

Charity Number

526956

KELSICK'S EDUCATIONAL FOUNDATION

Trustees' Report and Financial Statements
For the year ended 31 March 2022

KELSICK'S EDUCATIONAL FOUNDATION

Trustees' Report and Financial Statements
For the year ended 31 March 2022

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KELSICK'S EDUCATIONAL FOUNDATION

Trustees' Annual Report For the year ended 31 March 2022

The Trustees present their report together with the audited financial statements of the charity for the year ended 31 March 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

REFERENCE AND ADMINISTRATIVE DETAILS

The registered name of the Charity is Kelsick's Educational Foundation. The registered charity number is 526956.

Trustees who served during the year and those who were Trustees at the date of this report are as follows:

Nominated

By Lakes Parish Council (Term of 4 years)

Mr N Martin (Chairman)
Mr M Blackburn
Mrs L Dixon (Vice Chairman)
Mr L Johnson

Co-opted (Term of 5 years)

Mr N Hutchinson
Mrs A J Renouf
Mr P B Edmondson
Dr P Davies
Mr J Cunningham
Mr P Jackson (resigned 24th February 2022)

By Cumbria County Council (Term of 4 years)

Mr W Clark

Ex officio (Vicar of Ambleside)

Rev. B Lock

By University of Cumbria (Term 4 years)

Professor M Mansfield

Honorary Trustee

Mr J O Halstead

Clerk to Trustees and Chief Executive Officer

Mr P G Frost

Principal Office

Kelsick Centre
St Mary's Lane
Ambleside
Cumbria LA22 9DG

Surveyors and Property Consultants

Carter Jonas
52 Kirkland
Kendal
Cumbria LA9 5AP

Bankers

Barclays Bank PLC
Crescent Road
Windermere
Cumbria LA23 1EA

Auditors

Xeinadin Audit Limited
1 City Road East
Manchester
M15 4PN

Solicitors

Progression Solicitors
5 Crescent Road
Windermere
LA23 1EA

Investment Advisors

Castlefield Investments
1 Portland Street
Manchester M1 3BE

CCLA
Senator House
85 Queen Victoria Street
London EC4V 4ET

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STRUCTURE, GOVERNANCE & MANAGEMENT

Kelsick's Educational Foundation is a registered Charity (charity number 526956) and is governed by a Scheme dated 13 November 2001, reference N165/01(s), as amended by resolution dated 20 August 2009, made by the Charity Commissioners for England and Wales under the power given in the Charities Act 2011.

The Trustees are appointed under the Scheme as follows:

- a) The ex-officio Trustee will be the Vicar of the Parish of Ambleside or his / her nominee.
- b) The nominated Trustees must be appointed as follows :-
 - i) One from Cumbria County Council for 4 years
 - ii) Four by Lakes Parish Council for 4 years, of whom at least one shall be a woman.
 - iii) One by the governing body of University of Cumbria for 4 years
- c) The Co-opted Trustees are elected by the existing board of Trustees. Co-opted Trustees must be persons who the other Trustees consider can bring particular expertise or knowledge to the Trustee body. Each appointment must be for a term of 5 years.

All new Trustees are required to undertake an induction programme and undergo a structured introduction to the operation of the Foundation.

Trustee meetings are held 4 times per year to review and agree major area of policy or at such other times as considered necessary.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Foundation and are satisfied that systems are in place to mitigate exposure to major risks.

OBJECTIVES AND ACTIVITIES

The Objects of the Charity are:

1. The provision of special benefits, of any kind not normally provided by the Local Education Authority, for any Voluntary Schools and Academies that were formerly Voluntary Schools serving the area of benefit, with preference being given to Voluntary Schools and Academies that were formerly Voluntary Schools within Ambleside.
2. In promoting the education (including social and physical training) of persons under the age of 25 who are resident in the area of benefit and in need of financial assistance.
3. Any surplus income may be applied for the above objects in Patterdale Ward and the former County of Westmorland.

Strategies for achieving the Objects of the Charity

1. Maintaining appropriate levels of income from
 - i. properties with regular rent reviews and oversight by agents, Carter Jonas.
 - ii. investments through investment managers, Castlefield Investments.
2. Informing potential beneficiaries through
 - i. Kelsick Brochure sent to all households
 - ii. our web-site: www.kelsick.org.uk
 - iii. annual advertisements in the 3 Parish Magazines going to all households
 - iv. direct contact with schools by visits by the Trustees.
 - v. Kelsick Office open each weekday morning
 - vi. all board meetings reported in the Westmorland Gazette

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3. Meetings of the full Board of Trustees 4 times a year. At the quarterly meetings, the Trustees agree the broad strategy and areas of activity for the Foundation, including the consideration of grant making, property maintenance, investment, reserves and risk management policies and performance. The day to day administration of grants and the processing and handling of applications prior to consideration by the Board of Trustees is delegated to the Clerk to the Trustees. Meetings of sub-committees for Finance, Grants, Property and Publicity are convened as required. The Board keeps the skill requirements of the Trustee body under review in the event a Trustee permanently retires and new Trustees are required.
4. Circulating Solicitors with the Kelsick brochure in request of potential donations.

Grant making policy

The Foundation invites applications for grants from individuals, voluntary schools and groups by informing potential beneficiaries as stated on page 2. Applicants submit a summary of their requirements in specific format which is reviewed against criteria established by the constitution. The Trustees approve the grants at quarterly meetings.

Details of how to apply for grants, together with the relevant forms are available on the charity's website and on application to the Foundation office.

ACHIEVEMENTS AND PERFORMANCE AND PLANS FOR FUTURE PERIODS

The Kelsick's Education Foundation has still managed to support the local schools throughout the second year of the COVID-19 pandemic.

Our financial support to the youth of our communities has not returned to the pre-COVID levels as yet but is beginning to improve with classes and trips being reintroduced.

Grants

On Table B, for the financial year 2021-22, it shows an increase from £258,852 in 2020-21 to £267,691 but has not yet reached the pre-COVID level of £282,916 in 2019-20. The level of grants to the schools of Ambleside, Grasmere and Langdale has remained at a similar overall level to 2020-21 as we could not be sure of our income.

Educational Health Care Plan ("EHCP") grants are still posing questions for us. Face-to-face meetings with the head teacher have not taken place due to restrictions.

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Table A

Higher Education –Degree, HND- Number of Applicants and Grant Totals

Academic Year	1 st Year	2 nd Year	3 rd Year	4 th & 5 th Year	Total Nos	Grant Awarded for H.E.
2012-13	13	15	17	7	52	£54,540
2013-14	15	10	8	6	39	£37,393
2014-15	15	6	6	9	36	£31,116
2015-16	14	12	7	6	39	£33,147
2016-17	8	13	8	8	37	£35,230
2017-18	10	9	15	13	47	£42,937
2018-19	13	4	8	7	32	£49,682
2019-20	9	9	6	7	31	£29,353
2020-21	11	11	8	9	39	£33,459
2021-22	9	10	6	8	33	£44,247

The above numbers are to May only from 2007-08 onwards.

Table B

Categories of grant awards and comparison with 2019-20

Category	2021-22		2020-21	
	Grant for Category	As %age of total grant	Grant for Category	As %age of total grant
Primary - Individuals	£4,595	1.72%	£2,631	1.01%
Secondary and Further Education - Individuals	£23,323	8.71%	£13,019	5.02%
Higher Education	£31,710	11.85%	£33,459	12.92%
Schools	£205,942	76.93%	£205,047	79.21%
Special needs	£2,121	0.79%	£4,696	1.81%
TOTAL	£267,691	100.00%	£258,852	100.00%

Table A. This table should be read diagonally in order to see how the numbers of a given entry in a given year are maintained throughout a course.

Table B. This table shows the grant distribution between different categories.

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Property maintenance

Carter Jonas are our advisers on our properties, rent, valuation, repairs and improvements. Our agent, Rob Bowyer has now left Carter Jonas. We wish him well in his new job. Oliver Batemen has stepped into this role and our meetings with Oliver have gone well.

We are to start the rolling program of property maintenance and upgrading as required. In the main our tenants have come through the COVID period in good order and we hope this continues. These are uncertain times and nothing can be taken for granted, we are pleased with how we have so far managed with the pandemic.

General

Peter Frost and Dorothy Dixon have kept traffic running throughout the year in difficult circumstances. We are very grateful for all the work they have done.

We have had changes this year, Dorothy has decided to retire after 26 years, and Peter Jackson has also retired as a trustee after 27 years as Vice Chairman and Chairman of Finance. I'd like to express our sincere appreciation and commend everything that Dorothy and Peter have contributed over the years to the work of the Foundation.

Helen Ramsey is now working with Peter and Dorothy to achieve a smooth transition of Dorothy's position. Linda Dixon has taken the role of Vice Chairman, and John Cunningham has taken the role of Chairman of Finance.

The trustees have given support to me and the Foundation, without which we could not go forward. I would like to thank them all. Thank you.

PUBLIC BENEFIT

The Trustees of Kelsick's Educational Foundation believe they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Principle 1. There must be identifiable benefits

- 1a) To provide grants for the educational needs of young people resident in the Lakes Parish and the Voluntary Schools in the same area.
- 1b) To reduce the financial constraints on the educational development of young people resident in the Lakes Parish.
- 1c) There does not appear to be any detriment in the benefits provided.

Principle 2. Benefit must be to the public, or a section of the public.

- 2a) The beneficiaries of the Kelsick Foundation are clearly laid out in the Scheme of 2001, and it is only to these beneficiaries that grants are given.
- 2b) The benefits are to a section of the public as laid down in the Charity Commission Scheme of 2001. This limits grant aid for educational need to young people under the age of 25 resident in the Lakes Parish and the Voluntary Schools in the same area. There are no other constraints applied by the Trustees other than the provision of receipts arising from the purchase of goods or services. The principle is that, no matter what the financial standing of the parents or of the individual, if the age, geographical and educational needs criteria are fulfilled the applicant will receive grant aid.

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FINANCIAL REVIEW

The two main funding sources are income from property and income from investments.

Activities and results

At the end of the financial year money held in the Banks came to £276,494 (2021 - £238,618) representing an increase of £37,876 in the amount held compared with last year.

Our overall income for the year was £407,536 (2021 - £387,390) and expenditure £382,351 (2021 - £381,641).

Income from UK Investments was £58,944 (2021 - £51,371) and rental income from our property portfolio £347,314 (2021 - £335,095).

It is a continuing sign of the health of our finances that we are able to continue to fund all grant applications and have money available for emergency grant aid and for property maintenance. We now receive many letters from grant recipients, particularly in Higher Education, expressing their gratitude for the money they receive and stating how important it is in their being able to continue courses under considerably less financial stress.

Fixed Asset investments

The Trustees have appointed professional advisors (as noted on page 1) to assist them in the management of the property and investment portfolios. The net returns from the respective investments, after taking account of all directly attributable costs were 3.9% (2021 – 3.6%) for the property portfolio (before taking the revaluation into consideration) and 1.8% (2021 – 1.6%) for the investment portfolio. In the previous year the calculations were slightly distorted due to the reduction in the market value of investments because of the COVID pandemic. This year the market value of investments has continued to increase which is now raising the return percentages.

Our property adviser, Carter Jonas, have valued the property portfolio. Over the 5 year period from the last valuation this has shown an increase of £1,101,250 to £7,620,000.

Reserves policy

Unrestricted funds are needed

- a) to cover administration and support costs essential for the functioning of the Foundation.
- b) because some 85% of our income is derived from rents. All the properties have passed to the Foundation at the end of 99 year ground leases, and are therefore stone built, and expensive to maintain. It is essential we have significant reserves on which to draw for regular maintenance as well as for any major emergencies, the latter being, by definition, unpredictable, in order that our rental income can remain high.
- c) for the provision of grants. This being the purpose of the Foundation. It will be seen that our grant aid has increased from £45,166 in 1992/1993 to £267,691 in 2021-22. With further financial pressure on students from fee increases we anticipate that grant aid will remain at least at this level again in 2022-23. Furthermore, we frequently have requests for 'emergency grants' often of substantial amounts, particularly with regards to children with Special Needs and also developments within the three voluntary schools in the area of benefit.
- d) Investment income has stabilised with no further significant investment in the markets at present and while regular rent reviews take place they are at 2 or 3 year intervals and therefore there are flat periods in rental income increase.

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- e) because at the commencement of each financial year the Foundation has substantial commitments in the form of grants payable to the three voluntary schools in our area as well as to individuals. These grants are not contractual.

The target level of free reserves is a minimum of £200,000 which is based on six months unrestricted running costs together with a fund for property maintenance. This is reviewed annually by the Trustees taking into consideration the ongoing costs and property maintenance program. Free reserves as at 31 March 2022 were £246,687 (2021 - £228,341).

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 & 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:

- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgments and accounting estimates that are reasonable and prudent;
- d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- e) 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 that disclose with reasonable accuracy at any time the financial position of the charity and 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' report was approved on 11th August 2022 and was signed on behalf of the Trustees by:

Mr N Martin
Chairman



KELSICK'S EDUCATIONAL FOUNDATION

Independent Auditor's Report to the Trustees
For the year ended 31 March 2022

Opinion

We have audited the financial statements of Kelsick's Educational Foundation (the 'Charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Statement of Financial Position, Statement of Cash Flows and notes to the financial statements, including a summary of 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 Charity's affairs as at 31 March 2022 and of its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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 Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are

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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report

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 Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the Charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

KELSICK'S EDUCATIONAL FOUNDATION

Independent Auditor's Report to the Trustees For the year ended 31 March 2022

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 6, 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 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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 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:

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations we have considered the following:

- The nature of the industry and sector, control environment and business performance including the Charity's remuneration policies, key drivers for remuneration and performance targets;
- Results of the enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we have identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
 - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: revenue recognition and the impact of COVID-19. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Charitable Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included UK Companies Act, Charities Act, Health and Safety Laws and Environmental Regulations.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

KELSICK'S EDUCATIONAL FOUNDATION

Independent Auditor's Report to the Trustees
For the year ended 31 March 2022

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.



1 City Road East
Manchester
M15 4PN

Michael Garrett (Senior Statutory Auditor)
For and on behalf of
Xeinadin Audit Limited

11 August 2022

KELSICK'S EDUCATIONAL FOUNDATION

Statement of Financial Activities For the year ended 31 March 2022

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
INCOME					
Investment income	3	406,286	-	406,286	387,390
Other income	4	1,250	-	1,250	-
Total income		407,536	-	407,536	387,390
EXPENDITURE					
Costs of raising funds					
Investment management costs	8	10,256	-	10,256	9,421
Investment property costs	8	95,530	-	95,530	103,624
Expenditure on charitable activities					
Education	8	267,691	-	267,691	258,852
Governance costs	8	8,874	-	8,874	9,744
Total expenditure		382,351	-	382,351	381,641
Net income (expenditure) and net movement in funds before gains and losses on investments					
		25,185	-	25,185	5,749
Gains (losses) on revaluation and disposal of investments	10	80,617	-	80,617	467,447
Gain on revaluation of investment property	9	1,101,250	-	1,101,250	-
Net movement in funds		1,207,052	-	1,207,052	473,196
Fund balance at 1 April 2021		9,298,611	500	9,299,111	8,825,915
Fund balance at 31 March 2022		10,505,663	500	10,506,163	9,299,111

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Statement of Financial Position As at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Investment properties	9	7,620,000	6,518,750
Investments	10	2,639,476	2,552,020
		10,259,476	9,070,770
Current assets			
Debtors	11	8,957	25,254
Cash at bank and in hand		276,494	238,618
		285,451	263,872
Creditors: amounts falling due within one year	12	(38,764)	(35,531)
Net current assets		246,687	228,341
Net assets	13	10,506,163	9,299,111
FUNDS			
Restricted funds	14	500	500
Unrestricted funds	15		
- General funds		10,505,663	9,298,611
Total funds		10,506,163	9,299,111

The financial statements on pages 11 to 20 were approved by the Board of Trustees and signed on its behalf by:

Mr N Martin
Chair

Mr J Cunningham
Trustee and Chairman of Finance

11 August 2022



KELSICK'S EDUCATIONAL FOUNDATION

Statement of Cash Flows For the year ended 31 March 2022

	2022 £	2021 £
Net cash generated from operating activities	44,715	(12,433)
Cash flow from investing activities		
Purchase of investments	(53,675)	(323,752)
Disposals of investments	46,836	340,583
Net cash flow from investing activities	(6,839)	16,831
Change in cash and cash equivalents in the year	37,876	4,398
Cash and cash equivalents brought forward	238,618	234,220
Cash and cash equivalents carried forward	276,494	238,618
Cash and cash equivalents consists of:		
Cash at bank and in hand	276,494	238,618
Net cash generated from operating activities		
Net movement in funds before gains and losses on investments	25,185	5,749
Depreciation	-	-
Decrease (increase) in debtors	16,297	(16,291)
Increase (decrease) in creditors	3,233	(1,891)
	44,715	(12,433)

KELSICK'S EDUCATIONAL FOUNDATION

Notes to the Financial Statements For the year ended 31 March 2022

1 General information

Kelsick's Educational Foundation is a registered Charity (charity number 526956) and is governed by a Scheme dated 13 November 2001, reference N165/01(s), as amended by resolution dated 20 August 2009, made by the Charity Commission for England and Wales under the power given in the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) issued 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

2 Accounting policies

i. Basis of preparation

The accounts financial statements have been prepared in accordance with the relevant version of 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) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The accounts financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

ii. Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value. UK quoted securities are valued at the mid-market price quoted by the London Stock Exchange at the year end date. Unit trusts are at the middle of the prices prevailing on that date. The SoFA includes the net gains and losses arising on the revaluation and disposals throughout the year.

Investment properties are not depreciated. They are valued periodically by Carter Jonas, Chartered Surveyors on an open market basis.

Depreciation is provided on associated fixtures used in the investment properties at rates calculated to write off the cost of each asset over its expected useful life as follows:

Fixtures, fittings and equipment	20% straight line
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iii. Funds

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable

Restricted funds are funds which have been given for a particular purpose. Details of the nature and purpose of the restricted fund is set out in note 14 to the financial statements.

Designated funds comprise those funds which the trustees periodically set aside for investment property refurbishments and other designated purposes.

KELSICK'S EDUCATIONAL FOUNDATION

Notes to the Financial Statements (continued)

For the year ended 31 March 2022

2 Accounting policies (continued)

iv. Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the monetary value of income can be measured reliably.

Investment income is earned through holding assets for investment purposes including property and quoted securities. It includes rent, dividends and interest. Income from quoted securities is stated gross of tax and is included in the SOFA in the year in which it is receivable. Rental income is recognised when the Charity's right to payment is established.

The Charity funds its activities almost entirely through its investment income.

v. Expenditure recognition

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

Costs of raising funds represents costs relating to activities where the primary aim is to raise funds and consists of expenditure relating to the management of investments.

Charitable activities comprise of those costs incurred by the charity where the primary aim is the delivery of activities and services within the objects of the charity. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grants payable include all expenditure incurred on grants awarded or on other schemes run in the pursuance of the Foundation's objectives. Grants are accounted for when the Foundation has a legal or constructive commitment.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

vi. Support costs allocation

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. staff time or estimated usage as set out in Note 7.

vii. Gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value or cost in the year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the SoFA.

viii. Debtors and creditors receivable/payable within one year

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

ix. Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

KELSICK'S EDUCATIONAL FOUNDATION

Notes to the Financial Statements (continued)
For the year ended 31 March 2022

3 Investment income	2022	2021
	£	£
Income from UK property		
Rents receivable	347,314	335,095
Income from UK investments		
Interest and dividends	58,944	51,371
Bank interest receivable	28	924
	58,972	52,295
Total investment income	406,286	387,390

4 Other income

This represents the proceeds from the sale of a small parcel of land.

5 Staff costs	2022	2021
	£	£
Salaries and wages	33,246	31,609
Social security costs	-	-
	33,246	31,609

The average number of part time employees during the year was

	Number	Number
Administration support staff	2	2
Cleaner	1	1
	3	3

No employee received remuneration amounting to more than £60,000 in either year.

None of the Trustees received any remuneration or expenses during either of the above two years.

6 Taxation

The Foundation is a registered charity and does not pay income tax.

7 Grants payable	2022	2021
	£	£
Grants awarded to voluntary schools and organisations		
Ambleside Primary School	79,914	96,616
Grasmere Primary School	59,109	53,760
Langdale Primary School	66,520	54,671
Special grant for Kids Centre booklets	399	-
	205,942	205,047
Grants awarded to individuals	61,749	53,805
	267,691	258,852

For the year ended 31 March 2022

	Basis of allocation	Investment management costs £	Investment property costs £	Education £	Governance £	2022 Total £	2021 Total £
Costs directly allocated to activities							
Staff costs	Direct	-	5,579	-	-	5,579	5,304
Grants to individuals	Direct	-	-	61,749	-	61,749	53,805
Grants to voluntary schools and organisations	Direct	-	-	205,942	-	205,942	205,047
Investment management fees	Direct	10,256	-	-	-	10,256	9,421
Rates and services	Direct	-	9,159	-	-	9,159	9,598
Maintenance and repairs	Direct	-	21,401	-	-	21,401	32,113
Insurance	Direct	-	15,276	-	-	15,276	13,116
Legal and professional fees	Direct	-	450	-	-	450	12,183
Bad debts	Direct	-	-	-	-	-	-
Sundry expenses	Direct	-	2,789	-	-	2,789	2,768
Auditors' fees - audit services	Direct	-	-	-	7,230	7,230	7,800
Auditors' fees - other services	Direct	-	-	-	1,644	1,644	1,044
Depreciation	Direct	-	-	-	-	-	-
Support costs allocated to activities							
Staff costs	Staff Time	-	27,667	-	-	27,667	26,305
Office costs	Usage	-	13,209	-	-	13,209	3,137
		10,256	95,530	267,691	8,874	382,351	381,641

KELSICK'S EDUCATIONAL FOUNDATION

Notes to the Financial Statements (continued)
For the year ended 31 March 2022

9 Investment properties

	Freehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost / Valuation			
At 1 April 2021	6,518,750	70,319	6,589,069
Additions	-	-	-
Revaluation	1,101,250	-	1,101,250
At 31 March 2022	7,620,000	70,319	7,690,319
At cost	-	70,319	70,319
At valuation	7,620,000	-	7,620,000
	7,620,000	70,319	7,690,319
Depreciation			
At 1 April 2021	-	70,319	70,319
Disposals	-	-	-
Charge for the year	-	-	-
At 31 March 2022	-	70,319	70,319
Net book value :			
At 31 March 2022	7,620,000	-	7,620,000
At 31 March 2021	6,518,750	-	6,518,750

The freehold land and buildings belonging to the Foundation were revalued at an open market value for existing use basis on 1 June 2022 by Carter Jonas, Chartered Surveyors.

10 Fixed Asset Investments

	2022 £	2021 £
Fair value :		
At 1 April 2021	2,552,020	2,101,404
Additions at cost	53,675	323,752
Disposal proceeds	(46,836)	(340,583)
Increase (decrease) in fair value	80,617	467,447
At 31 March 2022	2,639,476	2,552,020

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets including the London Stock Exchange. Holdings in common investment funds, unit trusts and open ended investment companies are at bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

KELSICK'S EDUCATIONAL FOUNDATION

Notes to the Financial Statements (continued)
For the year ended 31 March 2022

10 Fixed Asset Investments (continued)

	Cost 2022 £	Market Value 2022 £	Cost 2021 £	Market Value 2021 £
Direct Property & Property Funds				
Mayfair Capital In Prop Inc Trust	76,016	92,288	76,016	77,991
Fixed interest & fixed interest funds				
Rathbone UT MGT Ethical Bond	48,235	44,511	44,283	44,127
Royal London Ethical Bond Z	49,435	45,974	-	-
UK Govt. 8% Treasury 2021	-	-	24,635	17,826
Retail & Charity Bon 4.375% SNR 29/07/23	-	-	21,356	20,789
Places for People 4.25%	24,425	25,312	24,425	25,678
Retail Charity BON 5% NTS 12/04/26	-	-	8,125	9,273
Retail Charity Bon 4.25% SNR 06/07/2028	22,725	22,316	14,625	25,581
Retail Charity BON 4.5% BDS 30/04/25	24,307	24,867	24,307	28,240
Retail Charity BON 4.% SNR SEC 31/10/2027	26,725	27,205	26,725	23,066
Retail Charity BON 4.25% SNR 2028	24,625	25,073	22,725	25,424
Retail Charity Bon 4.25% SNR 20/06/2028	14,625	15,197	24,625	15,543
	235,102	230,455	235,831	235,547
Global Equities & Equity Funds (ex UK)				
Castlefield FS PTN B.E.S.T SUST EURP	63,396	77,372	63,396	77,485
Global Equities & Equity Funds (in UK)				
Fundrock Ptnrs Ltd - GBP acc.	73,043	83,789	72,975	81,107
First Sentier Invr Stewart Inv.	85,782	101,035	85,782	95,025
Lion Trust Fund Par Future GBL	39,120	44,929	39,120	42,502
Sarasin Fund Manag. GBL Eqty	30,095	35,785	30,095	33,507
	228,040	265,538	227,972	252,141
Multi-Asset Funds				
Castlefield FD PTN MNGD Mutli-Asset	88,763	111,633	88,763	105,451
COIF income shares	23,785	547,226	23,785	496,871
	112,548	658,859	112,548	602,322
Other assets				
Capital for Colleagues Ord 0.40	43,605	64,074	43,605	42,241
UK Equities & Equity Funds				
Castlefield FD PTN BEST Income	517,846	536,892	518,164	533,232
Castlefield FD PTN UK Smaller Cos Fund	379,378	587,477	379,378	603,316
Castlefield FD PTN UK Opportunities	45,913	126,521	45,913	127,745
	943,137	1,250,890	943,455	1,264,293
TOTAL	1,701,844	2,639,476	1,702,823	2,552,020

KELSICK'S EDUCATIONAL FOUNDATION

Notes to the Financial Statements (continued)
For the year ended 31 March 2022

11 Debtors	2022	2021
	£	£
Other debtors	8,957	25,254
Prepayments and accrued income	-	-
	8,957	25,254

12 Creditors: amounts falling due within one year	2022	2021
	£	£
Trade creditors and accruals	14,130	14,133
Other creditors	24,634	21,398
	38,764	35,531

13 Analysis of net assets between funds	General Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	10,258,976	500	10,259,476
Current assets	285,451	-	285,451
Current liabilities	(38,764)	-	(38,764)
Net assets at 31 March 2021	10,505,663	500	10,506,163

14 Restricted funds	2022	2021
	£	£
At 31 March 2022 and 31 March 2021	500	500

Lanty Brow was gifted to the Foundation by the executors of the estate of the late Mr Hymas in December 1990, under a deed of covenant which stipulated that no building was to take place on the land.

15 Unrestricted funds	2022	2021
	£	£
Balance at 1 April 2021	9,298,611	8,825,415
Incoming resources	407,536	387,390
Resources expended	(382,351)	(381,641)
Investment (losses) gains	80,617	467,447
Property revaluation gain	1,101,250	-
Balance at 31 March 2022	10,505,663	9,298,611

16 Control
There is no ultimate controlling party.