent undertaking each year, then the directors consider that the timing differences will not reverse and therefore the liability has not been recognised.

In addition, following the adoption of FRED 68 the directors have not provided for the tax liability that would arise if the distribution of the taxable profit under Gift Aid was not made within nine months of the year end. The tax liability that would arise if the distribution did not take place would amount to £70,350 (2022 - £Nil).

**13. SURPLUS/(DEFICIT) OF PARENT CHARITY**

The parent Charity's net incoming resources for the financial year was a deficit of £35,645 (2022 - £158,569 surplus).

**THE HUDSON FOUNDATION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 JULY 2023**

**14. TANGIBLE FIXED ASSETS**

**Group**

	Freehold property £	Orchards £
<b>COST</b>		
At 1 August 2022	984,757	152,852
Additions	56,827	-
Disposals	<u>-</u>	<u>-</u>
At 31 July 2023	<u>1,041,584</u>	<u>152,852</u>
 <b>DEPRECIATION</b>		
At 1 August 2022	258,209	12,799
Charge for year	15,924	4,079
	<u>-</u>	<u>-</u>
At 31 July 2023	<u>274,133</u>	<u>16,878</u>
 <b>NET BOOK VALUE</b>		
At 31 July 2023	<u>767,451</u>	<u>135,974</u>
At 31 July 2022	<u>726,548</u>	<u>140,053</u>

	Plant and machinery £	Office equipment £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 August 2022	2,266,447	4,045	52,685	3,460,786
Additions	85,905	749	-	143,481
Disposals	<u>(29,625)</u>	<u>-</u>	<u>-</u>	<u>(29,625)</u>
At 31 July 2023	<u>2,322,727</u>	<u>4,794</u>	<u>52,685</u>	<u>3,574,642</u>
 <b>DEPRECIATION</b>				
At 1 August 2022	1,788,359	2,919	26,408	2,088,694
Charge for year	108,949	245	6,570	135,767
Eliminated on disposal	<u>(23,282)</u>	<u>-</u>	<u>-</u>	<u>(23,282)</u>
At 31 July 2023	<u>1,874,026</u>	<u>3,164</u>	<u>32,978</u>	<u>2,201,179</u>
 <b>NET BOOK VALUE</b>				
At 31 July 2023	<u>448,701</u>	<u>1,630</u>	<u>19,707</u>	<u>1,373,463</u>
At 31 July 2022	<u>478,088</u>	<u>1,126</u>	<u>26,277</u>	<u>1,372,092</u>

**THE HUDSON FOUNDATION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 JULY 2023**

**14. TANGIBLE FIXED ASSETS – continued**

Included in the cost of freehold property is freehold land and buildings of £678,627 (2022 - £621,801) which is not depreciated.

<b>Foundation</b>	Freehold property £
<b>COST</b>	
At 1 August 2022	621,801
Addition	<u>56,826</u>
At 31 July 2023	678,627
	=====
<b>DEPRECIATION</b>	
At 1 August 2022 and 31 July 2023	<u>-</u>
<b>NET BOOK VALUE</b>	
At 31 July 2023	<u>678,627</u>
At 31 July 2022	<u>621,801</u>

**15. INVESTMENTS**

<b>Group</b>	Unlisted investments £
<b>COST OR VALUATION</b>	
At 1 August 2022	306,367
Additions	-
Income	7,126
Costs	(2,909)
Revaluations	<u>(6,370)</u>
As at 31 July 2023	<u>304,214</u>
<b>NET BOOK VALUE</b>	
As at 31 July 2023	<u>304,214</u>
As at 31 July 2022	<u>306,367</u>



**THE HUDSON FOUNDATION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**  
**FOR THE YEAR ENDED 31 JULY 2023**

**15. INVESTMENTS – continued**

**Foundation**

	Share in group undertakings £	Unlisted investments £	Totals £
<b>COST OR VALUATION</b>			
At 1 August 2022	1,146,828	306,367	1,453,195
Additions	-	-	-
Income	-	7,126	7,126
Costs	-	(2,909)	(2,909)
Revaluations	<u>279,426</u>	<u>(6,370)</u>	<u>273,056</u>
At 31 July 2023	<u>1,426,254</u>	<u>304,214</u>	<u>1,730,468</u>
<b>NET BOOK VALUE</b>			
At 31 July 2023	<u>1,426,254</u>	<u>304,214</u>	<u>1,730,468</u>
At 31 July 2022	<u>1,146,828</u>	<u>306,367</u>	<u>1,453,195</u>

The investment in subsidiary arises by reason of the Foundation wholly owning the issued share capital of Alan Hudson Limited (company registration number 00613979) and the market value of the investment represents that company's balance sheet value at 31 July 2023.

**Income from subsidiary's trading**

The results of the subsidiary for the year are summarised below:

	31.7.2023 £	31.7.2022 £
Turnover	1,649,291	633,605
Cost of sales	<u>(1,096,440)</u>	<u>( 674,957)</u>
Gross profit/(loss)	552,851	(41,352)
Total expenditure	<u>(360,705)</u>	<u>(254,783)</u>
Other income	<u>87,280</u>	<u>61,522</u>
	<u>279,426</u>	<u>(234,613)</u>

**Subsidiary's balance sheet**

	31.7.2023 £	31.7.2022 £
Fixed assets	694,835	750,290
Current assets	917,150	517,192
Total liabilities	<u>(185,731)</u>	<u>(120,654)</u>
Capital and reserves	<u>1,426,254</u>	<u>1,146,828</u>

**THE HUDSON FOUNDATION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED**  
**FOR THE YEAR ENDED 31 JULY 2023**

**16. STOCKS**

	<b>Group</b>		<b>Foundation</b>	
	31.7.2023	31.7.2022	31.7.2023	31.7.2022
	£	£	£	£
Valuation	219,410	208,160	-	-
Raw materials	<u>35,468</u>	<u>39,752</u>	<u>-</u>	<u>-</u>
	<u>254,878</u>	<u>247,912</u>	<u>-</u>	<u>-</u>

Stock recognised in cost of sales during the year as an expense was £305,191 (2022 - £192,724)

**17. DEBTORS**

	<b>Group</b>		<b>Foundation</b>	
	31.7.2023	31.7.2022	31.7.2023	31.7.2022
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	31,201	4,256	-	-
Other debtors	19,425	15,806	-	-
Loans	1,000	1,000	1,000	1,000
Value Added Tax	11,579	5,510	-	-
Prepayments and accrued income	23,305	18,541	11,708	7,417
Corporation tax repayable	<u>-</u>	<u>14,250</u>	<u>-</u>	<u>-</u>
	<u>86,510</u>	<u>59,363</u>	<u>12,708</u>	<u>8,417</u>
Amounts falling due after more than one year:				
Loans	<u>50,000</u>	<u>50,000</u>	<u>90,000</u>	<u>90,000</u>
Aggregate amounts	<u>136,510</u>	<u>109,363</u>	<u>102,708</u>	<u>98,417</u>

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Foundation</b>	
	31.7.2023	31.7.2022	31.7.2023	31.7.2022
	£	£	£	£
Trade creditors	37,189	36,363	-	-
Social security and other taxes	11,342	8,853	-	-
Grant commitments	40,333	40,535	40,333	40,535
Accruals and deferred income	<u>90,202</u>	<u>31,038</u>	<u>2,700</u>	<u>2,700</u>
	<u>179,066</u>	<u>116,789</u>	<u>43,033</u>	<u>43,235</u>

**THE HUDSON FOUNDATION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 JULY 2023**

**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Foundation</b>	
	31.7.2023	31.7.2022	31.7.2023	31.7.2022
	£	£	£	£
Grant commitments:				
Falling due between 1 and 5 years	16,000	28,000	16,000	28,000
Falling due after more than 5 years	-	-	-	-
	<u>16,000</u>	<u>28,000</u>	<u>16,000</u>	<u>28,000</u>

**20. PENSION COMMITMENTS**

The group makes contributions to defined contribution pension schemes whose assets are held separately from those of the company in independently administered funds. The pension charge represents contributions payable in the year by the company to the schemes and amounted to £25,992 (2022 - £26,088).

At 31 July 2023 outstanding pension contributions amounted to £466 (2022 - £291) and are included in accruals.

**21. MOVEMENT IN FUNDS**

<b>Group</b>	At 1.8.2022	Net movement	Transfers	At 31.7.2023
	£	in funds	between funds	£
		£	£	
<b>Unrestricted funds</b>				
General fund	760,128	(72,226)	(20,245)	667,657
Subsidiary fund	1,146,828	316,007	(36,581)	1,426,254
Property fund	621,801	-	56,826	678,627
Core Reserve fund	300,000	-	-	300,000
	<u>2,828,757</u>	<u>243,781</u>	<u>-</u>	<u>3,072,538</u>
<b>TOTAL FUNDS</b>	<u>2,828,757</u>	<u>243,781</u>	<u>-</u>	<u>3,072,538</u>

<b>Foundation</b>	At 1.8.2022	Net movement	Transfers	At 31.7.2023
	£	in funds	between funds	£
		£	£	
<b>Unrestricted funds</b>				
General fund	760,128	(35,645)	(56,826)	667,657
Subsidiary fund	1,146,828	279,426	-	1,426,254
Property fund	621,801	-	56,826	678,627
Core Reserve fund	300,000	-	-	300,000
	<u>2,828,757</u>	<u>243,781</u>	<u>-</u>	<u>3,072,538</u>
<b>TOTAL FUNDS</b>	<u>2,828,757</u>	<u>243,781</u>	<u>-</u>	<u>3,072,538</u>

**THE HUDSON FOUNDATION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 JULY 2023**

**21. MOVEMENT IN FUNDS – continued**

Net movement in funds, included in the above are as follows:

**Group**

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	12,823	85,049	(72,226)
Subsidiary fund	<u>1,736,571</u>	<u>1,420,564</u>	<u>316,007</u>
<b>TOTAL FUNDS</b>	<u>1,749,394</u>	<u>1,505,613</u>	<u>243,781</u>

**Foundation**

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	49,404	85,049	(35,645)
Subsidiary fund	<u>1,736,571</u>	<u>1,457,145</u>	<u>279,426</u>
<b>TOTAL FUNDS</b>	<u>1,785,975</u>	<u>1,542,194</u>	<u>243,781</u>

**Designated funds:**

The Subsidiary Undertaking fund represents the net assets of the Foundation's trading subsidiary, Alan Hudson Limited.

The Property fund represents the freehold property occupied by the Foundation's trading subsidiary.

The Core Reserve fund represents an amount calculated by the trustees to give three years of general running costs, including core grants together with sufficient to allow for a loan to Alan Hudson Limited if called upon under the loan facility.

**THE HUDSON FOUNDATION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 JULY 2023**

**22. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**Group**

	Tangible fixed assets £	Investments £	Net current assets/ liabilities £	Long term liabilities £	Total £
<b>Unrestricted funds</b>					
General fund	-	304,214	379,443	(16,000)	667,657
Subsidiary fund	694,836	-	731,418	-	1,426,254
Property fund	678,627	-	-	-	678,627
Core Reserve fund	-	-	300,000	-	300,000
	<u>1,373,463</u>	<u>304,214</u>	<u>1,410,861</u>	<u>(16,000)</u>	<u>3,072,538</u>

**Foundation**

	Tangible fixed assets £	Investments £	Net current assets/ liabilities £	Long term liabilities £	Total £
<b>Unrestricted funds</b>					
General fund	-	304,214	379,443	(16,000)	667,657
Subsidiary fund	-	1,426,254	-	-	1,426,254
Property fund	678,627	-	-	-	678,627
Core Reserve fund	-	-	300,000	-	300,000
	<u>678,627</u>	<u>1,730,468</u>	<u>679,443</u>	<u>(16,000)</u>	<u>3,072,538</u>

**23. CONTINGENT ASSET**

In 1994 the Foundation granted a sum of £32,500 to the Wisbech Angles Theatre Council to enable that Charity to purchase a property for its own use. In relation to that grant, a trust deed was entered into which incorporated a clause that upon any future disposal of the property the proceeds would be allocated as to the first £32,500 for the Wisbech Angles Theatre Council and the balance to The Hudson Foundation.

**THE HUDSON FOUNDATION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 JULY 2023**

**24. CONTINGENT LIABILITIES**

On 24 July 2012 the trustees agreed to make an annual grant of £2,000 payable on a half yearly basis to Wisbech Sea Cadets. The grant is subject to the Wisbech Sea Cadets providing a report on an annual basis of the numbers using the Unit, their specific activities, and achievements, as well as providing a copy of their annual accounts. The pledge continues until terminated by not less than six months' notice in writing by the trustees.

During the year, the trustees made a pledge of £75,000 to Wisbech St Mary Football Club towards the cost of a 4G pitch. The grant is conditional on the Club raising the balance of the funds required and also obtaining the relevant permissions. The grant is available for 3 years from 18 January 2023.

The trustees also made a pledge during the year of £7,500 to Walpole St Peter Parish Hall towards the cost of a replacement parish hall. The grant is conditional on the remainder of the funds being raised. The grant is available for 3 years.

**25. RELATED PARTY TRANSACTIONS**

During 2018, the Foundation made a grant commitment of £25,000 payable over five years to the Wisbech and Fenland Museum (Registered Charity No. 311307).

During November 2021, the Foundation made a grant commitment of £36,000 payable at £1,000 per month from January 2022 to the above Charity. Mr D W Ball was a trustee of the Wisbech and Fenland Museum until he resigned on 14 December 2021 and was subsequently reappointed on 1 November 2022.