

The Scarr-Hall Memorial Trust

REPORT AND FINANCIAL STATEMENTS

31 March 2021

UNAUDITED

Registered charity number: 328105

The Scarr-Hall Memorial Trust

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UNAUDITED

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The Scarr-Hall Memorial Trust

LEGAL AND ADMINISTRATIVE INFORMATION

UNAUDITED

TRUSTEES	I Scarr-Hall R Scarr-Hall Rev MM Hall K Scarr-Hall RA Scarr-Hall
REGISTERED ADDRESS	Amhuinnsuidhe Castle Amhuinnsuidhe Harris HS3 3AS
CHARITY NUMBER	328105
ACCOUNTANTS	RSM UK Tax and Accounting Limited Chartered Accountants Festival Way Stoke on Trent Staffordshire ST1 5BB
BANKERS	Barclays Bank plc 36 Town Road Hanley Stoke-on-Trent Staffordshire ST1 2JQ
SOLICITORS	Freeths LLP Federation House Station Road Stoke-on-Trent Staffordshire ST4 2SA
INVESTMENT BROKERS	Charles Stanley and Co Limited 55 Bishopsgate London EC2N 3AS
GOVERNING INSTRUMENT	Trust Deed dated 5 December 1988

The Scarr-Hall Memorial Trust

REPORT OF THE TRUSTEES

UNAUDITED

The Trustees present their annual report together with the financial statements of the charity for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out on page 7 and 8 and comply with the charity's Trust Deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019.

STRUCTURE, GOVERNANCE AND MAINTENANCE

The Trust is an unincorporated entity, constituted under a Trust Deed dated 5 December 1988 and is a registered charity, number 328105.

The Trust is maintained by the Trustees who number not less than three and no more than five. New Trustees are appointed by a resolution of the existing Trustees which must be recorded in the minutes.

The names of the present Trustees are set out on page 1.

RISK MANAGEMENT

The Trustees have considered in detail the risks facing the Charity, the controls in place to mitigate those risks and action plans to deal with those areas where controls could be enhanced, particularly concerning grant giving. The Trustees believe that they have appropriate controls in place, commensurate with the size of the organisation and their cost effectiveness, to mitigate the risks identified. The Trustees review and update the assessment of the risks facing the Charity annually, together with an assessment of the controls on a regular basis.

The Trustees have considered the risks arising from the Covid-19 pandemic by continuing to diversify their investment portfolio and by giving consideration to the grants they have agreed to make in the foreseeable future.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The principal activities of the Trust are:

- To provide grants and make donations or otherwise to assist in the education and training of students;
- To carry out other charitable purposes which are exclusively charitable according to the laws of England and Wales.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

ACHIEVEMENTS AND PERFORMANCE

The Trustees consider that the grants given during the year were in accordance with the grant giving policy to provide grants and make donations to assist in the education and training of students from the receipt of applications.

FINANCIAL REVIEW

The Trustees consider the financial situation of the Trust to be satisfactory.

(a) *Income*

The Trust is reliant on the income from its investments, the income from which was £16,678 (2020: £29,579). The Trust had a net deficit in the year of £1,736 (2020: net deficit of £113). After realised and unrealised gains in investments of £343,984 (2020: £161,847 unrealised losses), the total movement in funds for the year was an increase of £342,248 (2020: reduction of £161,960). This has reduced unrestricted funds in the year and the total fund balance at the year end was £1,063,840 (2020: £721,592).

The Scarr-Hall Memorial Trust

REPORT OF THE TRUSTEES

UNAUDITED

FINANCIAL REVIEW (CONT'D)

(b) *Grants*

Grants of £5,000 (2020: £14,500) were made during the year (see note 4).

(c) *Investments*

Details of movements in investments are set out in note 8. The market value at 31 March 2021 is £1,059,765 (2020: £650,491) which is greater than cost of £827,503 (2020: £656,619). Annual variations are dealt with in the Statement of Financial Activities.

INVESTMENT POLICY AND PERFORMANCE

Trust monies may be invested in whatever way the Trustees, in their absolute discretion, think fit.

It is the current policy of the Trust to use the services of a recognised and reputable investment manager to oversee the Trust's investments. In the prior year, the Trust engaged the services of Charles Stanley to oversee its portfolio management.

RESERVES POLICY

It is the policy of the charity to maintain sufficient free reserves to generate sufficient investment income to fund their annual grants programme, and to cover the annual management and administration costs. Unrestricted funds were maintained at this level throughout the year.

PLANS FOR THE FUTURE

The Trust will continue to undertake its charitable objectives to provide grants to individuals for the furtherance of educational advancement.

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

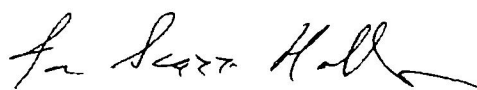
- select suitable accounting policies and apply them consistently;
- observe the method and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

For and on behalf of the Trustees

I Scarr-Hall
Trustee

2021


11/11/2021

**ACCOUNTANT'S REPORT TO THE TRUSTEES OF THE SCARR-HALL MEMORIAL TRUST
ON THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

In accordance with the engagement letter dated 6 October 2020 we prepared for your approval the financial information of The Scarr-Hall Memorial Trust for the year which comprises the Statement of Financial Activity, Balance Sheet and the Related Notes in accordance with the financial reporting framework set out therein from The Scarr-Hall Memorial Trust's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to you, in accordance with the terms of our engagement letter dated 6 October 2020. Our work has been undertaken solely to prepare for your approval the financial information of The Scarr-Hall Memorial Trust and state those matters that we have agreed to state to you in accordance with ICAEW Technical Release 08/16 AAF. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights against RSM UK Tax and Accounting Limited for any purpose or in any context. Any party other than you which obtains access to this report or a copy and chooses to rely on this report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Tax and Accounting Limited will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

You have approved the financial information for the year and have acknowledged your responsibility for it, for the appropriateness of the financial reporting framework adopted and for providing all information and explanations necessary for its compilation.

We have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial information.

RSM UK Tax and Accounting Limited

RSM UK TAX AND ACCOUNTING LIMITED

Chartered Accountants
Festival Way
Stoke on Trent
Staffordshire
ST1 5BB

Date: 07/12/21

The Scarr-Hall Memorial Trust
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2021

UNAUDITED

	Note	Unrestricted Funds 2021 £	2020 £
INCOME AND ENDOWMENTS			
Investment income	3	16,678	29,579
TOTAL INCOME		16,678	29,579
EXPENDITURE			
<i>Expenditure on charitable activities:</i>			
Grants	4	18,414	29,692
TOTAL EXPENDITURE		18,414	29,692
NET EXPENDITURE AND NET MOVEMENT IN FUNDS BEFORE GAINS/(LOSSES) ON INVESTMENTS		(1,736)	(113)
Realised/unrealised gains/(losses) on investments	8	343,984	(161,847)
NET MOVEMENT IN FUNDS		342,248	(161,960)
Total funds brought forward		721,592	883,552
TOTAL FUNDS CARRIED FORWARD		1,063,840	721,592

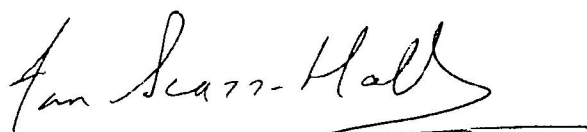
The Scarr-Hall Memorial Trust
BALANCE SHEET
for the year ended 31 March 2021

UNAUDITED

	Note	Unrestricted funds	
		2021	2020
		£	£
FIXED ASSETS			
Investments	8	1,059,765	650,491
		<hr/>	<hr/>
CURRENT ASSETS			
Cash at bank	9	9,109	77,545
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	10	(5,034)	(6,444)
		<hr/>	<hr/>
NET CURRENT ASSETS		4,075	71,101
		<hr/>	<hr/>
NET ASSETS		1,063,840	721,592
		<hr/>	<hr/>
THE FUNDS OF THE CHARITY			
Unrestricted funds		1,063,840	721,592
		<hr/>	<hr/>

These financial statements on pages 5 to 12 were approved by the board of trustees and authorised for issue on 11 November 2021 and were signed on its behalf by:

I Scarr-Hall
Trustee



Registered charity number: 328105

The Scarr-Hall Memorial Trust
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

UNAUDITED

1 ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice; Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

In accordance with FRS 102, the Charity has taken advantage of the exemptions from Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures.

The trust constitutes a public benefit entity as defined by FRS 102.

GOING CONCERN

On 11 March 2020, the World Health Organisation declared the global Coronavirus outbreak to be a pandemic. This has seen significant limitations placed on the movement of goods and people worldwide, with the United Kingdom implementing lockdown measures in March 2020, November 2020 and January 2021.

The Trustees do not believe the COVID 19 pandemic to have a material effect on the ability of the Trust to remain a going concern for at least one year for the signing of the financial statements. The Trustees believe there are adequate resources which will enable the Trust to meet its liabilities for the foreseeable future. For this reason, the Trustees have adopted the going concern basis in preparing the financial statements.

INCOME RECOGNITION

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

EXPENDITURE RECOGNITION

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

FIXED ASSET INVESTMENTS

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire or use put options, derivatives or other complex financial instruments.

The Scarr-Hall Memorial Trust
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

UNAUDITED

1 ACCOUNTING POLICIES (continued)

REALISED AND UNREALISED GAINS AND LOSSES

All gains and losses are taken to the statement of financial activities as they arise. Unrealised gains are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

TAXATION

As a registered charity the Trust is generally exempt from liability to taxation and no provision for taxation is therefore required.

FUND ACCOUNTING

The unrestricted fund comprises those funds which the Trustees are free to use in accordance with the charitable objectives.

FINANCIAL INSTRUMENTS

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

No critical accounting estimates and judgments have been made in preparing these financial statements.

The Scarr-Hall Memorial Trust
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

UNAUDITED

3	INVESTMENT INCOME	2021	2020
		£	£
	Dividends received:		
	Charles Stanley portfolio	16,676	29,572
	Bank interest received	2	7
		16,678	29,579
4	GRANTS	2021	2020
		£	£
	Direct charitable expenditure:		
	Grants to individuals – 6 (2020: 11)	5,000	14,500
		5,000	14,500
	Governance costs (see note 5)	13,414	15,192
		18,414	29,692

All the above grants/donations were made to assist in education and training, and were payable in furtherance of the charity's objects for the public benefit.

The Scarr-Hall Memorial Trust
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

UNAUDITED

5 ALLOCATION OF GOVERNANCE AND OTHER SUPPORT COSTS

	2021	2020
	£	£
Accountancy fees	1,260	1,260
Independent examination	42	1,500
Bank charges	450	73
Travel and subsistence	-	300
Marketing	-	196
Investment broker fees	11,662	11,863
	<hr/> 13,414 <hr/>	<hr/> 15,192 <hr/>

Total governance costs were incurred in support of the Charity's activities relating to grant giving.

6 STAFF COSTS

No staff were employed by the trust during the year (2020: nil).

7 PAYMENTS TO TRUSTEES

No remuneration was paid and expenses totalling £nil (2020: £21) were reimbursed to one of the Trustees during the year (2020: £nil). At the year end, trustees were owed £nil (2020: £nil).

The Scarr-Hall Memorial Trust
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

UNAUDITED

8 FIXED ASSET INVESTMENTS

	2021	2020
	£	£
<i>Movement in fixed asset investments</i>		
Market value brought forward at 1 April 2020	650,491	895,576
Additions to investments at cost	356,229	95,209
Disposal proceeds	(290,939)	(178,447)
Realised/unrealised (losses)/gains on investments	343,984	(161,847)
	<u>1,059,765</u>	<u>650,491</u>
Market value as at 31 March 2021	<u>1,059,765</u>	<u>650,491</u>

	Cost at 31 March 2021 £	Market Value 31 March 2021 £	Market value 31 March 2020 £
<i>Listed investments:</i>			
United Kingdom quote of investments	<u>827,503</u>	<u>1,059,765</u>	<u>650,491</u>

9 CASH AT BANK AND IN HAND

	2021	2020
	£	£
Barclays Bank plc	6,924	2,634
SIT Savings account	(8)	(8)
Charles Stanley account	2,193	74,919
	<u>9,109</u>	<u>77,545</u>

10 CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Accruals	1,260	2,670
Loan	3,774	3,774
	<u>5,034</u>	<u>6,444</u>

The Scarr-Hall Memorial Trust
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

UNAUDITED

11 MOVEMENT IN FUNDS

	Unrestricted Funds	
	General Fund	
	2021	2020
	£	£
Brought forward	721,592	883,552
Incoming	360,662	29,579
Outgoing	(18,414)	(191,539)
	<hr/>	<hr/>
Carried forward	1,063,840	721,592
	<hr/>	<hr/>

12 RELATED PARTY TRANSACTIONS

During the year I Scarr-Hall, one of the trustees, loaned the Trust £nil (2020: £3,774). No interest is charged on the loan. The trustee was repaid loans totalling £nil (2020: £8,500) during the year. At the year end the amount owed to the trustee was £3,774 (2020: £3,774).