

**Report of the Trustees and
Financial Statements for the Year Ended 31st March 2022
for
Ombersley Conservation Trust**

Richards Sandy Audit Services Limited
(Statutory Auditor)
Thorneloe House
25 Barbourne Road
Worcester
WR1 1RU

Ombersley Conservation Trust

Contents of the Financial Statements for the Year Ended 31st March 2022

	Page
Report of the Trustees	1 to 4
Report of the Independent Auditors	5 to 6
Statement of Financial Activities	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Financial Statements	11 to 18
Detailed Statement of Financial Activities	19

Ombersley Conservation Trust

Report of the Trustees for the Year Ended 31st March 2022

The trustees present their report with the financial statements of the charity for the year ended 31st March 2022. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and Activities

The objects of the charity are charitable purposes generally and in particular for the public benefit of the inhabitants of the Parishes of Ombersley, Uphampton and Doverdale in the County of Worcestershire ("the Parishes") and the areas adjacent thereto. The trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to guidance on public benefit published by the Charity Commission.

The objects are:

- 1 To promote, facilitate, assist and undertake the conservation of land and buildings of beauty or historic, architectural or other interest or importance and in particular buildings of architectural or other interest or importance and lands of aesthetic, ecological or of other scientific interest or importance within the Parishes and the areas adjacent thereto;
- 2 To protect, preserve and improve the rural and visual character and the amenities of the Parishes and the areas adjacent thereto which are of beauty, historic or architectural or other interest or importance;
- 3 To provide, in the interest of social welfare, facilities for recreation or other leisure time occupation for the inhabitants of and visitors to the Parishes and the areas adjacent thereto with the purpose of improving the conditions of life to the said inhabitants and visitors; and
- 4 To protect, preserve and improve for the public benefit the Archives of the Manor of Ombersley and to promote, facilitate and assist in the provision of public access to the Archives.

The trustees have a policy of making donations to charitable concerns of benefit to the local community.

Significant activities

In furtherance of the charity's objects, the charity holds a portfolio of properties within the Parishes of Ombersley, Uphampton and Doverdale, including many Grade II listed buildings, woodlands areas and land made available to local sports clubs and the local school.

The charity ensures that these properties are well maintained, including undertaking major renovation projects.

Public benefit

The trustees confirm that they have complied with their duties in section 17(5) of the 2011 Charities Act and have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Grantmaking

The charity issues grant funding to various local charities to fund specific projects undertaken by such charities that relate to the objects of the charity. These include grants paid to local sports clubs, funding renovation projects relating to land and buildings within the Ombersley area and funding student award prizes issued by the University of Worcester.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

This year has seen a return to near normal trading conditions following the lifting of Covid-19 restrictions with income having increased by £100,000 whereas routine property repairs saw a decline of £60,000.

Last year it was reported that the pandemic had delayed the completion of the Brandons project to convert a timber framed building into 2 cottages. The works were completed in the current financial year and both properties were let to tenants with local connections.

Two other residential properties fell vacant during the year. As a result of the pandemic, demand for rental properties in village and rural locations had increased. The Trust were able to relet both properties in a timely manner and at improved rents thus minimising any void period. Both tenants have young families who in turn support the village by making use of its amenities such as the local businesses and playgroup/school.

Ombersley Conservation Trust

Report of the Trustees for the Year Ended 31st March 2022

In addition to continuing to maintain the historic and listed buildings and property through both routine and essential works, a major conservation project to one of the Trust's commercial properties commenced during the year under review to be finished in 2022/23. Terms were agreed with the long standing tenant of the Venture In for a suspension of his trading as a high class restaurant to facilitate a full refurbishment of this Grade II listed prominent village property. The trustees recognised the importance of this local business to the community and agreed terms for business interruption and a new lease on improved terms upon completion of the building works. Following a competitive tender exercise a building contract was placed with CJR Carpentry and Building. The value of the contract was just under £440,000 and will be reported in the 2022/2023 financial year with the arrangements with the tenant being accrued in the year under review.

Woodland

The Trust's policy is to preserve and maintain the woodland in its care to the best arboricultural standard because the woodlands form an important part of the Trust's heritage and landscape. Income from active management of the woodland increased to £17,857 (last year £6,266) due to the return to normal market conditions.

Fundraising activities

The charity does not engage in any fundraising activities (as defined by Section 162A of Charities Act 2011).

FINANCIAL REVIEW

Financial position

The principal funding source is rent receivable from the charity's freehold properties. The settlement deed provides that the trustees have absolute discretion regarding the investment of the charity's assets provided that this is in the furtherance of the charity's objectives.

Income from freehold properties has increased from £468,426 last year to £568,811 this year, largely attributed to the effects of the COVID-19 pandemic being higher last year compared to this year.

Total expenditure has increased from £417,271 last year to £537,908 this year, including a provision for £163,287 in regard to compensation payable to a tenant for surrender of their lease whilst a material property renovation project is undertaken. The charity also incurred additional legal and professional fees this year, partly relating to setting up the tenant surrender agreement.

Principal funding sources

The principal funding source of the charity is rent and related income generated from leasing our land and buildings is primarily owned for the furtherance of the charity's objects.

Programme Related Investment Policy

The investment policy is to invest in property in furtherance of the charitable aims that are also rented out.

The programme related investments include 621.54 ha of farmland, 83.2 ha of managed woodland and 33 houses and cottages, 21 of which are Grade II listed or above, all located within the parishes of Ombersley, Uphampton and Doverdale.

Reserves policy

The trustees' policy on reserves is to maintain sufficient funds to enable the charity's freehold properties to be maintained for the foreseeable future and for the administration of the charity to be financed for the next twelve months.

Because major building conservation projects, especially those that relate to listed buildings, require planning permission to be obtained prior to commencement of work and often take several years to complete, the trustees have not set any formal benchmark as to what levels of reserves need to be held at any one time.

The charity's reserves at 31 March 2022 (excluding freehold property, the Ombersley Archives and the related mortgages) amounted to a surplus of £1,653,700 (2021 - £1,618,434) which at current expenditure levels (excluding the £163,287 tenant settlement considered to be an exceptional item) represents over 4 years (2021 - 4 years) of expenditure.

However shortly after the year end the charity commenced work on the renovating one of its properties and this is expected to reduce reserves considerably.

Ombersley Conservation Trust

Report of the Trustees for the Year Ended 31st March 2022

FUTURE PLANS

To continue to conserve and maintain historic buildings and property to a high standard. This includes making energy saving improvements where possible.

To continue to support local charities and clubs for the public benefit of the inhabitants of Ombersley, Doverdale and district; and

To seek to explore opportunities to obtain planning permission for change of use on under-utilised land for alternative uses which will empower the trust to further its objects.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is constituted by a Deed of Trust dated 21 July 1993. The trust was established as a charitable settlement by The Right Honourable The Lord Sandys D.L. The Ombersley Archives were transferred to the trust on 21 July 1993. Freehold properties were conveyed to the trust on 25 March 1994 and 31 March 1998.

Recruitment and appointment of new trustees

The appointment of new trustees and any necessary training is undertaken by the existing Trustees.

Organisational structure

The charity uses Savills (UK) Limited as its managing agent in the renting of its land and buildings to tenants.

Savills (UK) Limited also provides advise to the trustees and other property related professional services to the charity.

Decision making

Decisions are made by the trustees after consultation with the charity's professional advisers.

Mr A T Woods, a trustee, is a consultant and provides commercial services to the trust at open market rates.

Risk Policy

The trustees regularly review the risks to which the charity might be exposed and systems or procedures have been established to manage those risks. The trustees take professional advice on all property and investment related matters.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1025044

Principal address

Vine Cottage
12 New Street
Childswickham
Broadway
WR12 7HQ

Trustees

Sir Anthony Hughes	(appointed 1 April 2021)
Richard Williams	
Andrew Woods B.Sc FOR/ECON	
John Yelland OBE FCA	(resigned 17 September 2022)

The trustees are holding trustees of all investment properties and the subsidiary.

Auditors

Richards Sandy Audit Services Limited
(Statutory Auditor)
Thorneloe House
25 Barbourne Road
Worcester
WR1 1RU

Ombersley Conservation Trust

**Report of the Trustees
for the Year Ended 31st March 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Charles Russell Speechlys LLP
Compass House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Bankers

Lloyds Bank Plc
4 The Cross
Worcester
WR1 3PY

Managing agents

Savills (UK) Limited
1 Jewry Street
Winchester
SO23 8RZ

Insurance Provider

NFU Mutual
The Coach House
Kempshott Park
Dummer
Basingstoke
Hampshire
RG25 2DB

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

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

Approved by order of the board of trustees on 13/12/2022 and signed on its behalf by:



Andrew Woods B.Sc. FORECON - Trustee

Report of the Independent Auditors to the Trustees of Ombersley Conservation Trust

Opinion

We have audited the financial statements of Ombersley Conservation Trust (the 'charity') for the year ended 31st March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (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 31st March 2022 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 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 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 Report of the Trustees 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 Statement of Trustees' Responsibilities, 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.

**Report of the Independent Auditors to the Trustees of
Ombersley Conservation Trust**

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the charity operates in and how the charity is complying with the legal and regulatory framework;
- Inquired of management, and those charged with governance, about their own identification and assessment of the risks and irregularities, including known actual, suspected or alleged instances of fraud; and
- Discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities Act 2011 (and related legislation)), and laws and regulations relating to VAT legislation, specifically partial exemption, as this is considered to be significant to the charity.

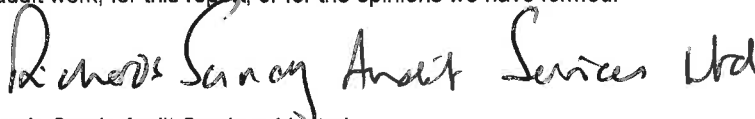
We performed audit procedures to detect non-compliances which may have a material impact on the financial statements, which included reviewing the financial statement disclosures. This includes reviewing VAT calculations for indications of material errors, including testing of the VAT treatment on a sample of sales and purchases.

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

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

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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Richards Sandy Audit Services Limited
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Date:13/12/2022.....

Ombersley Conservation Trust

Statement of Financial Activities
for the Year Ended 31st March 2022

	Notes	2022 Unrestricted fund £	2021 Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Building conservation projects		596,839	486,652
Other trading activities	3	4,229	3,208
Investment income	4	445	1,307
Total		601,513	491,167
EXPENDITURE ON			
Raising funds	6	73,929	82,600
Charitable activities			
Grants to charitable institutions	7	36,301	70,297
Building conservation projects		427,678	264,374
Total		537,908	417,271
NET INCOME		63,605	73,896
RECONCILIATION OF FUNDS			
Total funds brought forward		20,992,571	20,918,675
TOTAL FUNDS CARRIED FORWARD		21,056,176	20,992,571

The notes form part of these financial statements

Ombersley Conservation Trust

Balance Sheet
31st March 2022

	Notes	2022 Unrestricted fund £	2021 Total funds £
FIXED ASSETS			
Heritage assets	14	10,000	10,000
Programme related investments	15	<u>19,392,476</u>	<u>19,360,287</u>
		19,402,476	19,370,287
CURRENT ASSETS			
Debtors	16	59,293	51,401
Cash at bank		<u>1,885,967</u>	<u>1,674,385</u>
		1,945,260	1,725,786
CREDITORS			
Amounts falling due within one year	17	<u>(125,106)</u>	<u>(99,903)</u>
NET CURRENT ASSETS			
		<u>1,820,154</u>	<u>1,625,883</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		21,222,630	20,996,170
CREDITORS			
Amounts falling due after more than one year	18	(3,167)	(3,599)
PROVISIONS FOR LIABILITIES			
	21	<u>(163,287)</u>	<u>-</u>
NET ASSETS			
		<u>21,056,176</u>	<u>20,992,571</u>
FUNDS			
Unrestricted funds		<u>21,056,176</u>	<u>20,992,571</u>
TOTAL FUNDS			
		<u>21,056,176</u>	<u>20,992,571</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 13/12/2022 and were signed on its behalf by:



 Andrew Woods B.Sc FOR/ECON - Trustee

Ombersley Conservation Trust

**Cash Flow Statement
for the Year Ended 31st March 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>243,671</u>	<u>110,778</u>
Net cash provided by operating activities		<u>243,671</u>	<u>110,778</u>
Cash flows from investing activities			
Capitalised conservation project work		<u>(32,189)</u>	(491,990)
Interest received		<u>445</u>	<u>1,307</u>
Net cash used in investing activities		<u>(31,744)</u>	<u>(490,683)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(345)</u>	<u>(342)</u>
Net cash used in financing activities		<u>(345)</u>	<u>(342)</u>
Change in cash and cash equivalents in the reporting period		211,582	(380,247)
Cash and cash equivalents at the beginning of the reporting period		<u>1,674,385</u>	<u>2,054,632</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,885,967</u></u>	<u><u>1,674,385</u></u>

The notes form part of these financial statements

Ombersley Conservation Trust

Notes to the Cash Flow Statement
for the Year Ended 31st March 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	63,605	73,896
Adjustments for:		
Interest received	(445)	(1,307)
Increase in provisions	163,287	-
(Increase)/decrease in debtors	(7,892)	33,570
Increase in creditors	<u>25,116</u>	<u>4,619</u>
Net cash provided by operations	<u>243,671</u>	<u>110,778</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	Other non-cash changes £	At 31.3.22 £
Net cash				
Cash at bank	<u>1,674,385</u>	<u>211,582</u>		<u>1,885,967</u>
	<u>1,674,385</u>	<u>211,582</u>		<u>1,885,967</u>
Debt				
Debts falling due within 1 year	(251)	345	(432)	(338)
Debts falling due after 1 year	<u>(3,599)</u>	<u>-</u>	<u>432</u>	<u>(3,167)</u>
	<u>(3,850)</u>	<u>345</u>	<u>-</u>	<u>(3,505)</u>
Total	<u><u>1,670,535</u></u>	<u><u>211,927</u></u>	<u><u>-</u></u>	<u><u>1,882,462</u></u>

Ombersley Conservation Trust

Notes to the Financial Statements for the Year Ended 31st March 2022

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

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

EXCEPTION FROM PREPARING GROUP ACCOUNTS

The charity is exempt under Charities Act 2011 from preparing group consolidated financial statements in the basis that the charity's gross income (including any income of its sole dormant subsidiary) is below £1,000,000 for the current financial year.

TANGIBLE FIXED ASSETS

Any capital expenditure less than £1,000 is not considered for capitalisation.

PROGRAMME RELATED INVESTMENT PROPERTY

Programme Related Investment Property are measured at cost less any provisions for depreciation and impairment.

The trustees consider that the Programme Related Investment Property have an indefinite useful life and any residual value is deemed greater than historical cost. Therefore no depreciation has been provided, on the basis that any such depreciation would be immaterial to the accounts.

HERITAGE ASSETS

Ombersley Archives are measured at cost less any provisions for depreciation and impairment.

The trustees consider that the Ombersley Archives have an indefinite useful life and any residual value is deemed greater than historical cost. Therefore no depreciation has been provided, on the basis that any such depreciation would be immaterial to the accounts.

INCOME

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

Investment income is recognised for all interest-bearing instruments on an accruals basis.

Rental income is recognised in line with the periods to which such income relates, up to the extent that it is probable that such income is recoverable. Where recoverability of rental income is in doubt, such income is instead recognised on a cash basis.

Income from donations is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

EXPENDITURE

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

Resources expended on the charitable activities include the costs of maintaining and operating the charity's programme related investment properties and donations to local charities.

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

ALLOCATION AND APPORTIONMENT OF COSTS

Support costs are allocated solely to the principal charitable activity of maintenance of programme related assets,

Ombersley Conservation Trust

Notes to the Financial Statements - continued for the Year Ended 31st March 2022

1. ACCOUNTING POLICIES - continued

TAXATION

The charity is exempt from tax on its charitable activities.

FUND ACCOUNTING

All funds are unrestricted, to be used for the charity's general objects.

FINANCIAL INSTRUMENTS

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Cash at bank and in hand

Cash at bank and in hand includes both cash and cash equivalents (being short term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value).

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts, discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction cost.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Accounting estimates and judgement 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.

Programme related investment property and heritage assets are not depreciated on the basis that the trustees consider these assets to have an indefinite useful life and that residual value is deemed greater than historical cost, such that any depreciation would be immaterial to the accounts.

Significant judgement is applied in assessing whether major building conservation projects undertaken by the charity are either capitalised or expensed to the Statement of Financial Activities. Building conservation projects which involve significantly altering the intended use of buildings are capitalised, for example converting a large building into multiple smaller rentable units. Building conservation projects which only replace existing features of the building are expensed.

Legal and professional fees directly attributable to capitalised building conservation projects are included in the costs capitalised. These include legal and professional fees relating to planning permission applications prior to the commencement of work, but only when it is considered more probable than not that the building conservation projects to which they relate will go ahead.

Ombersley Conservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Wayleaves & waterline easement	3,114	3,039
Other income	147	44
Dilapidation claims	<u>968</u>	<u>125</u>
	<u>4,229</u>	<u>3,208</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Bank interest received	<u>445</u>	<u>1,307</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Rents received	568,811	468,426
Income from woodlands	17,857	6,266
Insurance recharged	<u>10,171</u>	<u>11,960</u>
	<u>596,839</u>	<u>486,652</u>

6. RAISING FUNDS

INVESTMENT MANAGEMENT COSTS

	2022	2021
	£	£
Professional management fees	60,867	70,919
Professional letting fees & associated costs	9,280	2,904
Professional admin fees	346	1,406
Woodland & tree safety management fees	<u>3,436</u>	<u>7,371</u>
	<u>73,929</u>	<u>82,600</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Grant funding of activities (see note 9) £	Support costs (see note 10) £	Totals £
Grants to charitable institutions	-	36,301	-	36,301
Building conservation projects	<u>336,550</u>	<u>-</u>	<u>91,128</u>	<u>427,678</u>
	<u>336,550</u>	<u>36,301</u>	<u>91,128</u>	<u>463,979</u>

Ombersley Conservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Rates, water, light & heat	7,528	7,387
Insurance	25,865	38,270
Property repairs	129,365	187,263
Woodland expenses	7,030	2,787
Bad debt provisions	3,475	-
Surrender of commercial property lease (see note 21)	<u>163,287</u>	-
	<u>336,550</u>	<u>235,707</u>

9. GRANTS PAYABLE

	2022	2021
	£	£
Grants to charitable institutions	<u>36,301</u>	<u>70,297</u>

The total grants paid to institutions during the year was as follows:

	2022	2021
	£	£
Ombersley Cricket Club	8,835	8,797
Ombersley & Doverdale Parish Council	1,385	21,500
Ombersley & Doverdale Tennis Club	6,000	-
Ombersley Spire & Church Appeal	10,000	40,000
St Richard's Hospice	5,000	-
University of Worcester	3,000	-
Grants under £2,000 each	<u>2,081</u>	-
	<u>36,301</u>	<u>70,297</u>

10. SUPPORT COSTS

	Finance	Governance	Totals
	£	costs	£
	£	£	£
Building conservation projects	<u>81,545</u>	<u>9,583</u>	<u>91,128</u>

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

	2022	2021
	Building	Total
	conservation	activities
	projects	£
	£	£
AMC mortgage interest	47	47
Bank charges	616	450
Legal and professional fees	80,882	17,847
Auditors' remuneration	7,540	8,305
Auditors' remuneration for non audit work	<u>2,043</u>	<u>2,018</u>
	<u>91,128</u>	<u>28,667</u>

Ombersley Conservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

11. AUDITORS' REMUNERATION

	2022	2021
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	7,540	8,305
Other non-audit services	<u>2,043</u>	<u>2,018</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2022 nor for the year ended 31st March 2021.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31st March 2022 nor for the year ended 31st March 2021.

13. STAFF COSTS

There were no staff employed by the charity for either the year ended 31st March 2022 or for the year ended 31st March 2021.

14. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1st April 2021 and 31st March 2022	<u>10,000</u>
NET BOOK VALUE	
At 31st March 2022	<u>10,000</u>
At 31st March 2021	<u>10,000</u>

The heritage assets comprise of the Ombersley archives, which are held by Worcestershire County Council on behalf of the trustees. It is one of the objectives of the charity to protect, preserve and improve the Archives of the Manor of Ombersley.

FIVE-YEAR SUMMARY OF TRANSACTIONS

	2022	2021	2020	2019	2018
	£	£	£	£	£
Cost at start of year	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Cost at the year end	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

Ombersley Conservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

15. PROGRAMME RELATED INVESTMENTS

	Property undergoing capitalised conservation work £	Land and buildings of beauty, historical or architectural importance £	Totals £
MARKET VALUE			
At 1st April 2021	359,944	19,000,343	19,360,287
Additions	<u>32,189</u>	-	<u>32,189</u>
At 31st March 2022	<u>392,133</u>	<u>19,000,343</u>	<u>19,392,476</u>
NET BOOK VALUE			
At 31st March 2022	<u>392,133</u>	<u>19,000,343</u>	<u>19,392,476</u>
At 31st March 2021	<u>359,944</u>	<u>19,000,343</u>	<u>19,360,287</u>

The trustees have used as deemed historical cost a valuation dated 31st March 2017 undertaken by Richard Williams (a trustee and qualified chartered surveyor) as the closest available historical valuation to the date of transition to FRS 102 when applying the transitional exemption on first-time adoption of FRS 102.

Land and buildings of beauty, historical or architectural interest primarily are held for the furtherance of the objects of the charity. These properties are rented out to tenants in order to raise funds to finance the conservation work.

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Rent debtors	12,764	34,577
Accrued income	13,000	-
Prepayments	<u>33,529</u>	<u>16,824</u>
	<u>59,293</u>	<u>51,401</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other loans (see note 19)	338	251
Trade creditors	18,618	25,682
VAT	6,156	450
Rent received in advance	63,254	53,053
Accrued expenses	<u>36,740</u>	<u>20,467</u>
	<u>125,106</u>	<u>99,903</u>

Rents received in advance represents both property rental income and recharged insurance costs included within income which relate to periods falling after the year end. The amount brought forward of from last year has been fully released during the current year.

Ombersley Conservation Trust

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Other loans (see note 19)	<u>3,167</u>	<u>3,599</u>

19. LOANS

An analysis of the maturity of the AMC mortgage loan (which is repayable by quarterly instalments) is given below:

	2022	2021
	£	£
Amounts falling due within one year	338	251
Amounts falling between one and five years	1,409	1,115
Amounts falling due in more than five years	<u>1,459</u>	<u>2,484</u>
	<u>3,506</u>	<u>3,850</u>

Interest is being charged on the loan at the Bank of England base rate plus 1.1%.

The AMC mortgage is secured on Park & Hyde Farm and Hadley Farm, with the book value of this property at the year end being £3,433,000 (2021 - £3,433,000).

20. LEASING AGREEMENTS

The charity is guaranteed the future rental income, based upon the terms of the tenancy agreements:

	2022	2021
	£	£
Within one year	268,687	253,332
Between one and five years	830,206	843,706
In more than five years	<u>1,071,327</u>	<u>1,271,847</u>
	<u>2,170,230</u>	<u>2,368,885</u>

21. PROVISIONS FOR LIABILITIES

	2022	2021
	£	£
Provision for lease surrender settlement	<u>163,287</u>	<u>-</u>

The charity entered into an agreement with one of its commercial tenants to temporarily vacate the premises so that essential property renovation work can be undertaken to the 15th Century timber framed building in the centre of the village. Once the renovation work has been completed the tenant is then obliged to enter into a new lease on modern terms including rent. The charity agreed to compensate the tenant for the interruption of the business, a well-known and reputable restaurant, during the period of enforced closure.

The movement on the provision in the year was as follows:

	£
As at 1st April 2021	-
Provision charged to statement of financial activities in year	<u>163,287</u>
As at 31st March 2022	<u>163,287</u>

The provision is expected to be fully settled within one year.

Work on the renovation project started after the year end. The total cost of undertaking this property renovation work is estimated by an independent Quantity Surveyor to be £440,000, in addition to the costs of the agreement with the tenant.

Ombersley Conservation Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

22. RELATED PARTIES

During the year the charity paid £4,997 (2021 - £1,075) to Andrew Woods (a trustee of the charity) in regard to woodland management advice.

23. POST BALANCE SHEET EVENTS

On 16 November 2022 the Charity Commission granted a certificate of incorporation under Part 12 of the Charities Act 2011 to provide for the trustees to become a body corporate under the name of 'The Trustees of the Ombersley Conservation Trust'.

24. SUBSIDIARIES

The charity has a wholly owned dormant subsidiary Ombersley Trading Company Limited.

The registered office of Ombersley Trading Company Limited is Thorneloe House, 25 Barbourne Road, Worcester, Worcestershire, WR1 1RU.

The net assets of Ombersley Trading Company Limited at the year end was as follows:

	2022 £	2021 £
Cash in hand	<u>3</u>	<u>3</u>
Called up share capital	<u>3</u>	<u>3</u>

25. RENT WAIVER

As a result of the Covid-19 pandemic and subsequent enforced closures, a number of commercial rents were waived in the year totalling £38,675 (2021 - £98,667).

Ombersley Conservation Trust
Detailed Statement of Financial Activities
for the Year Ended 31st March 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Other trading activities		
Wayleaves & waterline easement	3,114	3,039
Other income	147	44
Dilapidation claims	<u>968</u>	<u>125</u>
	4,229	3,208
Investment income		
Bank interest received	445	1,307
Charitable activities		
Rents received	568,811	468,426
Income from woodlands	17,857	6,266
Insurance recharged	<u>10,171</u>	<u>11,960</u>
	596,839	486,652
Total incoming resources	601,513	491,167
EXPENDITURE		
Investment management costs		
Professional management fees	60,867	70,919
Professional letting fees & associated costs	9,280	2,904
Professional admin fees	346	1,406
Woodland & tree safety management fees	<u>3,436</u>	<u>7,371</u>
	73,929	82,600
Charitable activities		
Rates, water, light & heat	7,528	7,387
Insurance	25,865	38,270
Property repairs	129,365	187,263
Woodland expenses	7,030	2,787
Bad debt provisions	3,475	-
Surrender of commercial property lease (see note 21)	163,287	-
Grants to institutions	<u>36,301</u>	<u>70,297</u>
	372,851	306,004
Support costs		
Finance		
AMC mortgage interest	47	47
Bank charges	616	450
Legal and professional fees	<u>80,882</u>	<u>17,847</u>
	81,545	18,344
Governance costs		
Auditors' remuneration	7,540	8,305
Auditors' remuneration for non-audit work	<u>2,043</u>	<u>2,018</u>
	9,583	10,323
Total resources expended	537,908	417,271
Net income	<u>63,605</u>	<u>73,896</u>

This page does not form part of the statutory financial statements