

Charity number: 801465

**CENTRAL HARDSHIP AND RELIEF TRUST**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2021**

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## CENTRAL HARDSHIP AND RELIEF TRUST

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## CENTRAL HARDSHIP AND RELIEF TRUST

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 JUNE 2021

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#### Trustees

R. H. Lynes, Principal Correspondent During the Year  
M. J. Hobbs  
T. J. Pocock  
J. S. Teissonniere  
T. W. Barter  
S. F. Rich  
C. Campbell  
K. Coldrick  
D. K. Williams

#### Charity registered number

801465

#### Principal office

Chelwood House  
Cox Lane  
Chessington  
Surrey  
KT9 1DN

#### Independent auditors

Wise & Co  
Chartered Accountants  
Statutory Auditors  
Wey Court West  
Union Road  
Farnham  
Surrey  
GU9 7PT

#### Bankers

HSBC Bank Plc  
18 High Street  
Reigate  
Surrey  
RH2 1BB

#### Solicitors

Farrer & Co  
66 Lincoln's Inn Fields  
London  
WC2A 3LH

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## CENTRAL HARDSHIP AND RELIEF TRUST

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### TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2021

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The Trustees of the Central Hardship & Relief Trust herewith issue their Report & Financial Statements for the year ended 30 June 2021. The Report and Statements comply with 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 (FRS 102) (effective 1 January 2019).

#### **Structure, governance and management**

##### **a. Constitution**

The Trust was registered on 3rd February 1989 as the Sedgehill Poverty Trust, the name being changed on 30th June 2006. It is governed by the Trust Deed dated 3rd February 1989, as amended by supplemental Deed dated 16 June 2006.

A principal object is the relief of poverty amongst the Brethren in any part of the world, including the provision of accommodation and assistance with medical expenses for those in necessitous circumstances.

The Charity has the further principal object of carrying on the Service of God.

##### **b. Methods of appointment or election of Trustees**

The Charity is run by a Board of Trustees. The Trustees are all approved by the Bible & Gospel Trust of Chelwood House, Cox Lane, Chessington, Surrey KT9 1DN. The Board will have a maximum of 15 Trustees working as a team to meet the objects of the Trust as set out in the Governing Deed.

The Trustees recognise the need for different skills and resources when recruiting new trustees including what may be required due to any additional workload. Trustees are appointed for an indefinite period and must be approved by the Bible & Gospel Trust. Support is provided for trustee training when needed.

##### **c. Organisational structure and decision-making policies**

Fortnightly Trustees' meetings are held over Zoom to ratify any requests made and to ensure charitable aims are met. Collaboration with Vision Welfare in marketing has proven very beneficial.

The day to day management of the Trust operations is delegated to the Executive Assistant, remunerated on an hourly basis for the work undertaken.

##### **d. Volunteers**

The charity is grateful for the assistance received from Elders, who provide confirmations to support grant applications based on their close knowledge of individual circumstances.

##### **e. Risk management**

The Trustees confirm that the major risks to which the charity is exposed are identified by the Trustees, and are reviewed and that procedures have been put in place to manage those risks.



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## **CENTRAL HARDSHIP AND RELIEF TRUST**

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021**

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#### **Objectives and activities**

##### **a. Policies and objectives**

The Trust's overall policies remained unchanged throughout the financial year 2020-2021.

##### **Grant making policy**

Grants are made for the relief of Poverty amongst the Brethren in any part of the world, including the provision of accommodation and in assistance with medical expenses for those in necessitous circumstances.

##### **Loan making policy**

Loans are made for the relief of Poverty amongst the Brethren in any part of the world, including the provision of accommodation and in assistance with medical expenses for those in necessitous circumstances.

##### **b. Main activities undertaken to further the Charity's purposes for the public benefit**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning the future activities. In particular the Trustees consider how planned grants, gifts and loans will contribute to the aims and objectives that they have set. The Trustees consider the current policy for grant and loan making delivers public benefit. Details of the objects which form the basis of this policy are given earlier in this report.

#### **Achievements and performance**

##### **a. Review of activities**

Throughout the year the Trust has continued to fulfil its objectives in the provision of the support of Brethren in necessitous circumstances.

Requirements in Jamaica continued. The Trust donated funds to the Jamaica Poverty Trust to support them in providing help as required in the island for general welfare, nursing care and medical assistance, mainly for the older generation, together with some assistance for accommodation. The Trust also donated funds to the Il Piccolo to assist in fulfilling its objectives in supporting persons in necessitous circumstances in Italy.

The Trust provided support for men, women and children in different parts suffering from difficult health conditions which required specialist medical treatment where the state systems were unable to assist. The Trust also assisted to relieve hardship for some cases of single mothers bringing up their families.

##### **b. Trustees**

The Trustees provided all their work, support and travel at no cost to the Trust.

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## CENTRAL HARDSHIP AND RELIEF TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

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#### Financial review

Full details of the financial affairs are set out on the pages 9 to 26. As can be seen from the SOFA, total Income and Endowments came to £937,299 for the year, all unrestricted funds (2020: £955,599 all unrestricted funds). Total Expenditure came to £1,222,009 for the year (2020: £1,205,106). This resulted in a deficit of £284,710 for the year (2020: deficit £249,507).

#### a. Going concern

After making appropriate enquiries, the trustees have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

#### b. Reserves policy

The Trustees' policy on reserves is to maintain a level of funds to cover any urgent charitable needs that may arise within the scope of the Trust Deed, based on their previous knowledge of the level of funds required. This requires funds available in a current account and reserves on notice in other accounts.

The Trust maintains a General Fund and that fund was sufficient to meet all the commitments made during the year. Payments from the fund have been made in the normal course of the charitable activities and there have been no exceptional payments. At 30th June 2021 Restricted Reserves of £118,036 (2020: £118,036) and Unrestricted Reserves of £5,790,352 (2020: £6,075,062) were held. Free Reserves (Unrestricted Reserves less Fixed Assets) at 30th June 2021 were £4,810,752 (2020: £4,644,111).

#### c. Material investments policy

The Charity generally maintains a policy of low risk investment regarding its funds, and most are held as deposits with the main UK banks.

#### . Plans for future periods

##### a. Future developments

The Trust aims to continue to fulfil its objectives. Any requests for grants or loans will be submitted to the Trust whereupon the Trustees will give them consideration in the light of (a) the Trusts aforementioned policies, (b) an application form, (c) other requests, and (d) the funds available at the time.

There are no known or future events anticipated to affect financial performance, including the ongoing impact of Covid-19.

##### . Restricted funds

The Jamaican Fund represents donations received from over the world to assist with the charitable needs in Jamaica.



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## CENTRAL HARDSHIP AND RELIEF TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

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#### . Grants disclosure

Grants were made during the year as follows:

Grants made to individuals	800,710
Jamaica Poverty Trust	44,732
Il Piccolo	17,773
	<u>863,215</u>

#### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 business.

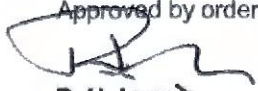
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities 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.

#### Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees on 28/04/2022 and signed on their behalf by:

  
R. H. Lynes  
Trustee

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## CENTRAL HARDSHIP AND RELIEF TRUST

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CENTRAL HARDSHIP AND RELIEF TRUST

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#### Opinion

We have audited the financial statements of Central Hardship and Relief Trust (the 'charity') for the year ended 30 June 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2021 and of its incoming resources and application of resources 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 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.



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## CENTRAL HARDSHIP AND RELIEF TRUST

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CENTRAL HARDSHIP AND RELIEF TRUST (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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.

#### Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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.

#### Auditors' 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 Auditors' 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



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## CENTRAL HARDSHIP AND RELIEF TRUST

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CENTRAL HARDSHIP AND RELIEF TRUST (CONTINUED)

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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:

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to the Charities Act 2011 and UK tax legislation.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements 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 Auditors' 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 Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

*Wise & Co.*

**Wise & Co**  
Chartered Accountants  
Statutory Auditors  
Wey Court West  
Union Road  
Farnham  
Surrey  
GU9 7PT

Date: *28/04/2022*

Wise & Co are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**CENTRAL HARDSHIP AND RELIEF TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations and legacies	4	647,972	-	647,972	804,406
Other trading activities	5	3,294	-	3,294	133,582
Investments	6	286,033	-	286,033	17,611
<b>Total income</b>		<b>937,299</b>	<b>-</b>	<b>937,299</b>	<b>955,599</b>
<b>Expenditure on:</b>					
Charitable activities	8	1,222,009	-	1,222,009	1,205,106
<b>Total expenditure</b>		<b>1,222,009</b>	<b>-</b>	<b>1,222,009</b>	<b>1,205,106</b>
<b>Net movement in funds</b>		<b>(284,710)</b>	<b>-</b>	<b>(284,710)</b>	<b>(249,507)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		6,075,062	118,036	6,193,098	6,442,605
Net movement in funds		(284,710)	-	(284,710)	(249,507)
<b>Total funds carried forward</b>		<b>5,790,352</b>	<b>118,036</b>	<b>5,908,388</b>	<b>6,193,098</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 12 to 26 form part of these financial statements.



**CENTRAL HARDSHIP AND RELIEF TRUST**

**BALANCE SHEET  
AS AT 30 JUNE 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	979,600	910,330
Investments	13	-	520,621
		<u>979,600</u>	<u>1,430,951</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	14	1,730,329	2,260,157
Debtors: amounts falling due within one year	14	753,832	1,630,769
Cash at bank and in hand		2,526,027	1,028,388
		<u>5,010,188</u>	<u>4,919,314</u>
Creditors: amounts falling due within one year	15	(81,400)	(157,167)
<b>Net current assets</b>		<u>4,928,788</u>	<u>4,762,147</u>
<b>Total assets less current liabilities</b>		<u>5,908,388</u>	<u>6,193,098</u>
<b>Total net assets</b>		<u>5,908,388</u>	<u>6,193,098</u>
<b>Charity funds</b>			
Restricted funds	16	118,036	118,036
Unrestricted funds	16	5,790,352	6,075,062
<b>Total funds</b>		<u>5,908,388</u>	<u>6,193,098</u>

The financial statements were approved and authorised for issue by the Trustees on 28/04/2022 and signed on their behalf by:



**R. H. Lynes**  
Trustee

The notes on pages 12 to 26 form part of these financial statements.

**CENTRAL HARDSHIP AND RELIEF TRUST**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	19	872,448	(302,374)
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		286,033	17,611
Proceeds from the sale of tangible fixed assets		-	233,250
Purchase of tangible fixed assets		(181,463)	-
Release of long term bank accounts held as investments		520,621	755,776
<b>Net cash provided by investing activities</b>		625,191	1,006,637
<b>Cash flows from financing activities</b>			
<b>Net cash provided by financing activities</b>		-	-
<b>Change in cash and cash equivalents in the year</b>		1,497,639	704,263
Cash and cash equivalents at the beginning of the year		1,028,388	324,125
<b>Cash and cash equivalents at the end of the year</b>	20	2,526,027	1,028,388

The notes on pages 12 to 26 form part of these financial statements

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## CENTRAL HARDSHIP AND RELIEF TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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#### 1. General information

CHART is a charity, incorporated in England and Wales. Its registered office address is Chelwood House, Cox Lane, Chessington, Surrey, KT9 1DN.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements 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 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The 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 Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Central Hardship and Relief Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 2.2 Going concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

##### 2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.



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## CENTRAL HARDSHIP AND RELIEF TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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#### 2. Accounting policies (continued)

##### 2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

##### 2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

##### 2.6 Taxation

The Charity is exempt from income tax as a registered charity on its income and gains where these fall into one of the charitable exemptions and are spent on its charitable purposes.

##### 2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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## CENTRAL HARDSHIP AND RELIEF TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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#### 2. Accounting policies (continued)

##### 2.7 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	2% straight line
Office equipment	-	20% written down value

Land is not depreciated.

##### 2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

##### 2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 2.10 Concessionary loans

Concessionary loans are made to advance the charitable purposes for the benefit of the Charity's beneficiaries. Concessionary loans repayable on demand or within one year are recognised at the amount paid and loans repayable in more than one year are recognised at the amount paid. Interest is recorded when it is received.

##### 2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.



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## CENTRAL HARDSHIP AND RELIEF TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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#### 2. Accounting policies (continued)

##### 2.13 Financial instruments

The Charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### 2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### 3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### 4. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £
Donations & gifts	638,642	638,642
Legacies	-	-
HM Revenue & Customs tax reclaimed	9,330	9,330
	<u>647,972</u>	<u>647,972</u>



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**CENTRAL HARDSHIP AND RELIEF TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

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**4. Income from donations and legacies (continued)**

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations & gifts	696,069	696,069
Legacies	96,621	96,621
HM Revenue & Customs tax reclaimed	11,716	11,716
	<u>804,406</u>	<u>804,406</u>

**5. Income from other trading activities**

**Income from fundraising events**

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Rent income	3,294	3,294

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Rent income	3,379	3,379
Profit on exchange rate fluctuations	23,149	23,149
Income from merged trusts	14,303	14,303
Other income	13,551	13,551
Profit on sale of fixed assets	79,200	79,200
	<u>133,582</u>	<u>133,582</u>

**CENTRAL HARDSHIP AND RELIEF TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
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**6. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Investment income	286,033	286,033

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment income	17,611	17,611

**7. Analysis of grants**

	<b>Grants to Institutions 2021 £</b>	<b>Grants to Individuals 2021 £</b>	<b>Total funds 2021 £</b>
Grants, Relief of Poverty	62,505	800,710	863,215

	<i>Grants to Institutions 2020 £</i>	<i>Grants to Individuals 2020 £</i>	<i>Total funds 2020 £</i>
Grants, Relief of Poverty	404,054	741,407	1,145,461

Of the total grants £NIL was made from restricted funds (2020: £223,551).

CHART have committed themselves to grant Jamaica Poverty Trust the sum of £nil (2020: £29,475) subject to agreed conditions being met by the Jamaican Poverty Trust. This is not included in the grant figures in the accounts.

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CENTRAL HARDSHIP AND RELIEF TRUST

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

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8. Analysis of expenditure by activities

	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £
Relief of Poverty	863,215	358,794	1,222,009

	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Relief of Poverty	1,145,461	59,645	1,205,106



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CENTRAL HARDSHIP AND RELIEF TRUST

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Support costs	8,912	4,840
Audit fees	9,960	11,166
Accountancy fees	5,800	5,000
Professional and Admin fees	20,206	15,673
Finance costs	274,624	786
Depreciation	20,194	22,180
Loss on disposal of fixed asset	19,098	-
	<u>358,794</u>	<u>59,645</u>

9. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>9,960</u>	<u>8,700</u>

10. Staff costs

There were no employees of the Charity during the year (2020: None).

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

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 30 June 2021, no Trustee expenses have been incurred (2020 - £NIL).

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CENTRAL HARDSHIP AND RELIEF TRUST

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

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12. Tangible fixed assets

	Freehold property £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 July 2020	1,018,000	4,091	1,022,091
Additions	181,463	-	181,463
Disposals	(115,000)	-	(115,000)
At 30 June 2021	1,084,463	4,091	1,088,554
<b>Depreciation</b>			
At 1 July 2020	108,441	3,320	111,761
Charge for the year	20,040	154	20,194
On disposals	(23,001)	-	(23,001)
At 30 June 2021	105,480	3,474	108,954
<b>Net book value</b>			
At 30 June 2021	978,983	617	979,600
At 30 June 2020	909,559	771	910,330

These are all held in unrestricted funds.

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CENTRAL HARDSHIP AND RELIEF TRUST

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

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13. Fixed asset investments

	Fixed Term Deposit at High Street Bank £
At 1 July 2020	520,621
Disposals	(520,621)
<b>Net book value</b>	
At 30 June 2021	-
At 30 June 2020	520,621

The Fixed Term Deposit is held in unrestricted funds.

14. Debtors

	2021 £	2020 £
<b>Due after more than one year</b>		
Other debtors	1,724,991	2,254,478
Loans to charitable Trusts	5,338	5,679
	<u>1,730,329</u>	<u>2,260,157</u>
	2021 £	2020 £
<b>Due within one year</b>		
Loans to charitable Trusts	329,172	1,293,627
Loans made to beneficiaries	333,396	233,996
Money due in from a legacy	-	94,838
Prepayments and accrued income	18,363	8,308
Other debtors	72,901	-
	<u>753,832</u>	<u>1,630,769</u>

These are all held in unrestricted funds.



**CENTRAL HARDSHIP AND RELIEF TRUST**

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**15. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Other loans	50,000	138,425
Accruals and deferred income	31,400	18,742
	<u>81,400</u>	<u>157,167</u>

These are all held in unrestricted funds.

**16. Statement of funds**

**Statement of funds - current year**

	Balance at 1 July 2020 £	Income £	Expenditure £	Balance at 30 June 2021 £
<b>Unrestricted funds</b>				
General Fund	6,075,062	937,299	(1,222,009)	5,790,352
	<u>6,075,062</u>	<u>937,299</u>	<u>(1,222,009)</u>	<u>5,790,352</u>
<b>Restricted funds</b>				
Jamaica	118,036	-	-	118,036
	<u>118,036</u>	<u>-</u>	<u>-</u>	<u>118,036</u>
<b>Total of funds</b>	<u>6,193,098</u>	<u>937,299</u>	<u>(1,222,009)</u>	<u>5,908,388</u>

**CENTRAL HARDSHIP AND RELIEF TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**16. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 July 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 June 2020 £</i>
<b>Unrestricted funds</b>				
General Fund	6,101,018	955,599	(981,555)	6,075,062
<b>Restricted funds</b>				
Argentina	223,551	-	(223,551)	-
Jamaica	118,036	-	-	118,036
	341,587	-	(223,551)	118,036
<b>Total of funds</b>	6,442,605	955,599	(1,205,106)	6,193,098

The Argentine Fund represents donations received from all over the world to assist with the financial plight in Argentina. Generally donations are made to charitable organisations in Argentina, with their distributions and payments being monitored by the Trustees.

The Jamaican Fund represents donations received from all over the world to assist with the charitable needs in Jamaica.

**17. Summary of funds**

**Summary of funds - current year**

	<i>Balance at 1 July 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 June 2021 £</i>
General funds	6,075,062	937,299	(1,222,009)	5,790,352
Restricted funds	118,036	-	-	118,036
	6,193,098	937,299	(1,222,009)	5,908,388



**CENTRAL HARDSHIP AND RELIEF TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**17. Summary of funds (continued)**

**Summary of funds - prior year**

	<i>Balance at 1 July 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 June 2020 £</i>
General funds	6,101,018	955,599	(981,555)	6,075,062
Restricted funds	341,587	-	(223,551)	118,036
	<u>6,442,605</u>	<u>955,599</u>	<u>(1,205,106)</u>	<u>6,193,098</u>

**18. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	979,600	-	979,600
Debtors due after more than one year	1,730,329	-	1,730,329
Current assets	3,161,823	118,036	3,279,859
Creditors due within one year	(81,400)	-	(81,400)
<b>Total</b>	<u>5,790,352</u>	<u>118,036</u>	<u>5,908,388</u>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	910,330	-	910,330
Fixed asset investments	520,621	-	520,621
Debtors due after more than one year	2,260,157	-	2,260,157
Current assets	2,541,122	118,036	2,659,158
Creditors due within one year	(157,168)	-	(157,168)
<b>Total</b>	<u>6,075,062</u>	<u>118,036</u>	<u>6,193,098</u>

**CENTRAL HARDSHIP AND RELIEF TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**19. Reconciliation of net movement in funds to net cash flow from operating activities**

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(284,710)	(249,507)
<b>Adjustments for:</b>		
Depreciation charges	20,194	22,180
Loan revaluation	(40,000)	-
Dividends, interests and rents from investments	(286,033)	(17,611)
Loss/(profit) on the sale of fixed assets	19,098	(79,200)
Decrease/(increase) in debtors	1,479,666	(212,887)
Increase/(decrease) in creditors	(35,767)	11,100
Conversion of investment to grant	-	223,551
<b>Net cash provided by/(used in) operating activities</b>	<b>872,448</b>	<b>(302,374)</b>

**20. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand	2,526,027	1,028,388
<b>Total cash and cash equivalents</b>	<b>2,526,027</b>	<b>1,028,388</b>

**21. Analysis of changes in net debt**

	At 1 July 2020 £	Cash flows £	At 30 June 2021 £
Cash at bank and in hand	1,028,388	1,497,639	2,526,027
Debt due within 1 year	(138,425)	88,425	(50,000)

**22. Contingent liabilities**

There were no contingent liabilities or commitments at the end of the year (2020: None).



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**CENTRAL HARDSHIP AND RELIEF TRUST**

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**23. Related party transactions**

Loans and grants to related parties are on the same terms as those to unconnected parties.

**24. Controlling Party**

The Charity was under the control of the Trustees during the year.